

# Setting up the Annual Budget

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# Setting up the Annual Budget

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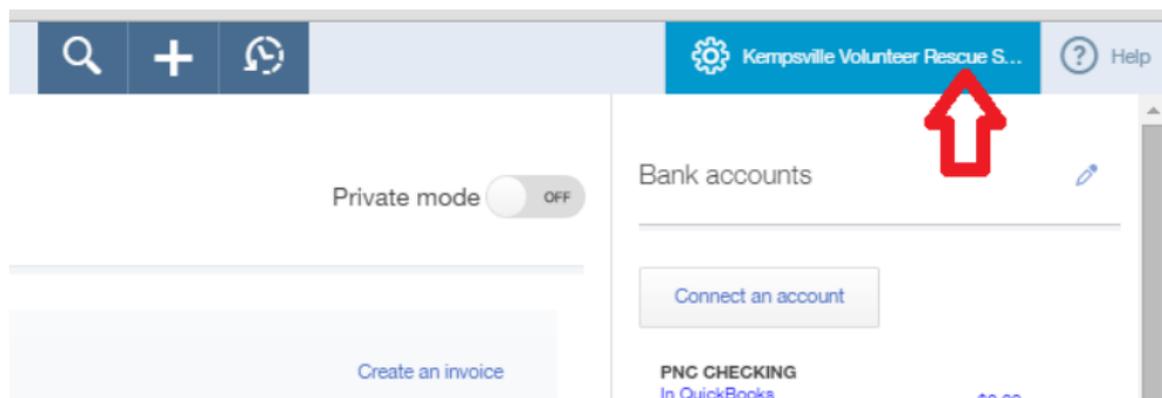
1. Setting up the Annual Budget (proper)
2. Making mid-year adjustments
3. Creating a Budget-vs-Actual Report for the current year

# Setting up the Annual Budget

- ▶ Assumes continued use of QuickBooks Online (QBO).
- ▶ Should be done each year around new fiscal year (but may be done later if timely setup was not performed).
- ▶ The QBO graphical user interface (GUI) will change over time. The screenshots in this presentation may become obsolete, but the general steps should remain the same.

# Setting up the Annual Budget

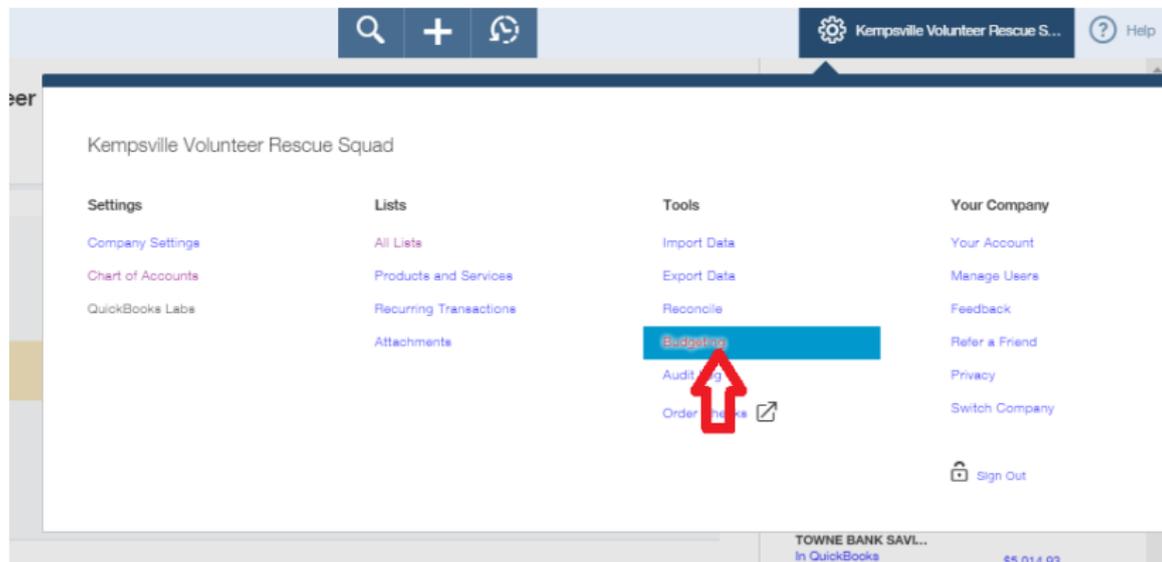
Open the “company gear menu”:



The screenshot displays the QuickBooks interface. At the top, there is a navigation bar with a search icon, a plus sign, a refresh icon, and a blue header area containing a gear icon (the company gear menu), the company name "Kempsville Volunteer Rescue S...", and a help icon. A red arrow points to the gear icon. Below the navigation bar, the main content area is split into two columns. The left column contains a "Private mode" toggle switch set to "OFF" and a "Create an invoice" button. The right column shows the "Bank accounts" section with a "Connect an account" button and a list item for "PNC CHECKING" with the text "In QuickBooks" and a balance of "en nn".

# Setting up the Annual Budget

Open the “Budgeting” feature:



The screenshot displays the QuickBooks interface for the company "Kempsville Volunteer Rescue Squad". The top navigation bar includes a search icon, a plus sign, a refresh icon, a gear icon for settings, the company name, and a help icon. The main content area is divided into four columns: "Settings", "Lists", "Tools", and "Your Company".

