QuickBooks Online Best Practices

07/09/2025 9:18 am CDT

Overview

There are not many settings attached to QuickBooks Online; however, we receive many questions about it. It is incredibly important to set up your QBO sync to service**minder** in the right way for your business and your accounting. It will save you a lot of time and possible headaches in the future.

Consult your accountant, bookkeeper or FBC/FBA before making any significant changes. Your brand may even have an SOP for you to follow when setting up your connection.

What follows is our suggestion for what has worked best for a majority of organizations.

About QBO Syncing

The connection between SM and QBO is essentially one way. Data flows from SM to QBO. Customer information, proposals/invoices, and payments are sent to your QBO account from SM during the automatic synching process. There is an optional setting to send payments recorded in QBO over to service**minder**, but that is the ONLY data which flows from QBO to service**minder**. This is your accounting/financial data, and no one at service**minder** has access to your QBO account. The integration process is straightforward.

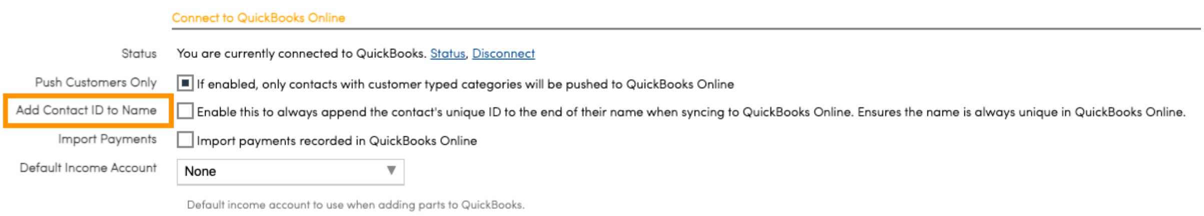
To start the sync, your **Control Panel>Integrations**, choose **Accounting**. You'll be able to connect to your QBO account, then sync to QBO. Moving forward, any new data (customers, invoices, payments, refunds) will sync.

If you want to push existing data from QBO to SM, please enter a support ticket with our team (support@serviceminder.com). This is a one-time push of your existing QBO data to your SM account.

This can be tricky, and for existing brands that have been operating within SM, we do not recommend moving the data from QBO to SM.

However, if you do make a one-time import, we recommend turning off the check box **Add Contact ID To Name**. If you leave that on during the import, you will create duplicates of Contacts.

You can find this setting in **Control Panel > Integrations > Accounting > Add Contact Id to Name**.



If you are “transitioning” from QBO to service**minder**, we recommend recording payments for **existing** open invoices within QBO, gradually shifting to record all payments in SM as your new invoices are created. Eventually, you will be solely operating out of SM and only needing to occasionally audit QBO.

If you want to learn more about common problems, please read QuickBooks Online Common Errors.

When Data Pushes to QBO

Contacts

The SM and QBO sync is looking for a name match if the customer exists in QBO but hasn't been synced before. If the name differs then service**minder** will create a new customer within QBO. However, if they have already been synced from SM to QBO, a name change in SM should result in that locked-in customer's name also changing on the QBO side.

Merging Contacts

When you merge contacts with existing payment/invoice history, please be aware that this may affect QuickBooks Online records. It has been reported that merging contacts may disrupt matched invoices and payments to the contact record within QBO. Please consult with your bookkeeper, brand admin, or accounting team before merging existing contacts with extensive record history.

Customers Only

There is the option, when setting up the sync, to only pull in "customers" from SM to QBO. This is most frequently used since most do not want a record of every lead/prospect in their bookkeeping side. Within service**minder**, the contact becomes a customer automatically by default when an invoice is generated for them.

Settings can change when/if the invoice is automatically generated for them, and this process differs by brand. But by default, when a contact becomes a customer it syncs to QBO (with that setting on), all info related to that customer will show up on the QBO side.

If the "Push Customers Only" checkbox is OFF (unselected), then any contact created in service**minder** will sync over to QBO regardless if there is an invoice created for them or not. It is all or nothing, meaning you should not turn this on/off if you want it to affect only some contacts. Most companies have this setting turned on because they don't want the full contact list in QuickBooks.

Deposits

A deposit on a proposal will go into **Undeposited Funds** within QBO. This is normal and intended behavior on the part of QBO. Once the Invoice is created, Contact information and the deposit will automatically be connected to the correct invoice without you having to do anything manually.

This should be an instantaneous move between the invoice showing up in QBO and the deposit moving out of Undeposited Funds.

Invoice Numbering

Take a moment to understand the importance of Invoice Numbering in regards to SM and QBO!

