



## QuickBooks® for Contractors Newsletter

### *Vendor Bill Approvals*

**Q.** Do you know of a good method for indicating or tracking that a vendor bill is approved for payment?

**A.** Technically, the bill should be approved *before* it is input into QuickBooks; and generally indicating on the front or face of the document/purchase order/voucher/vendor invoice or whatever you happen to call it, is usually the relied upon method.

**1. Purchasing inexpensive “custom printed stamps” is probably one of the easiest ways in which to start the process.**

When ordering custom made stamps you can include lines with places for accounting to approve the document signifying that the invoice had all pertinent documentation attached, that the dollar amounts matched, and the date that the invoice was received. Be sure that there is another line or place for the owner to sign off.

**2. Another valuable stamp is one that is made for costs that are to be passed along to the customer.**

If a vendor invoice has costs that have to be passed along to the customer, purchase a stamp that says “Invoiced Customer \_\_\_\_\_”, you can then stamp the vendor bill and insert the customer name on the actual invoice and mark the Invoice as “To Be Billed” in QuickBooks.

**3. If all of the above sounds like too much work and “paper shuffling” and you fear that some vendor invoices will become lost in the process, then try this simple method.**

As vendor invoices are received, enter them into QuickBooks using the Enter Bill function. Use the memo field to indicated Purchase Order Numbers, discrepancies, and other important information; such as if it is billable to the customer. Use the “To Be Billed” function as necessary.

Generate an “Unpaid Bills Detail Report” (QuickBooks Reports Menu -> Vendors & Payables -> Unpaid Bills Detail) that has been modified to include the “memo” field. Provide this report, along with the current bank balance, and give it to the business owner. He/she will then circle bills that they wish to have paid and return the report to you. You generate the checks; give them the checks to be signed along with the report; now indicating the bank balance after you have generated the checks.