- Settings:** Company Settings, Chart of Accounts, QuickBooks Labs
- Lists:** All Lists, Products and Services, Recurring Transactions, Attachments
- Tools:** Import Data, Export Data, Reconcile, **Budgeting** (highlighted with a red arrow), Audit Trail, Order Status
- Your Company:** Your Account, Manage Users, Feedback, Refer a Friend, Privacy, Switch Company, Sign Out

At the bottom of the interface, there is a status bar showing "TOWNE BANK SAVL... In QuickBooks" and a balance of "\$5,014.93".

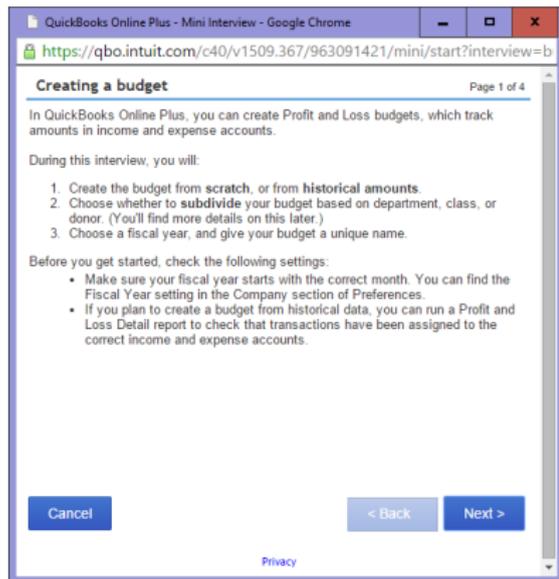
# Setting up the Annual Budget

Click the “New budget” button:



# Setting up the Annual Budget

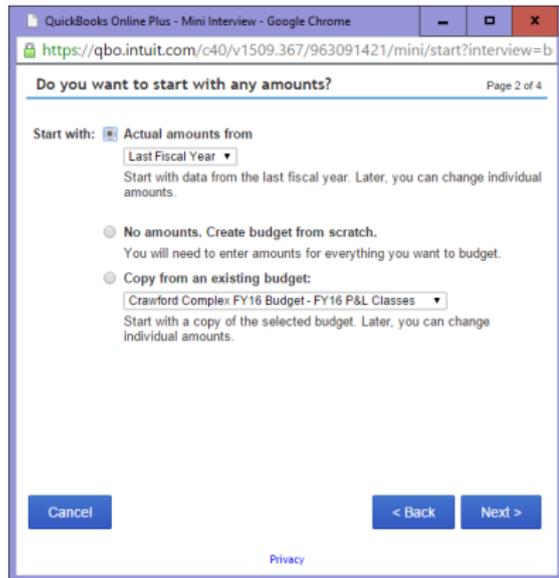
A “mini interview” wizard should start, and you should see something like this:



- ▶ If you don't see this, click the “New budget” button again.
- ▶ Otherwise, click the “Next>” button.

# Setting up the Annual Budget

Answer the next question appropriately, then click the “Next>” button:



The screenshot shows a web browser window with the title "QuickBooks Online Plus - Mini Interview - Google Chrome". The address bar contains the URL "https://qbo.intuit.com/c40/v1509.367/963091421/mini/start?interview=b". The main heading of the page is "Do you want to start with any amounts?" with a sub-heading "Page 2 of 4".

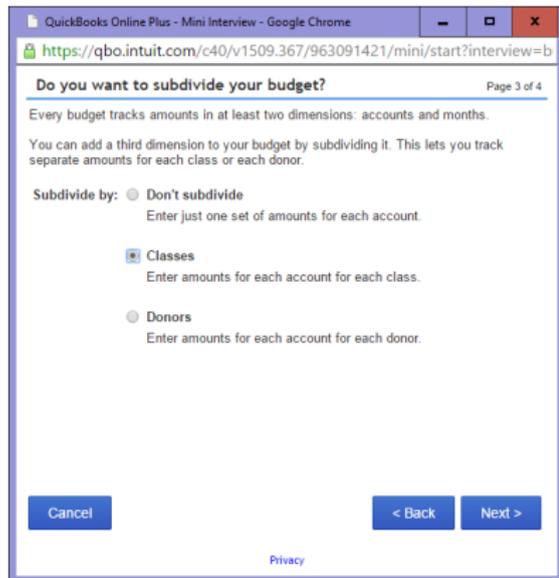
Under the heading "Start with:", there are three radio button options:

- Actual amounts from**  
Last Fiscal Year ▼  
Start with data from the last fiscal year. Later, you can change individual amounts.
- No amounts. Create budget from scratch.**  
You will need to enter amounts for everything you want to budget.
- Copy from an existing budget:**  
Crawford Complex FY16 Budget - FY16 P&L Classes ▼  
Start with a copy of the selected budget. Later, you can change individual amounts.

At the bottom of the form, there are three buttons: "Cancel", "< Back", and "Next >". A "Privacy" link is located at the bottom center of the page.

# Setting up the Annual Budget

Specify that the budget should be subdivided by Classes:



QuickBooks Online Plus - Mini Interview - Google Chrome

https://qbo.intuit.com/c40/v1509.367/963091421/mini/start?interview=b

**Do you want to subdivide your budget?** Page 3 of 4

Every budget tracks amounts in at least two dimensions: accounts and months.

You can add a third dimension to your budget by subdividing it. This lets you track separate amounts for each class or each donor.

