Using the Time Tracking Feature in QBO (new in January 2022)

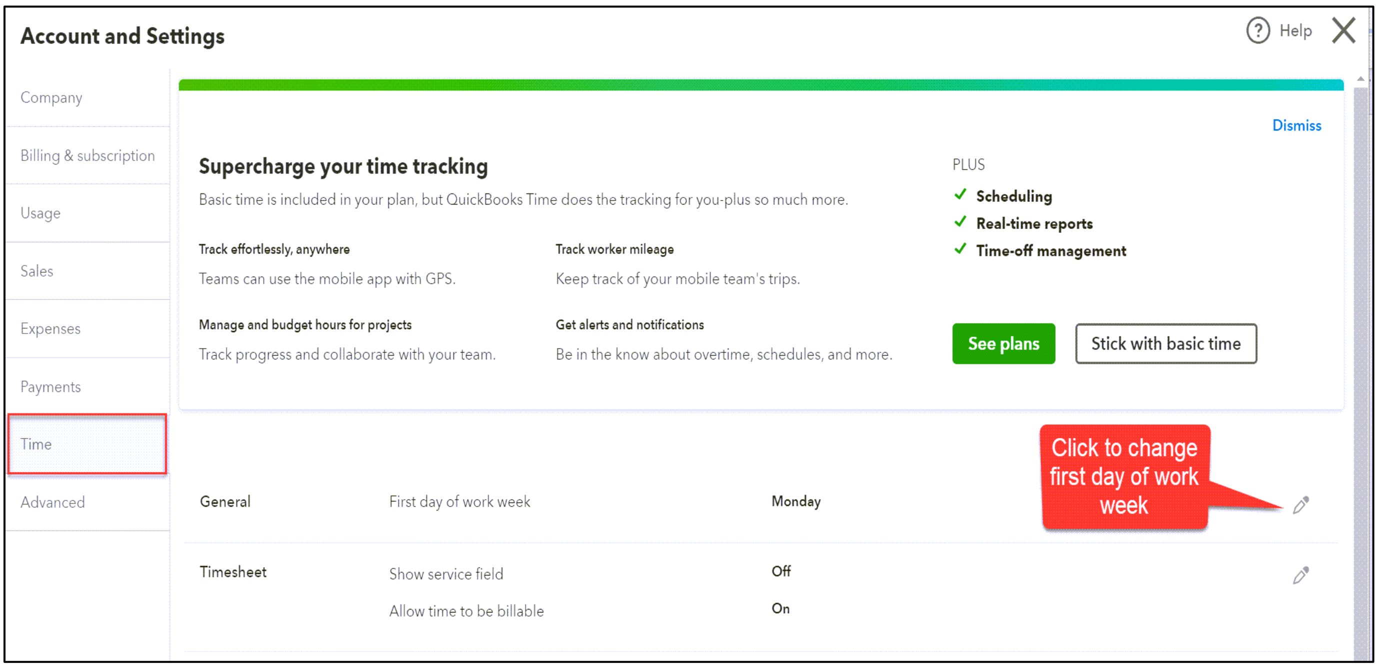
Chapter 10 (pages 10-10 through 10-15)

Setting Up Time Tracking

Certain QBO features must be activated to track hours by customer or project and identify billable hours.

Click the ⚙ on the icon bar and select **Account and Settings.**

Open the **Time** tab.

