1. Why does LEAP integrate with QuickBooks Online?
   ▶ QuickBooks Online (QBO) is one of the most widely used small business general ledger software in the world. As of 2017, QBO boasted over 2 million customers.
   ▶ Most accountants are familiar with QBO and if they have an account, they can be invited to access the law firm's accounting information without having to learn a new software system or receiving reports from the firm directly.
   ▶ QBO syncs with your bank and LEAP, creating a seamless integration that results in less data entry errors and increased efficiency.

2. My firm operates on an accrual (or cash) basis. Will QuickBooks Online work for me?
   ▶ Both LEAP and QBO support accrual or cash-based accounting.

3. I heard that QuickBooks Online does not have the same reports as QuickBooks. Is this true?
   ▶ QBO does not have the complete range of reports you are used to in QuickBooks. The good news is that any of the reports you feel are “missing” from QBO can be run in LEAP, including Accounts Receivable, Contributions & Recovery, Payment Allocation, etc.
   ▶ QBO does have the high-level reports used by your accountant, including the Profit & Loss report and Balance Sheet.

4. What transfers into QBO from LEAP?
   ▶ Operating Account transactions relating to your clients and matters will sync with QBO. This includes: retainers held in the Operating Account, receipts, and checks written out of the Operating Account. Trust transactions are not exported.
   ▶ Payments received from clients are automatically split into professional fee income or expense reimbursement categories for you.
   ▶ The check number of expenses written out of LEAP will transfer, as well as the name of the vendor, as long as the vendor is listed in both LEAP and QBO.
   ▶ If you write off an expense for which you wrote a check out of LEAP, the write-off will transfer.
   ▶ If the firm is on an Accrual basis, the Accounts Receivable information will transfer to QuickBooks Online, including any adjustments or write-offs.

5. What is the General Ledger Link?
   ▶ The General Ledger Link is the link between your LEAP transactions and QuickBooks Online.
   ▶ The link can be set to auto-synchronize with QBO so that you stay up to date with your exports.
   ▶ You can search the list by transaction or journal number to locate any journals you need to re-export, place on hold or otherwise edit or control.

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[1] https://quickbooks.intuit.com/blog/thought-leadership/more-power-2-you-quickbooks-online-surpasses-2-million-global-customer-milestone/
6. What if there are transactions I do not want to export to QBO?

- The General Ledger Link allows for full control over what does and does not go into QBO.
- If you do not have auto-synchronization turned on, you can select the journal entries you do not want in QBO and change the status to Hold. These will still be available if you need them in the future.

LEAP + QuickBooks Online Best Practices

1. Setting Up and Entering Transactions in LEAP & QBO

LEAP utilizes QBO for its General Ledger activity. Thus you will need to enter client and matter-based transactions into LEAP and business/operations transactions into QBO. The LEAP/QBO integration will place the transactions into the appropriate category so that you can easily see what is profit and what is expense or expense reimbursement directly on the Profit & Loss statement in QBO. Below are a few tips on setup and entering transactions to make the integration work seamlessly.

- If possible, export your vendor list from your prior General Ledger software into an Excel Workbook or .CSV file format. The vendor list is a listing of all people to whom the business pays expenses. This will allow not only the check number but also the vendor name to export to QBO without any extra work on your part.
- Connect your electronic banking account to QBO. This can be done through the Banking tab in QBO. This will import your bank transactions into QBO for you to categorize or match to a LEAP transaction. Doing this will make data entry mistakes much less likely.
- When entering transactions into LEAP, do so contemporaneous to the actual transaction (i.e. do the bank deposit in LEAP the same day you do the bank deposit in real life). This reduces the chance of inaccurate data entry due to mismatched dates or transaction amounts.
- Ensure that you “deposit” the same transactions in LEAP as you do in the actual bank. This reduces the need to manipulate the journals in QBO and reduces data entry errors.

2. Adding, Matching, and Viewing Transactions in QBO

When you have your online bank feed connected to QBO, those transactions will match with their corresponding LEAP transactions once they clear the bank. For example, if you deposited $1,000 in LEAP and the bank today, when the $1,000 deposit posts to QBO it will have a corresponding LEAP transaction to match to it. This will be true of credit card payments received from clients, as well as deposits and checks written out of LEAP on behalf of your client.

- For the most efficient experience, set the LEAP General Ledger Link to automatically synchronize with QBO and link your online bank account to the Banking tab in QBO.
- Your first action in QBO should be to check the Banking tab to categorize or match any transactions which have imported since the last time you did this. This not only reduces data entry errors, but also works as a soft reconciliation so that the items that have been added or matched from this screen are already checked off when you reconcile.
You will see a listing of your most recent bank transactions. They will either give you the option to Add, Match or Confirm, or View.

- The **Add** option indicates that there are no matching transaction amounts from LEAP or QBO to match this transaction to. This might be from a deposit that wasn’t related to a client, a payroll expense that is set to auto-debit, or any other automatic payments made out of your Operating Account.

- The **Match** or **Confirm** option (depending on your version of QBO) indicates that there is a matching transaction either from LEAP or QBO. This could be a client expense, a deposit of client payments, or a rent check that was cut out of QBO.

- The **View** option indicates that there is more than one possible match for the bank transaction. This often happens when you have several expenses which are the same amount, such as filing fees, or if you receive consultation fees which are always the same.

QuickBooks is good at matching these transactions and will learn your habits. You can also create rules, such as “checks in this amount are always Expense: Rent”. These will then be auto-added to the bank register without having to review them first.