**Subdivide by:**

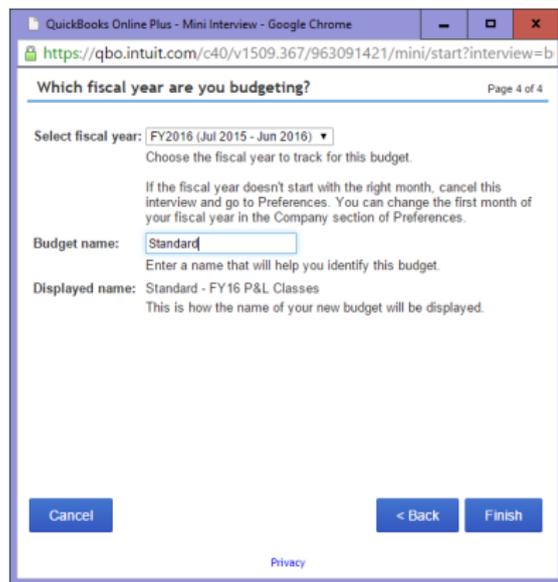
- Don't subdivide  
Enter just one set of amounts for each account.
- Classes**  
Enter amounts for each account for each class.
- Donors  
Enter amounts for each account for each donor.

[Cancel](#) [< Back](#) [Next >](#)

[Privacy](#)

# Setting up the Annual Budget

Select the fiscal year to which this budget should apply, then enter Standard as the budget name, then click the “Next>” button:



The screenshot shows a web browser window with the title "QuickBooks Online Plus - Mini Interview - Google Chrome". The address bar shows the URL "https://qbo.intuit.com/c40/v1509.367/963091421/mini/start?interview=b". The page title is "Which fiscal year are you budgeting?" and it is "Page 4 of 4".

The form contains the following fields and instructions:

- Select fiscal year:** A dropdown menu is set to "FY2016 (Jul 2015 - Jun 2016)". Below it, the text reads: "Choose the fiscal year to track for this budget. If the fiscal year doesn't start with the right month, cancel this interview and go to Preferences. You can change the first month of your fiscal year in the Company section of Preferences."
- Budget name:** A text input field contains the word "Standard". Below it, the text reads: "Enter a name that will help you identify this budget."
- Displayed name:** The text "Standard - FY16 P&L Classes" is shown. Below it, the text reads: "This is how the name of your new budget will be displayed."

At the bottom of the form, there are three buttons: "Cancel", "< Back", and "Finish". A "Privacy" link is located at the bottom center of the page.

# Setting up the Annual Budget

You should now see something like this:

Select Budget: Staridard - FY16 P&L Classes Rename Delete New Budget

Staridard - Jul 2015 through Jun 2016 Profit and Loss with Classes

Show rows as: accounts for this class: 930 Squad Truck Super...  Show Blank Rows View By: Month

Accounts	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
Income													
Billable Expense Income													
Donations													
Restricted													
Unrestricted													
Gain on sale of assets													
Grants													
Int Inc													
Invest Inc													
Markup													
Realized Gain/Loss													
Services													
Unapplied Cash Payment Income													

Edit - Billable Expense Income for 930 Squad Truck Supervisor

Enter by: Month Copy Across Clear Revert Row Total: \$

Jul:  Aug:  Sep:  Oct:  Nov:  Dec:   
Jan:  Feb:  Mar:  Apr:  May:  Jun:

Save & Next

Finished

# Setting up the Annual Budget

Near the top of this form, change the settings as follows:

1. Show rows as classes
2. for this account: INTERNAL BUDGET CREDIT\*
3. View by Year

Select Budget: Standard - FY16 P&L Classes [Rename] [Delete] [New Budget]

Standard - Jul 2015 through Jun 2016 Profit and Loss with Classes

Show rows as: **classes** for this account: **INTERNAL BUDGET C...**  Show Blank Rows View By: **Year**

Classes Total

930 Squad Truck Supervisor	
950 Captain (Captain)	
051 Executive Officer (YO)	

\*If INTERNAL BUDGET CREDIT isn't listed, you must create it as an Other Income type account in the company's Chart Of Accounts.

# Setting up the Annual Budget

Near the bottom of the same form, change the following setting:

- ▶ Enter by Year

Capital Campaign Fea...ty Study Coordinator	
Captain's Car Capital Coordinator	

Edit - 930 Squad Truck Supervisor for INTERNAL BUDGET CREDIT

Enter by **Year**

Annual:

**Finished**

# Setting up the Annual Budget

Click the name of the first “class” whose expense budget amount you want to enter. In this example, we’ll start with 950 Captain (Captain):

Classes	Total
930 Squad Truck Supervisor	
950 Captain (Captain)	
951 Executive Officer (XO)	
952 Operations (Ops)	
953 Logistics (Logistics Officer)	
960 Support Team Supervisor	
Ambulance Capital Coordinator (VP)	
Ambulance Loan Payments (TREAS)	
Annual Investment (TREAS)	
Banquet (Banquet Coordinator)	
Building & Grounds (B&G Committee)	
Capital Campaign Feasibility Study Coordinator	
Captain's Car Capital Coordinator	

Edit - 950 Captain (Captain) for INTERNAL BUDGET CREDIT

Enter by: Year

Annual:

Note that the bottom part of the form (marked Edit) has changed to match your selection.