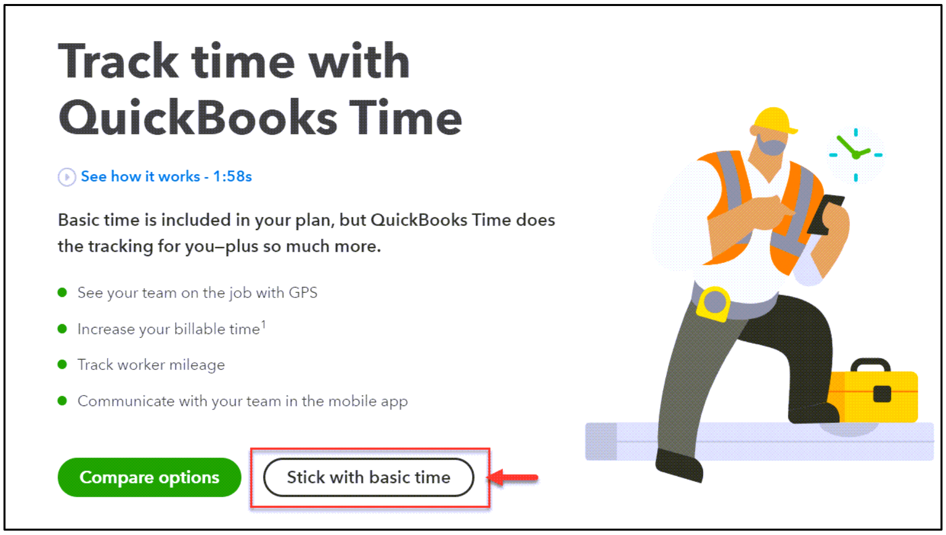


In the **General** section, the first day of the workweek is identified. The default is Monday.

Specific features related to tracking and billing time are activated in the **Timesheet** section.

To track time by **service** item, toggle **Show service field to** on. To bill customers for time, **Allow time to be billable** should be toggled on. If billing rates are private, **Show billing rates to users entering time** should not be checked.

Click **Save**.

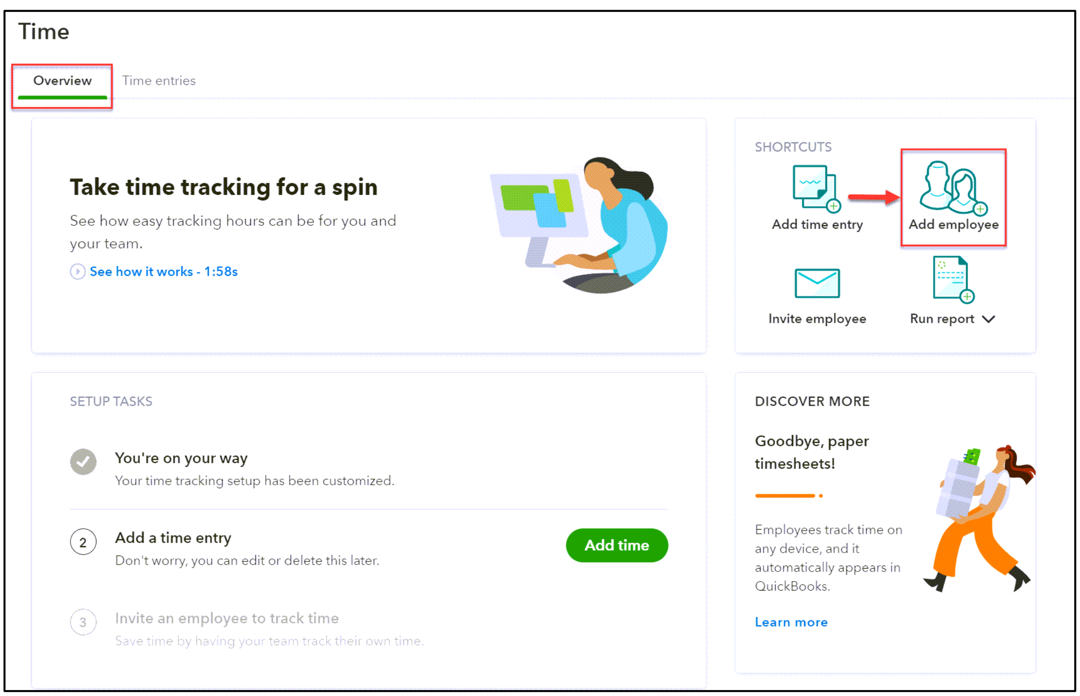


On the next screen, click **Stick with basic time**.

