

# Organized Accounts Receivables

## Summary

Staying organized with accounts receivables is key to a healthy business. It ensures a steady cash flow, minimizes bad debt, strengthens client relationships, saves time, and empowers better financial decisions. This process and email templates will help you achieve just that.

## Process

### Creating Invoices from Billable Time/Expenses

1. Select + New.
2. Select Invoice.
3. In the Customer ▼ dropdown menu, select the customer you created a billable expense for. This opens the Add to Invoice window.
4. Select Add on the billable expense you want to charge to your customer.
  - a. If you have multiple items to add please view this scribe to consolidate them into a single line item [How to Group Time on Invoice](#)
5. Select Save and Close.

### Creating Invoices from nothing

1. Navigate to Sales in Quickbooks then Under Invoices click Create Invoice
2. Ensure the Customer selected is correct
3. Select your terms (*When do you want this invoice to become due?*)
4. Select your invoice date
5. Select your product/service
6. Enter a description or use the populated description previously filled when you created the product
7. Enter the Quantity
8. Enter the Rate - if your product did not have a predetermined fixed rate assigned
9. Select the Sales tax you will be charging the customer if your product did not have a predetermined rate assigned
10. If you would like to add additional notes on the invoice enter them in the 'Message on Invoice' section.
11. If there are any expenses that you did not mark as billable you can attach them here
12. Click Save and Send

### Creating reminders for Outstanding Invoices

1. Customizing Invoice reminders in your QBO settings
  - a. Navigate to Settings, Account and Settings then Sales
  - b. Scroll to the Reminders section toggle On Automatic invoice reminders

- c. Set 3 reminders for example (You have already sent the invoice these are reminders to pay the invoice)
  - i. Reminder 1 - Due Date
    1. Set the Subject, email greeting and message
    2. [Email Example 1](#)
  - ii. Reminder 2 - 3 Days Past due
    1. Set the Subject, email greeting and message
    2. [Email Example 2](#)
  - iii. Reminder 3 - 10 Days Past due
    1. Set the Subject, email greeting and message
    2. [Email Example 3](#)
2. Once invoice reminders have been turned on from your settings tab these messages will be sent automatically and will require no manual work.

## Creating Recurring Invoices

Recurring invoices are a great tool to create invoices for the same amount each week, month, quarter or year that do not change.

### Creating a recurring invoice

#### Option 1

Navigate to Sales in Quickbooks then Under Invoices click Create Invoice

#### Option 2

Click on + New, under customers select Invoice

The next steps are the same regardless of how you arrive based on the above options

1. Complete your invoice as normal, enter customer name, invoice date, product/service, rate, taxes
2. In the middle of the bottom of the screen click on Make Recurring
  - a. Create a Template Name (Recommended Customer Name-Service)
  - b. Type: Scheduled
  - c. Create X Days in Advance (You Can make this as you see fit, Recommended 1 Day)
  - d. Options you can automatically send this invoice to your customers or have it created but not sent (*Print Later*)
  - e. Interval - this is where you will select Daily, Weekly, Monthly, Annually.
  - f. Assuming you are billing Monthly select the options you would like day, week and how often
  - g. Select a start date
  - h. Select an end date
  - i. Save Template

Your invoices will now be created in QBO without you remembering to create them monthly and will appear on your AR report.

## Accounts Receivable Collections

On a weekly basis you will want to run your accounts receivable list to review for accuracy, and next steps.

Some questions to ask when reviewing your accounts receivable.

1. Will this client be paying in the next month?
2. Was this invoice already paid? - Is payment applied correctly
3. Was this invoice created in error or does it need to be written off?
4. If there are many negatives (Payments Received that do not have invoices)
  - a. Is there an invoice that needs to be issued to capture the taxes collected
  - b. Is this a deposit for future work? If so a progress invoice should be issued.

Based on your answers to these questions we can determine the next steps

### Process - Running an Accounts Receivable Report

1. In Quickbooks navigate to the Reports section
2. Under Standard Reports
3. Click Accounts Receivable Aging Summary
4. As of Today, you will see the invoices in QBO that are outstanding