# Setting up the Annual Budget

At the bottom part of the form, in the Annual field, enter a *negative number* indicating the amount of money this “class” is budgeted to *spend*, then click the “Save & Next” button:

Edit - 950 Captain (Captain) for INTERNAL BUDGET CREDIT

Enter by: Year    Row Total: \$

Annual:



# Setting up the Annual Budget

Notice that your entry has been recorded in the main part of the form:

Classes	Total
930 Squad Truck Supervisor	
950 Captain (Captain)	-4,895
951 Executive Officer (XO)	
952 Operations (Ops)	
953 Logistics (Logistics Officer)	
960 Support Team Supervisor	
Ambulance Capital Coordinator (VP)	
Ambulance Loan Payments (TREAS)	
Annual Investment (TREAS)	
Banquet (Banquet Coordinator)	
Building & Grounds (B&G Committee)	
Capital Campaign Fea...ty Study Coordinator	
Captain's Car Capital Coordinator	

Edit - 951 Executive Officer (XO) for INTERNAL BUDGET CREDIT

Enter by: Year ▾

Copy Across

Clear

Revert

Row Total: \$

Annual:

Save & Next

# Setting up the Annual Budget

On the main part of the form, make sure the next “class” (whose expense budget you want to enter) is selected (by clicking it if necessary). At the bottom part of the form, in the Annual field, enter *a negative number* indicating the amount of money this “class” is budgeted to *spend*, then click the “Save & Next” button. REPEAT this process for every class whose expense budget you want to enter:

Classes	Total
Treasurer (TREAS)	-510
Uniforms (Uniform Coordinator)	
ZZZ - Asset Sales Income	
ZZZ - Combined Federal Campaign Income	
ZZZ - Interest & Dividend Income	
ZZZ - Loan Income	
ZZZ - Love Letter Income	
ZZZ - Restricted Donation Income	
ZZZ - RSAF Grant Income	
ZZZ - Small Cap Grant Income	
ZZZ - Unrestricted Donation Income	
ZZZ - VSEDEMS Income	
Total	

Edt: Uniforms (Uniform Coordinator) for INTERNAL BUDGET CREDIT

Enter by: Year Copy Across Clear Revert Row Total: \$ -12,000

Annual: -12,000 Save & Next

# Setting up the Annual Budget

For *income* classes, perform the exact same process, but enter *positive numbers* to indicating the amount of money this “class” is budgeted to *receive*:

Classes	Total
Treasurer (TREAS)	-510
Uniforms (Uniform Coordinator)	-12,000
ZZZ - Asset sales income	30,000
ZZZ - Combined Federal Campaign income	10,000
ZZZ - Interest & Dividend Income	250



# Setting up the Annual Budget

When done entering the budget amounts for all classes, click the Finish button:

Standard - Jul 2015 through Jun 2016 Profit and Loss with Classes

Show rows as: classes for this account: INTERNAL BUDGET C...  Show Blank Rows View By: Year

Classes	Total
President (PRES)	-1,400
Recruitment/Retentio...am (RRP Coordinator)	-2,980
Supplies (Supply Sergeant)	-30,000
Training (Training Sergeant)	-2,380
Treasurer (TREAS)	-510
Uniforms (Uniform Coordinator)	-12,000
ZZZ - Asset sales income	25,000
ZZZ - Combined Federal Campaign income	1,000
ZZZ - Interest & Dividend Income	12
ZZZ - Love Letter Income	7,800
ZZZ - Unrestricted Donation Income	198,000
ZZZ - VBDEMS Income	4,000
Total	

Edit - ZZZ - VBDEMS Income for INTERNAL BUDGET CREDIT

Enter by: Year    Row Total: \$ 4,000

Annual:



# Making mid-year adjustments

To make mid-year adjustments, go back into the Budgeting feature, select a class to adjust, enter the new value in the Annual field near the bottom of the form, then click either the “Save & Next” or “Finished” button. Be sure to enter *negative numbers for expense budgets* and *positive numbers for income budgets*:

Oxygen	-5,004
President (PRES)	1,000
Recruitment/Retentio...am (RRP Coordinator)	3,980
Supplies (Supply Sergeant)	-30,000
Training (Training Sergeant)	-2,380
Treasurer (TREAS)	-510
Uniforms (Uniform Coordinator)	-12,000
ZZZ - Asset sales income	25,000
ZZZ - Combined Federal Campaign income	1,000