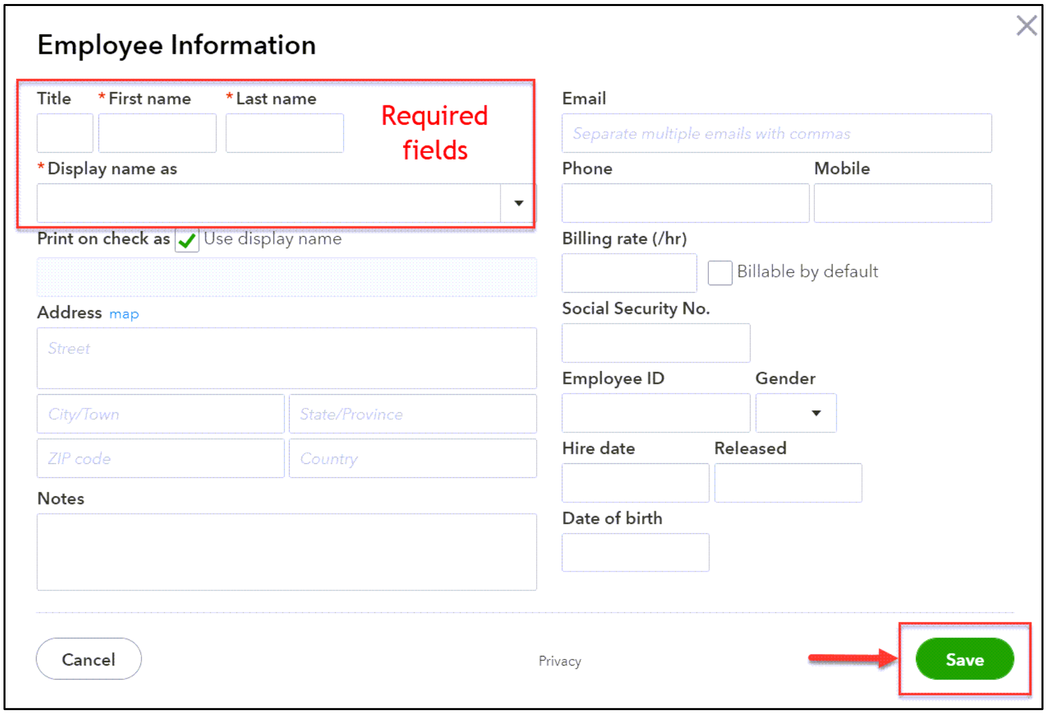
Entering Timesheet Data

In the current version of QBO, only employee hours (not contractor hours) can be entered on timesheets. You can, however, add employees to QBO without subscribing to a payroll plan. You will be adding independent contractors to QBO as "employees" in your homework company, allowing you to use the timesheet function.

Click **Time** on the navigation bar to access the Time Center.



On the **Overview** tab, click **Add employee**.

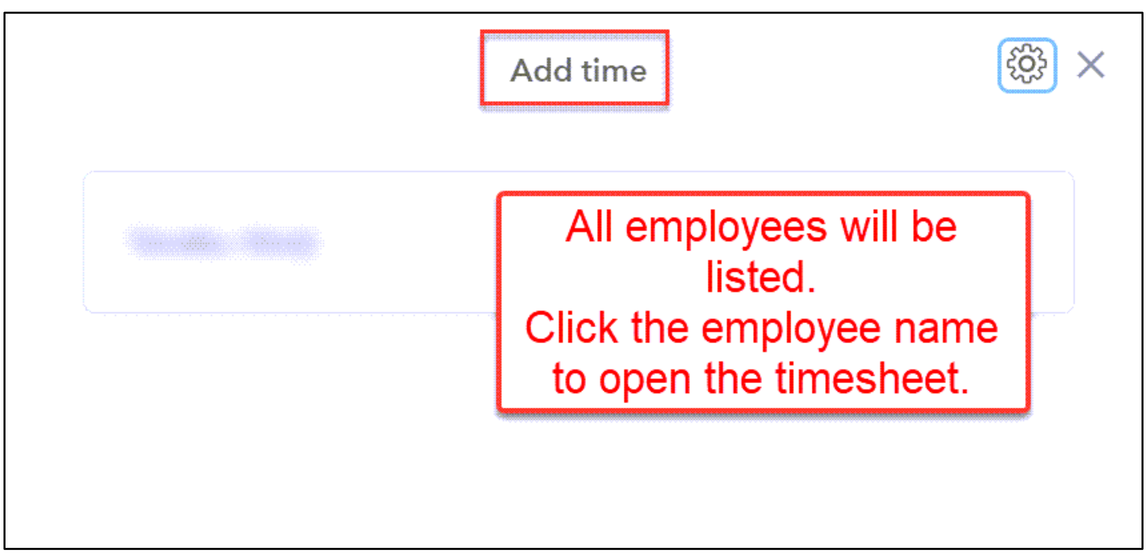


When a QBO payroll plan is not used, the only **required** fields in Employee records are names. Employee information needed to process payroll is, of course, far more extensive. That information would need to be maintained manually or in another payroll processing system.

