

2017

Converting Purchase Orders to Bills in QuickBooks Online



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1 CONVERTING PURCHASE ORDERS TO BILLS

After your purchase order has been created and you are ready to create the bill, follow these steps to convert the purchase order to a bill and then to pay the bill.

1.1 OPTION 1: CONVERT YOUR PURCHASE ORDER TO A BILL



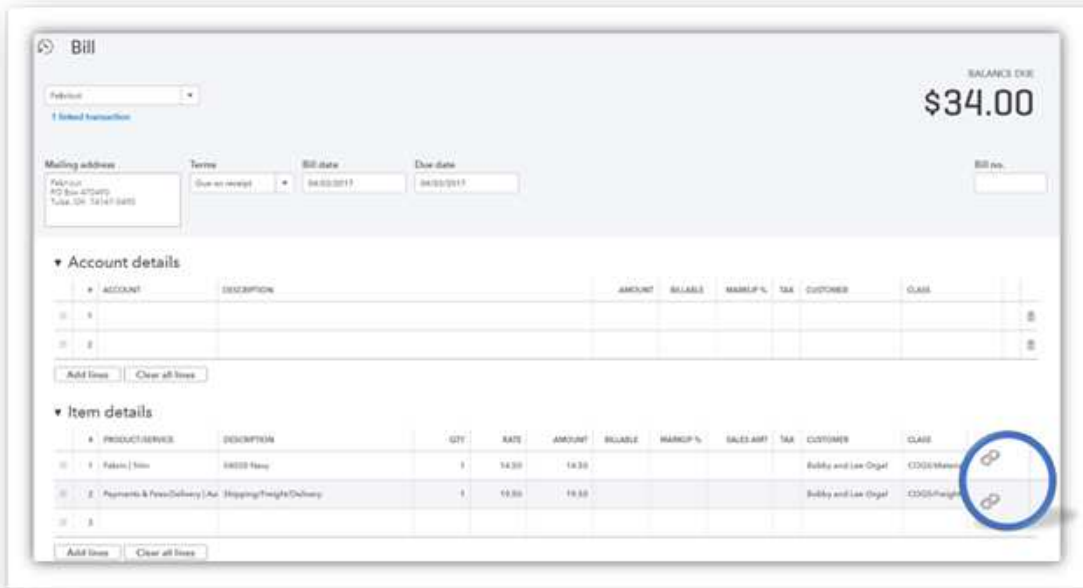
03/30/2017	Bill	407278	Fabricut	\$29.05	
03/30/2017	Bill Payment (Check)	10314	Fabricut	\$29.05	
03/29/2017	Purchase Order	PO-10031	Fabricut	\$34.00	Send ▾
03/02/2017	Bill Payment (Check)	10300	Fabricut	\$640.04	Copy to bill
03/01/2017	Bill	2102	Fabricut	\$120.44	Print
03/01/2017	Bill	2101	Fabricut	\$519.60	Copy

Pull up the Vendor name to find your list of transactions and locate the purchase order you want to change.

On the right side of the screen *click the drop-down arrow* next to the word Send

Select *Copy to Bill*



1.2 LINKED BILL CREATED



You will notice that the items have been transfer over to the bill exactly as it was on the purchase order.

The link symbol next to each of the items alerts you that a linked transaction added them

1.3 ASSIGN CUSTOMER & CLASS FOR BETTER TRACKING

QTY	RATE	AMOUNT	BILLABLE	MARKUP %	SALES AMT	TAX	CUSTOMER	CLASS	
1	14.05	14.05	✓	50%	21.08	✓	Bobby and Lee Orgel	COGS:Materials	
1	14.95	14.95					Bobby and Lee Orgel	COGS:Freight Ir	

Qty: Number of items on the bill.

Rate: The cost per unit on the bill.

Amount: Calculated from **Qty x Rate**

- Changing the Quantity and | or Amount to adjust the totals that were on the purchase order to match the billed amount.
- This is useful for modifying shipping charges or adding discounts when with terms.