Edit - Oxygen for INTERNAL BUDGET CREDIT

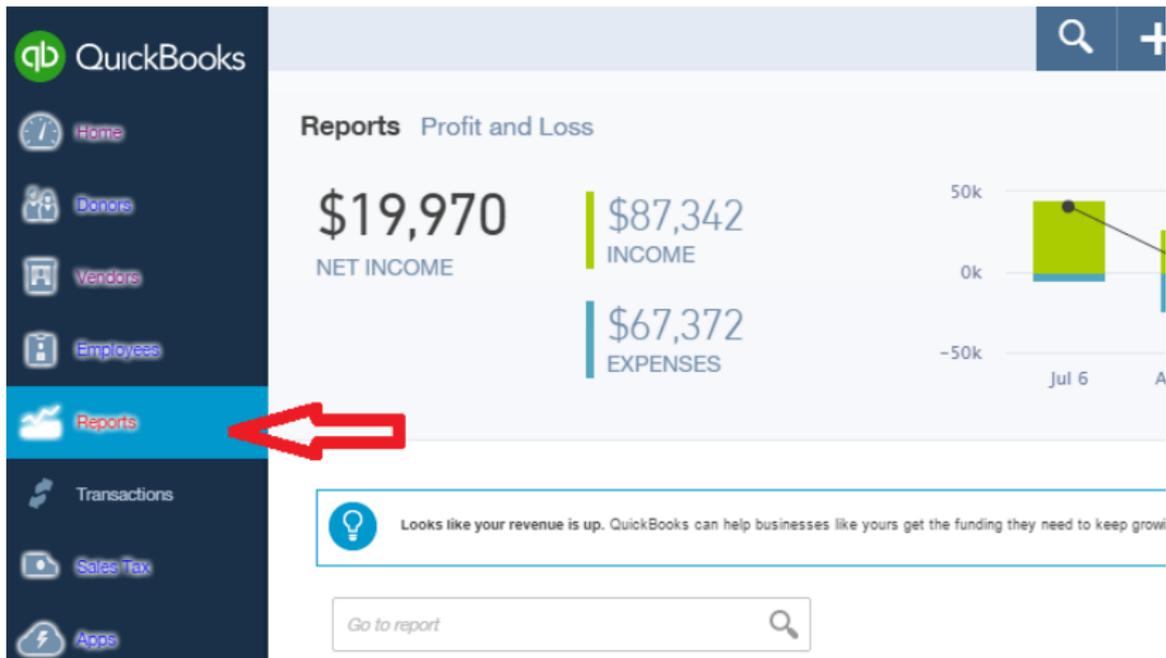
Enter by:     Row Total: \$ -5,004

OR

# Creating a Budget-vs-Actual Report for the current year

This must be done once each year.

To run a report showing how actual income & expenses compare to budgeted amounts, select the Reports page:



The screenshot displays the QuickBooks interface. On the left is a dark blue navigation sidebar with the QuickBooks logo at the top. Below the logo are several menu items: Home, Deposits, Vendors, Employees, Reports (highlighted in light blue with a red arrow pointing to it), Transactions, Sales Tax, and Apps. The main content area is titled "Reports Profit and Loss". It features a summary of financial data:

<b>\$19,970</b> NET INCOME	<b>\$87,342</b> INCOME
	<b>\$67,372</b> EXPENSES

To the right of this summary is a bar chart showing a green bar for income and a blue bar for expenses. The y-axis ranges from -50k to 50k. The x-axis shows dates: Jul 6 and A. Below the chart is a notification banner with a lightbulb icon: "Looks like your revenue is up. QuickBooks can help businesses like yours get the funding they need to keep growi". At the bottom of the main area is a search bar with the placeholder text "Go to report" and a magnifying glass icon. The bottom right corner of the image shows standard navigation icons.

# Creating a Budget-vs-Actual Report for the current year

Select the Budget vs. Actuals report. (The link to this report may be found under the Recommended heading, under the All / Business Overview headings, or possibly elsewhere. You may also be able to type “Budget” in the Go to report search box to find it.)

Go to report

**Recommended**   Frequently Run   My Custom Reports   Management Reports   All Reports

### Recommended Reports

Profit & Loss	
	Total
Sales	601.00
Commission	601.00
Subscriptions	601.00
Total Commission	601.00
Net Income	15,000.00

**Profit and Loss**  
Shows money you earned (income) and money you spent (expenses) so you can see how profitable you are. Also called an income statement.  
[Run](#) | [Customize](#)

Balance Sheet	
	Total
Net Assets	1000
Current Assets	1000
Checking	1000
Banking	100
Money Market	900
Fixed Asset	1000
Total Bank Accounts	1000

**Balance Sheet**  
Lists what you own (assets), what what you've invested in your comp.  
[Run](#) | [Customize](#)

**Company Snapshot**  
Displays your income and expenses in year-over-year comparisons using pie charts and bar graphs.  
[Run](#)

Budget vs. Actuals	
Actuals Date	Monthspan
Any's 8th Birthday	10/01/2011
Total for Any's 8th Birthday	

**Budget vs. Actuals**  
Compares your budgeted income amounts so you can tell whether you  
[Run](#) | [Customize](#)

A/R Aging Summary	
Current	Total

**A/R Aging Summary**  
Shows unpaid invoices for the current period and for the last 30

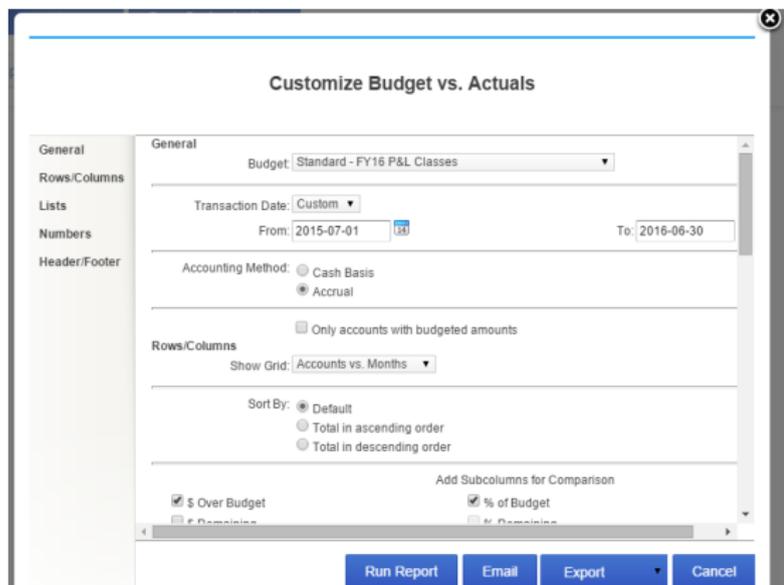
Expenses by Vendor Summary	
Current	Total

**Expenses by Vendor Summ**  
This report shows your total expense

Navigation icons: back, forward, search, refresh, etc.