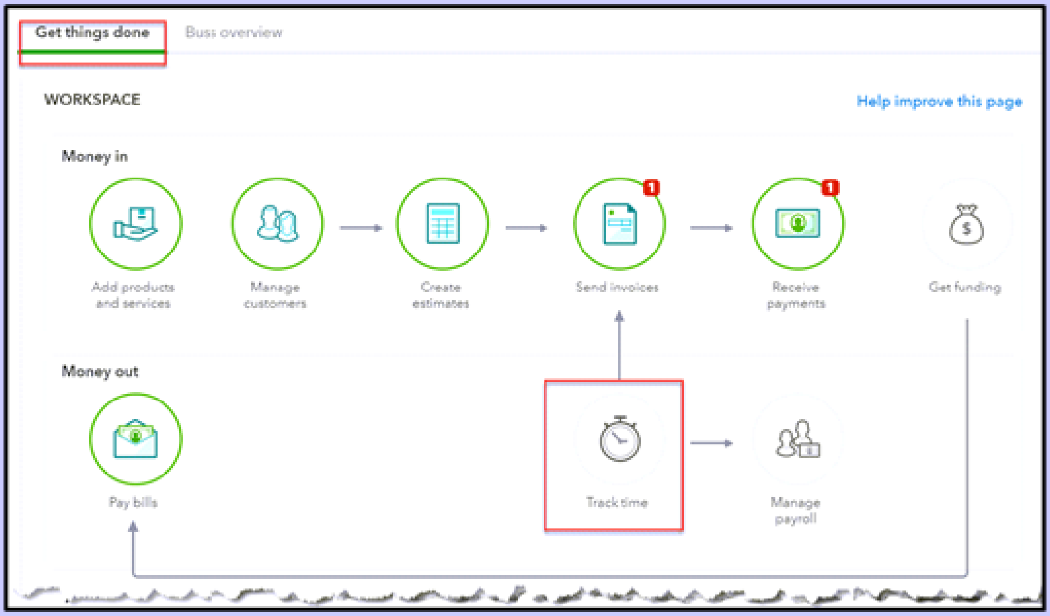
* **HINT** Setting up employees using a QBO payroll plan is covered in Chapter 12.

Once you have an employee set up, there are several ways to access a timesheet.

- Click **Add time entry** in the **SHORTCUTS** section on the **Overview** tab in the Time Center.
- Click **Add time** on the **Time entries** tab in the Time Center.

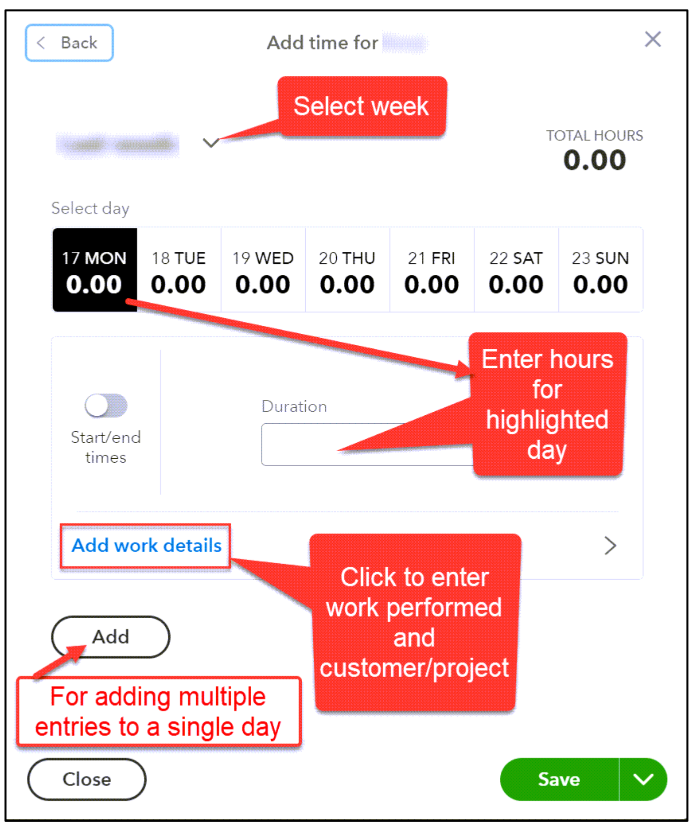


∗ **HINT** You can also access the timesheet on the **Get things done** tab of the **Dashboard.**