You will become more comfortable with the matching process the more you use QuickBooks Online and you can always double check the transaction by looking at the check number of the LEAP journal (for example) or using Search Transactions in LEAP to confirm what transactions were a part of a single deposit.
**Add a Transaction**

To add a transaction, click on the transaction line to open the options:

You will see options to **Categorize**, **Find Match**, **Record a Transfer** or **Credit Card Payment** (if you have other bank accounts or credit cards connected to QBO). In this case, we will assume there are no matches. Select a **Vendor** and **Category** (Office Expenses, etc.). Once you have done this, click **Add**.

**Match a Transaction**

To match a journal entry, you can simply select **Match** or **Confirm** if you are comfortable that the match is accurate. If you are unsure, you can click on the entry to open the options:

You can see in this case that QBO wants to match the bank transactions “Check #3456” to Journal Entry LJ000129. The LJ indicates that this is a LEAP Journal, so we know this is a client transaction. To confirm that this is an accurate match, you can click on the blue journal entry number to confirm that the LEAP payment number is 3456.

Once confirmed, save the transaction and click **Match**.
View a Transaction

If there are multiple possible matches, QBO will provide you with a list of options. These are other transactions in the same amount which could be a possible match. QBO will look at the date of the matching transaction to look for the most likely match.

In this case, QBO has matched this transaction to a LEAP journal of the same date. This is incorrect, however, because we know that checks do not typically clear the bank on the same day they were written. In this case, we would select the bottom option, Check 25. This can also be checked against your bank records if copies of cleared checks are made available to you.

3. Splitting LEAP Journals in QBO

One of the most common issues with the LEAP/QBO integration is not creating the same deposit in LEAP that was done at the bank. Often a firm will deposit checks a few days a week then do one large deposit in LEAP at the end of the week to clear out the bank deposit list. This can be fixed by splitting the LEAP journal to match each of the bank deposits.

1. Begin in the Chart of Accounts. This can be found under the Accounting tab in QBO. Locate your operating account register and select View Register.

2. Locate the large LEAP Deposit and click to open the options, select Edit.
3. In this case we have LEAP bank deposit 38 for $10,000, however we actually made three deposits in the bank, two in the amount of $2,500 and one for $5,000. Your bank deposit will look like this when opened:

<table>
<thead>
<tr>
<th>#</th>
<th>ACCOUNT</th>
<th>DEBITS</th>
<th>CREDITS</th>
<th>DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>LEAP Undeposited Funds</td>
<td>10,000.00</td>
<td></td>
<td>LEAP bank deposit no. 38</td>
</tr>
<tr>
<td></td>
<td>Operating Account</td>
<td>10,000.00</td>
<td></td>
<td>LEAP bank deposit no. 38</td>
</tr>
</tbody>
</table>

To make our splits, we must recreate these two lines two additional times, with the appropriate amounts of each deposit. You will have one set of LEAP Undeposited Funds and Operating Account lines for each bank deposit.

You can also do this in the reverse if you had several small LEAP deposits and one larger deposit in you bank feed. In that case, you would select **Find Match** and check off the boxes for the LEAP deposits that make up the bank deposit.

As you can see, while this is a simple fix, it would be much easier to ensure that you are doing the same deposit in LEAP that you have in the bank so that this step is not necessary.

4. Matching Multiple Transactions and Adding “Resolving Transactions” to Bank Deposits

There may be times when you are depositing both client payments and funds from other sources (such as a tax or insurance refund check). This will cause a mismatch in transactions because the tax refund is not client-related so the LEAP deposit will not have this information. In this example, we have a $9,000 in the banking tab of QBO which consisted of $8,000 in client receipts and $1,000 earned from a consulting job.
This of course will not have a valid match immediately, so we have to match the $8,000 LEAP deposit and enter a **Resolving Transaction** to make up the difference for the consulting job.

1. In this case, we have LEAP bank deposit 38 for $10,000. However we actually made three deposits in the bank, two in the amount of $2,500 and one for $5,000. Your bank deposit will look like this when opened:

    | DATE | TYPE      | REF NUMBER | PAYEE | TRANSACTION AMOUNT | PAYMENT |
    |------|-----------|------------|-------|--------------------|---------|
    | 05/01/2020 | Journal Entry | L001143 |       | $100.00           |         |
    | 05/11/2020 | Journal Entry | L001148 |       | $2,500.00         |         |
    | 05/21/2020 | Journal Entry | L001149 |       | $150.70           |         |
    | 05/21/2020 | Journal Entry | L001146 |       | $4,717.62         |         |
    | 05/21/2020 | Journal Entry | L001147 |       | $5,000.00         |         |
    | 05/21/2020 | Journal Entry | L001150 |       | $3,000.00         |         |

2. Next, scroll down to the bottom of the screen where you will see the total of your selected transaction, the total of the downloaded transaction and the difference. Here, toggle the **Resolve** button so that it is green:

3. Scroll down again, and you will see an additional line with the **Date, Payee, Category, Memo** and **Amount**. In this case, we know it is $1,000 for a consulting job so that is the information we will enter into this line:

You can add additional lines if more than one resolving transaction is needed. Once the total matches the downloaded amount, click **Save**.

For additional help with general QBO transactions, the [QBO Community](https://community.intuit.com) is a great resource. In addition, your LEAP Certified Independent Consultant may be QBO Certified and able to provide general QBO training at cost to the firm.