# Creating a Budget-vs-Actual Report for the current year

You should see something like the following. If you do not, click the “Customize” button:



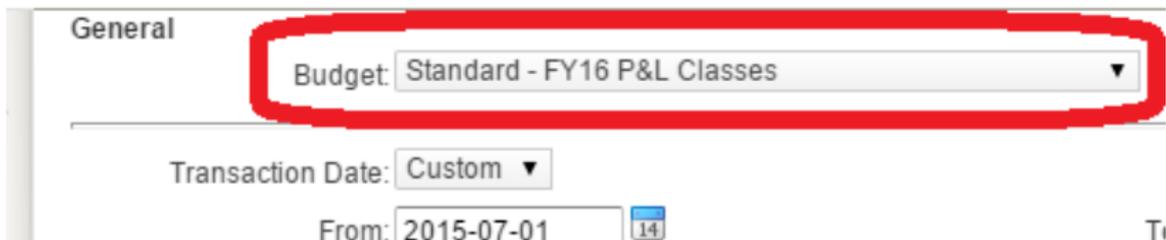
The screenshot shows a software window titled "Customize Budget vs. Actuals". On the left is a sidebar with menu items: "General", "Rows/Columns", "Lists", "Numbers", and "Header/Footer". The main area is titled "General" and contains the following settings:

- Budget: Standard - FY16 P&L Classes
- Transaction Date: Custom
- From: 2015-07-01
- To: 2016-06-30
- Accounting Method:  Cash Basis,  Accrual
- Only accounts with budgeted amounts
- Rows/Columns: Show Grid: Accounts vs. Months
- Sort By:  Default,  Total in ascending order,  Total in descending order
- Add Subcolumns for Comparison:  \$ Over Budget,  % of Budget,  % Compline

At the bottom of the window are four buttons: "Run Report", "Email", "Export", and "Cancel".

# Creating a Budget-vs-Actual Report for the current year

Make sure the appropriate (current year) budget is selected:



General

Budget: Standard - FY16 P&L Classes ▼

Transaction Date: Custom ▼

From: 2015-07-01 

To: 

## Creating a Budget-vs-Actual Report for the current year

In the Rows/Columns section, for the Show Grid field, select Classes vs. Total:

er

Accounting Method:  Cash Basis  
 Accrual

---

Only accounts with budgeted amounts

Rows/Columns

Show Grid: **Classes vs. Total** ▼

---

Sort By:  Default

# Creating a Budget-vs-Actual Report for the current year

Although not strictly required, the following settings are recommended in the Add Subcolumns for Comparison area:

---

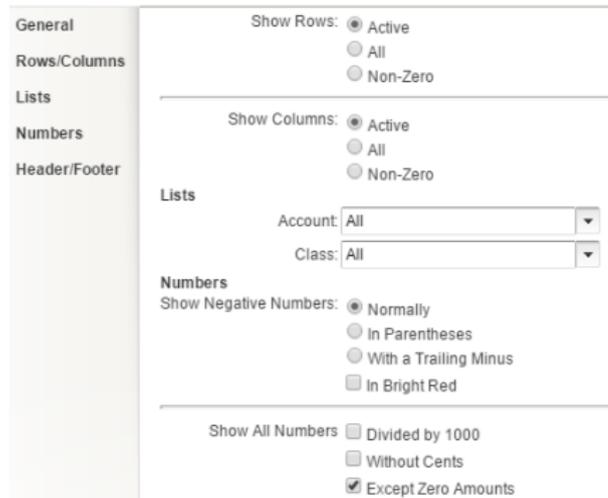
Add Subcolumns for Comparison

<input type="checkbox"/> \$ Over Budget	<input checked="" type="checkbox"/> % of Budget
<input checked="" type="checkbox"/> \$ Remaining	<input type="checkbox"/> % Remaining

---

# Creating a Budget-vs-Actual Report for the current year

As time goes by, it may be valuable to change other report settings. You don't have to decide about these now:



The image shows a settings dialog box for a report. On the left is a vertical sidebar with the following menu items: General, Rows/Columns, Lists, Numbers, and Header/Footer. The main area of the dialog is divided into sections by horizontal lines. The first section is titled 'Show Rows:' and contains three radio buttons: 'Active' (selected), 'All', and 'Non-Zero'. The second section is titled 'Show Columns:' and also contains three radio buttons: 'Active' (selected), 'All', and 'Non-Zero'. The third section is titled 'Lists' and contains two dropdown menus: 'Account:' with 'All' selected and 'Class:' with 'All' selected. The fourth section is titled 'Numbers' and contains the label 'Show Negative Numbers:' followed by four radio buttons: 'Normally' (selected), 'In Parentheses', 'With a Trailing Minus', and 'In Bright Red'. The fifth section is titled 'Show All Numbers' and contains three checkboxes: 'Divided by 1000' (unchecked), 'Without Cents' (unchecked), and 'Except Zero Amounts' (checked).