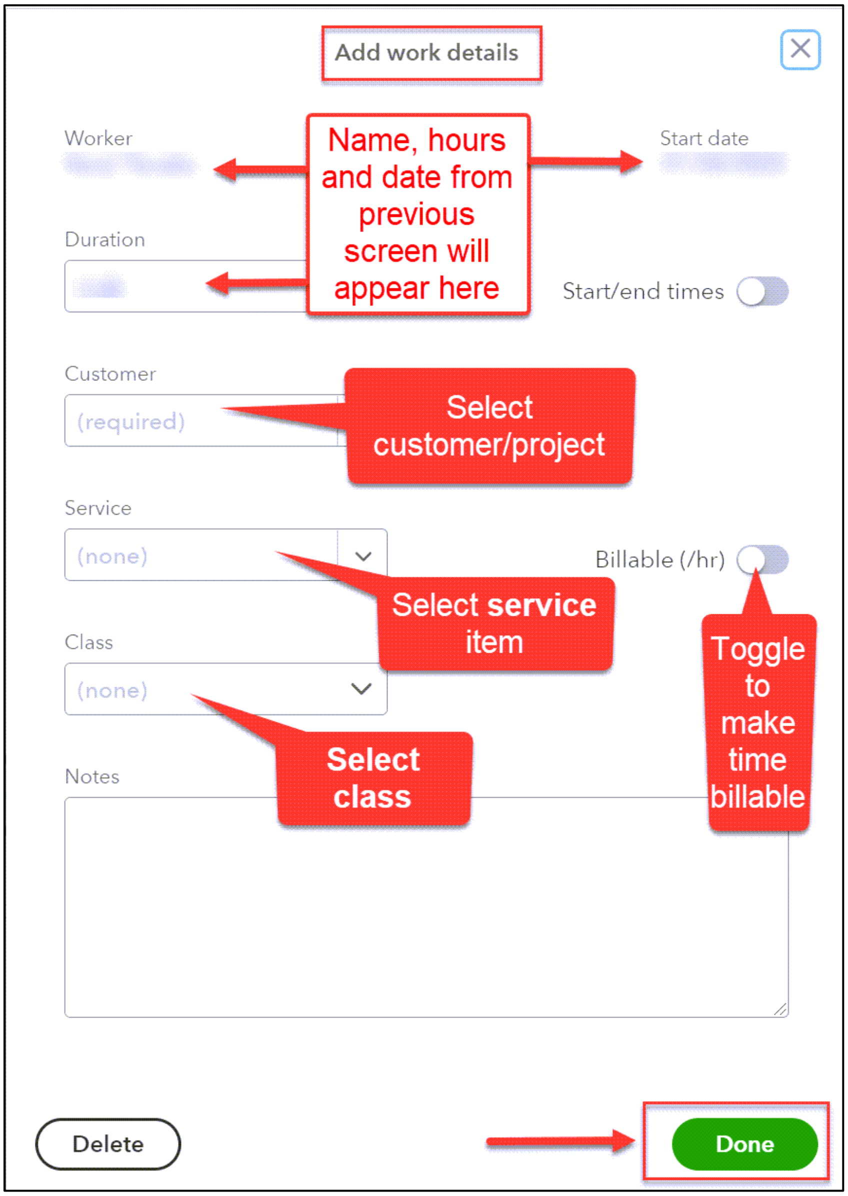
Click **Track time** and select **See time tracking**. You will be taken to the **Time entries** tab in the Time Center.

Click the name of the employee to open the spreadsheet.



Select the week and highlight a day. Enter hours worked in the **Duration** field. To add multiple entries for a single day, click **Add**. This would be necessary for companies whose employees work on various projects in a single day.

If the hours should be tracked or billed, click **Add work details**.



A customer (or project) must be selected if hours are being tracked. **Billable(/hr)** should be toggled on if the customer will be billed for the hours.

QBO automatically uses the rate associated with the item selected in the **Service** field for billing purposes. The rate can be changed by checking the **Use custom rate** box that appears when **Billable (/hr)** is actvated. A **Class** field will appear if **class** tracking has been activated.