Billable: Add a check mark to turn this into a billable expense

Markup: Provide the markup percentage desired

Sales Amt: This will be auto calculated based on the **Amount X Markup %**. This amount will be available the next time you create an invoice for the client.

Tax: Add a checkmark to make the item taxable

Customer: By assigning the customer name to the bill you can better track the costs per job.

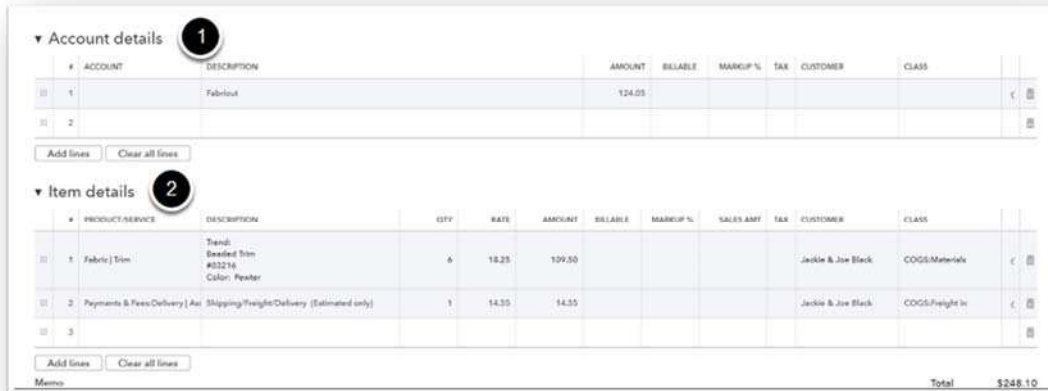
Class: We utilize the classes to offer better reporting options.

2 ADD A PURCHASE ORDER TO AN EXPENSE



If you already accepted an expense in from the banking area, they best way to clear out your existing purchase orders by linking a bill and a payment is to add the purchase order from the side pop out menu

2.1 UPDATE THE PURCHASE ORDER TOTALS TO MATCH THE CLEARED EXPENSE AMOUNT

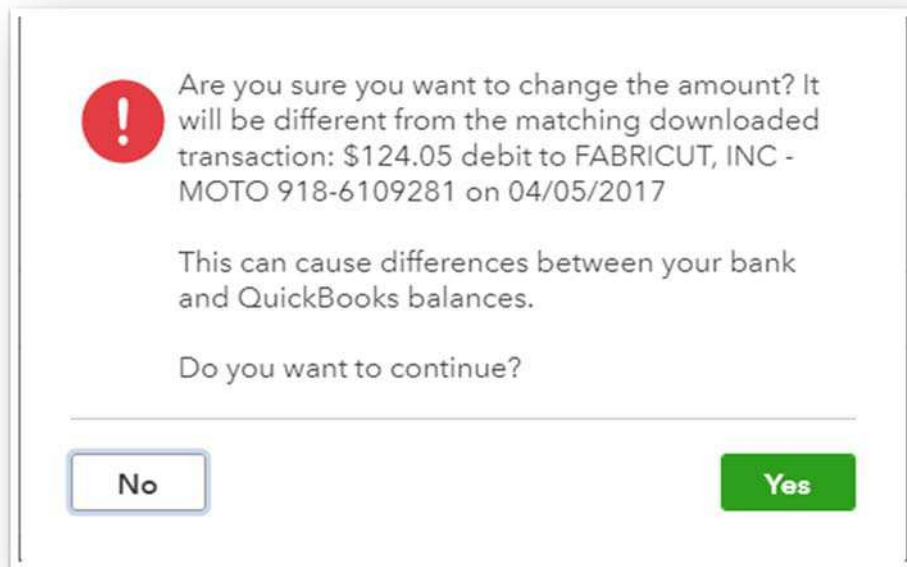


1: This is the amount that was initially on the expense transaction

2: The Item Details were populated from the transaction on the Purchase Order.