# Creating a Budget-vs-Actual Report for the current year

Click the Run Report button:



# Creating a Budget-vs-Actual Report for the current year

Click the Save Customizations button:



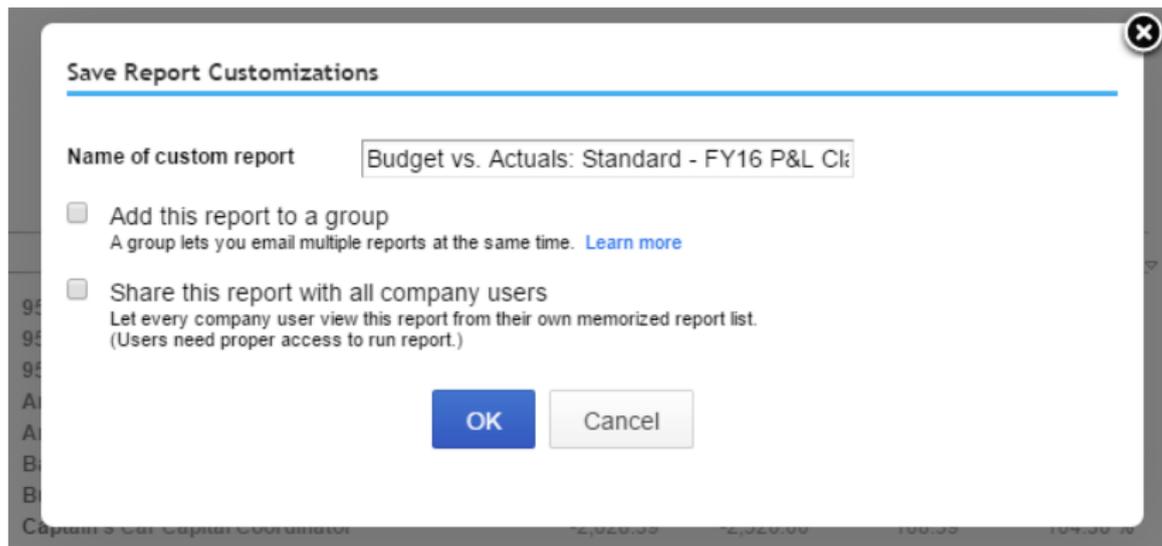
apse

## Kempsville Volunteer Rescue Squad BUDGET VS. ACTUALS: STANDARD - FY16 P&L CLASSES July 2015 - June 2016

	TOTAL			
	ACTUAL	BUDGET	REMAINING	% OF BUDGET
950 Captain (Captain)	-675.52	-4,895.00	-4,219.48	13.80 %
951 Executive Officer (XO)	-410.49	-408.00	2.49	100.61 %
953 Logistics (Logistics Officer)	-20,326.07	-16,320.00	4,006.07	124.55 %
Ambulance Loan Payments (TREAS)	-28,400.00	-40,400.00	-12,000.00	70.30 %
Annual Investment (TREAS)		-49,403.00	-49,403.00	
Banquet (Banquet Coordinator)	-1,542.57	-11,200.00	-9,657.43	13.77 %
Building & Grounds (B&G Committee)	-88.35	-3,350.00	-3,261.65	2.64 %
Captain's Car Capital Coordinator	-2,628.39	-2,520.00	108.39	104.30 %
Equipment		-3,300.00	-3,300.00	
Field Communications Coordinator (950)	-1,040.00	-3,360.00	-2,320.00	30.95 %

# Creating a Budget-vs-Actual report for the current year

You should see something like this:



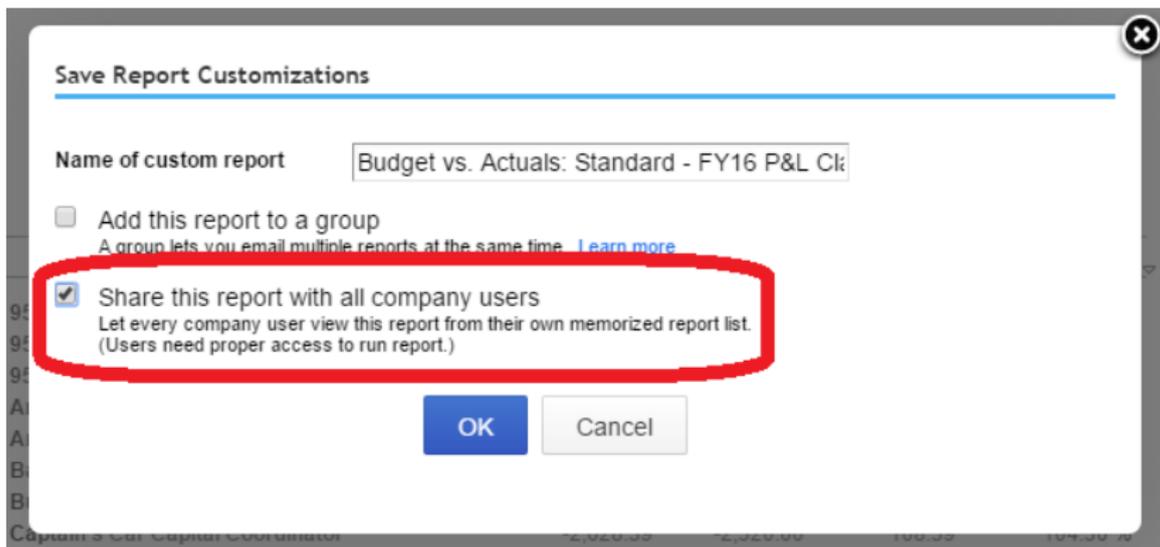
The screenshot shows a dialog box titled "Save Report Customizations" with a close button in the top right corner. The dialog contains the following elements:

- Name of custom report:** A text input field containing "Budget vs. Actuals: Standard - FY16 P&L Clk".
- Add this report to a group**  
A group lets you email multiple reports at the same time. [Learn more](#)
- Share this report with all company users**  
Let every company user view this report from their own memorized report list.  
(Users need proper access to run report.)

At the bottom of the dialog are two buttons: "OK" (highlighted in blue) and "Cancel".