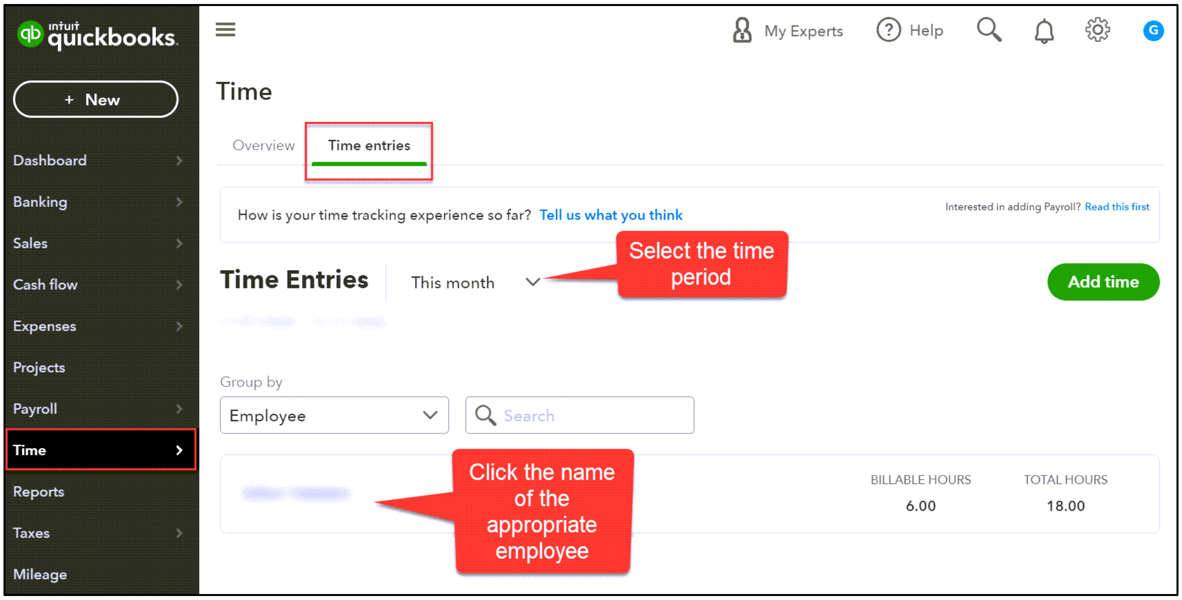
Click **Done**.

Click **Save** when all hours for the week have been entered.

Editing Timesheets

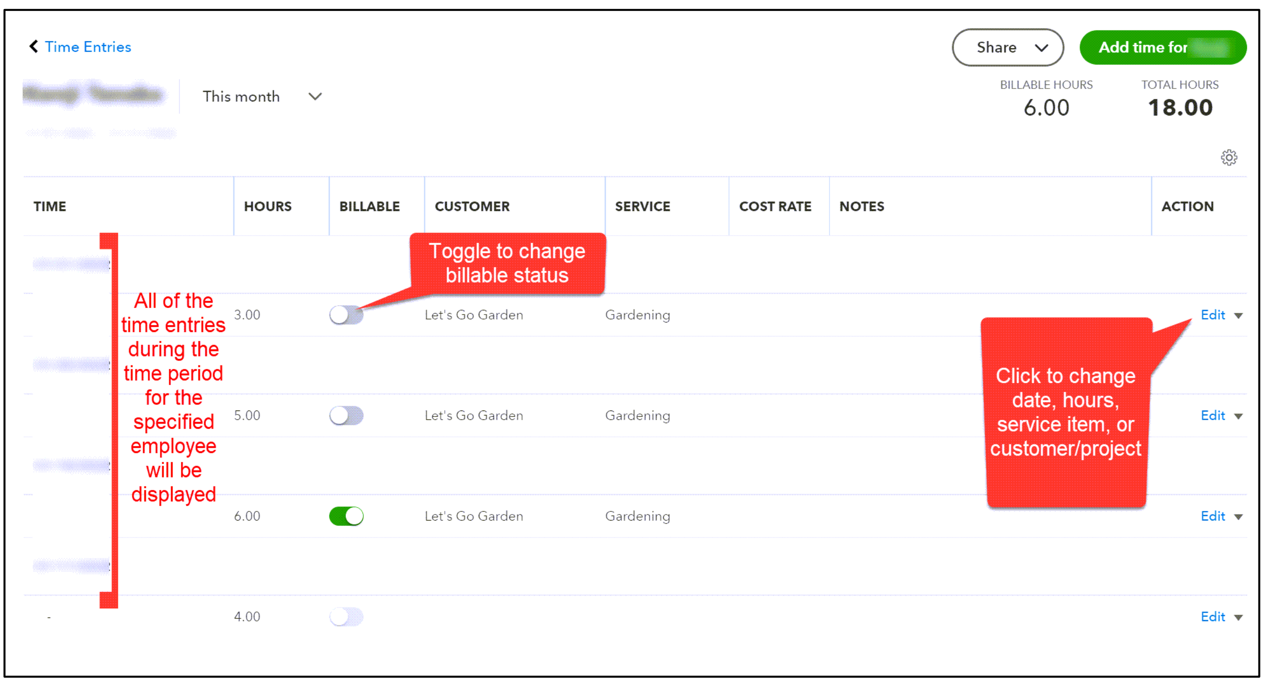
Time data can be edited by opening the timesheet and selecting the item to be changed.