- You may need to adjust the pricing on the on the new items to make them match the bill and the cleared charge.
- When these totals match exactly you can click on the trash can in the top section and remove the account line item.

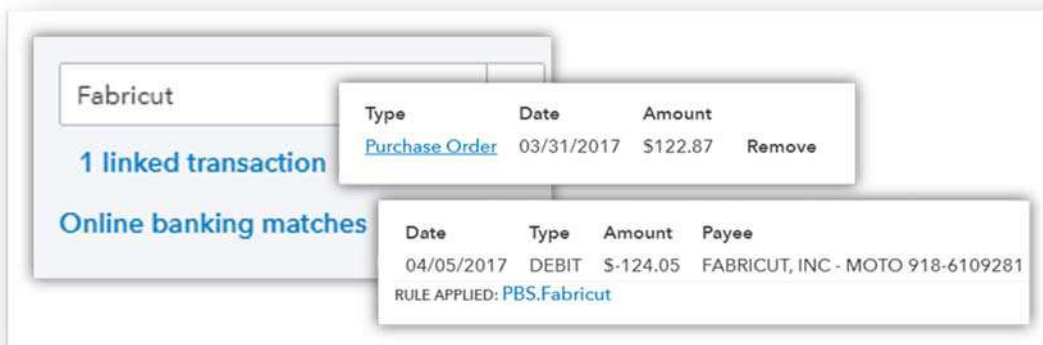
2.2 TOTAL ERROR:



If the total of your bill does not match the amount of the downloaded transaction, this error message will be displayed.

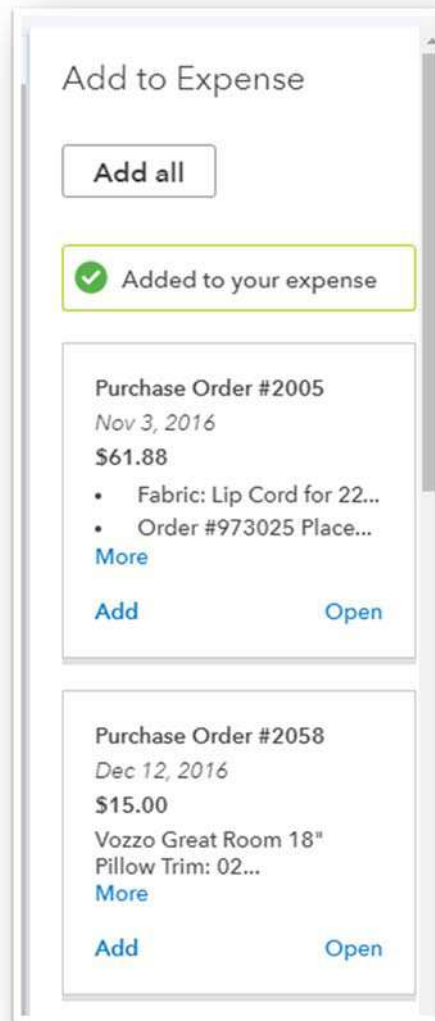
Go back to the transaction and review the totals and modify to match.

2.3 LINKED HISTORY



Now you have a complete history for the transaction from Purchase Order to the matching expense from the bank.

2.4 KEEP THE SHELF EMPTY



Best practice is to always keep the side shelf empty. If you still have items sitting in the shelf, most likely there is still more you can do with them.

2.5 REVIEWING YOUR ACTION ITEMS:

\$5,278.50	Print ▼
\$27.86	
\$15.00	Copy to bill ▼
\$180.09	
\$252.48	
\$733.13	Send ▼
\$61.88	Send ▼

Send: Purchase orders that show **Send** have not been emailed to anyone yet.

Copy to Bill: Purchase orders that show **Copy to a Bill** have been emailed but not converted to a bill.

Print: Once a Purchase Order has been converted to a bill, **Print** will be displayed.