# Creating a Budget-vs-Actual report for the current year

Check the Share box:



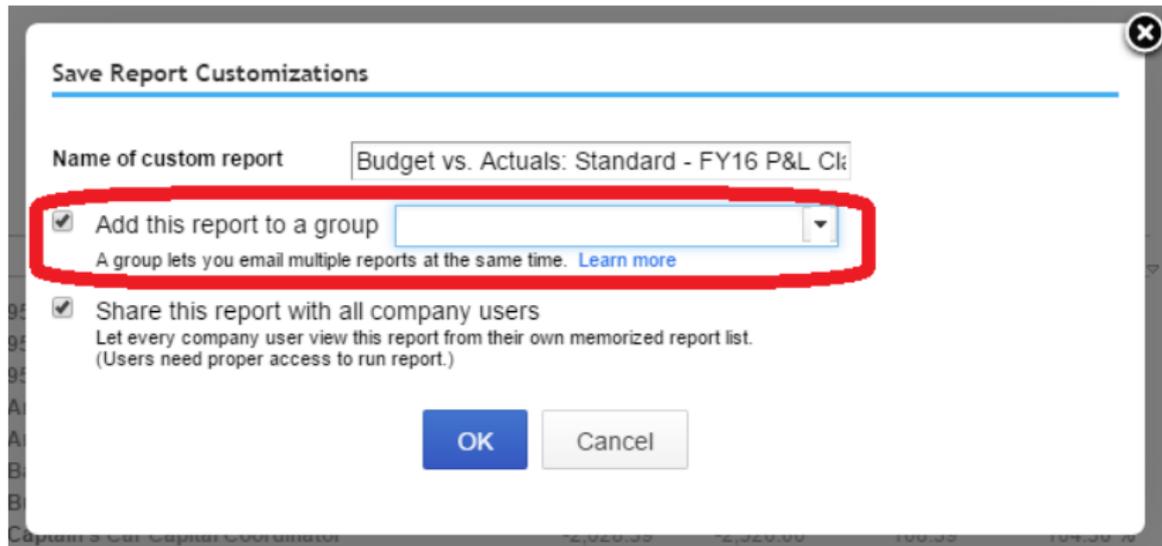
The screenshot shows a dialog box titled "Save Report Customizations" with a close button in the top right corner. The "Name of custom report" field contains the text "Budget vs. Actuals: Standard - FY16 P&L Clk". Below this, there are two options:

- Add this report to a group  
A group lets you email multiple reports at the same time. [Learn more](#)
- Share this report with all company users  
Let every company user view this report from their own memorized report list.  
(Users need proper access to run report.)

The second option is highlighted with a red rounded rectangle. At the bottom of the dialog are "OK" and "Cancel" buttons.

## Creating a Budget-vs-Actual report for the current year

If you want to run this report on a schedule and have it automatically emailed to you (which is strongly recommended), check the Add this report to a group box and click the Learn more link:



**Save Report Customizations**

Name of custom report: Budget vs. Actuals: Standard - FY16 P&L Cl

Add this report to a group [Dropdown]  
A group lets you email multiple reports at the same time. [Learn more](#)

Share this report with all company users  
Let every company user view this report from their own memorized report list.  
(Users need proper access to run report.)

**OK** Cancel

# Creating a Budget-vs-Actual report for the current year

Click the OK button:

**Save Report Customizations**

Name of custom report

Add this report to a group  ▼  
A group lets you email multiple reports at the same time. [Learn more](#)

Share this report with all company users  
Let every company user view this report from their own memorized report list.  
(Users need proper access to run report.)

# Creating a Budget-vs-Actual report for the current year

You can now run this “Budget vs. Actuals: Standard” report on demand.

When viewing the report in QBO, you can click an Actual amount to drill down into the detailed list of transactions:

Kempsville Volunteer Rescue Squad  
BUDGET VS. ACTUALS: STANDARD - FY16 P&L CLASSES  
July 2015 - June 2016

	TOTAL			
	ACTUAL	BUDGET	REMAINING	% OF BUDGET
950 Captain (Captain)	-675.52	-4,895.00	-4,219.48	13.80 %
951 Executive Officer (XO)	-410.49	-408.00	2.49	100.61 %
953 Logistics (Logistics Officer)	-20,326.07	-16,320.00	4,006.07	124.55 %
Ambulance Loan Payments (TREAS)	-28,400.00	-40,400.00	-12,000.00	70.30 %
Annual Investment (TREAS)		-49,403.00	-49,403.00	
Banquet (Banquet Coordinator)	-1,542.57	-11,200.00	-9,657.43	13.77 %
Building & Grounds (B&G Committee)	-88.35	-3,350.00	-3,261.65	2.64 %
Captain's Car Capital Coordinator	-2,628.39	-2,520.00	108.39	104.30 %
Equipment		-3,300.00	-3,300.00	
Field Communications Coordinator (950)	-1,040.00	-3,360.00	-2,320.00	30.95 %
Finance & Audits (F&A Committee Chair)		-2,550.00	-2,550.00	
Fund Drive (FD Committee)	1,245.00	-28,800.00	-30,045.00	-4.32 %
Insurance (Insurance Coordinator)		-4,800.00	-4,800.00	
IT (Info Tech Coordinator)	-924.71	-1,397.00	-472.29	66.19 %
July 4th (July 4th Coordinator)		-300.00	-300.00	
Lanahorne-Pullev Scholarship (BOD)		-2,000.00	-2,000.00	

# The End

CONGRATULATIONS! You have:

1. Set up an Annual Budget
2. Learned how to make mid-year adjustments
3. Created a Budget-vs-Actual Report for the current year