Click **Time** on the navigation bar and open the **Time entries** tab



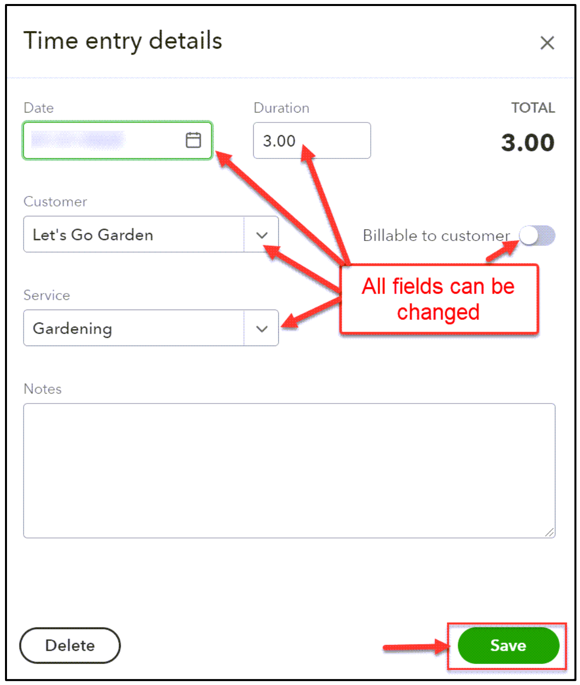
Select the time period.

Click the employee's name for whom you need to make the change.



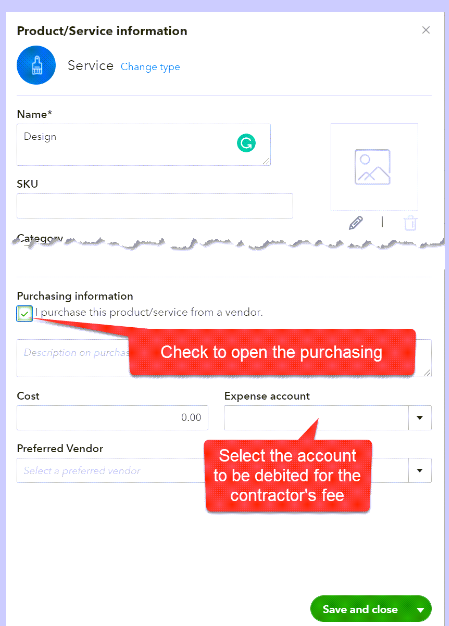
All entries for the specified employee during the identified payroll period will be displayed.

The billable status can be changed on the initial screen. Click **Edit** to change the date, number of hours, customer/project, or service item.



Notes can also be added to the **Time entry details** screen**.**

* **HINT** If independent contractors perform billable services, the account to be debited when the contractor bill is entered (or a check is created) must be identified in the **service** item record.



Check the box next to **I purchse this product/service from a vendor** to open the **Purchasing information** section of the item record. Enter the description to be displayed on purchase forms and the account to be debited when entering contractor charges. A default cost and preferred vendor can also be identified.