Please be cautious when making any changes in **Control Panel > Invoices** to the **Invoice Number** or the **Invoice Number Template.**

The Invoice Number field starts the numbering over again at that number. If you have invoices that existed in your QuickBooks account before you started syncing them from service**minder** and you try to push Invoices over that have duplicate numbers to those pre-existing ones, it may result in the old invoice being overridden in QuickBooks.

Merging Invoices

Please be aware that merging invoices may affect records within your QuickBooks Online account. As an example, if the invoices have different service lines (the top lines may be Residential Install vs. Commercial Install), then it may update records that have already pushed over to QBO. Please consult with your bookkeeper, accounting team, or brand admin before making any major changes to your business processes either in Service**minder** or QuickBooks Online.

Refunds

QuickBooks Online has two ways to accept a refund from Service**minder**. The recommended way from QuickBooks is to import a refund from SM into your QBO as an "Expense". This is intended system behavior and it is something we cannot change.

Anytime you do a refund in SM its going to show as unapplied payments in QB. The "Expense" will be listed on the contact as unapplied. ie it's not applied to the invoice or payment directly. This is also expected system behavior. QBO doesn't allow us to apply the refund directly attached to something, so someone would have to manually apply them to the invoice or payment on the customer in QBO.

It may still affects the customer's overall balance, even when unapplied. However, if you were trying to see what invoices are open or not in QBO, the fact that the expense is unapplied could get in the way of that.

The action between SM and QB moves fluidly except when it comes to credits or refunds. They will automatically go to that unapplied funds category and you all will have to reassign it accordingly. The unapplied payments need to be reallocated to the correct invoice/customer in QB.

Why Can We Not Import from ServiceMinder as a Refund into QuickBooks Online?

QBO has basically 2 types of refunds: "refunds" and "expenses". It may feel like "refund" is the obvious choice there, but a refund in QBO is not the same as a refund in SM. A refund in QBO is more like a refund + write off in SM. It refunds the payment, but it also writes off the rest of the invoice and prevents further payment. Meaning QBO's version of a refund would not allow you to refund an accidental payment and keep the invoice open to be paid again later.

So we push an "Expense" instead, and this is what QBO officially recommended for this situation. This offsets the invoice by the amount you want to refund while still allowing room to keep the invoice open for later if needed. So there's no wiggle room for us to change this general syncing of refunds into QBO.

List of Recommendations

These suggestions are not a replacement for the advice of your financial professional. You should always consult with your accountant, bookkeeper, or other counsel before making changes that could affect your business.

Here are some general recommendations that may or may not be suitable for all brands or users.

1. Do not select "Import QuickBooks Payments" unless you are using QB payment processing (in which case, your incoming dollars are automatically recorded in QBO.)

2. Think carefully before asking the SM Support team to push over data from QBO to SM. In many cases, this creates confusion and complications.

3. Keep your eye on QBO errors. Here are common errors that you may get. It's easy to see QBO errors in the left navigation pane of service**minder**.

4. Don't be impatient! The service**minder** to QBO sync is NOT in real time. It may take several minutes (or longer, depending on the amount of users syncing with QBO). **It takes an average of 3 hours for updates to reflect in QBO, although some days it may take longer.**

5. Make sure your income accounts are set up properly in QBO, and then link your service**minder** Services to those income accounts. This way, you won't see revenue showing up in odd places in QBO.

Sending QBO Payments to serviceminder

You may wish to continue receiving payments through QBO until you close out the open invoices there, then transition to only using service**minder** to receive payments.

> You may wish to continue receiving payments through QBO until you close out the open invoices there, then transition to only using service**minder** to receive payments.

If you determine that it is the most functional for you to sync payments made in QBO to service**minder**, you would do the following:

1. Go to **Control Panel > Integrations > Accounting** tab.

2. And turn on this feature.

3. Then click **Save**.

4. You may want to go and turn this off when the timing is right.

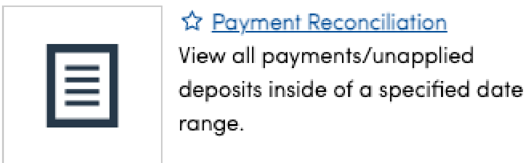
Warning

Our biggest warning from our team to yours would be that franchisees need to commit to using service**minder** moving forward (unless they have an open invoice in QBO that you are finishing up). The biggest issues we see are when someone is using both programs and not fully committing one way or the other.

We highly recommend committing to using SM as the main program for creating invoices, receiving payments, etc., and just letting QBO run in the background as a holding closet for your Accounting Data. Think of SM as your main software for running your business. QBO can be used for reconciling accounts, general reporting for accounting, taxes, payroll, etc.

To ease this transition, consider making a hard cut-off date.

A great report to suggest when the transitioning should be is our **Payment Reconciliation** report to make comparisons.



If you have more questions, please review Common QuickBooks Questions.