

## QuickBooks Contractor: Guide: Tips, Tricks, and Top Integrations (Software Recs)

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Introducing complex financial management solutions to the intricate world of construction accounting requires a specialized approach. QuickBooks Contractor is one of these specialized tools, uniquely equipped to navigate the complexities of managing financial aspects in the construction industry.

In this comprehensive article, we'll examine the diverse features and benefits QuickBooks Contractor offers to construction businesses.

We'll explore how QuickBooks Contractor facilitates industry-specific customization, job costing, billing, payroll management, reporting, ease of use, and integrations.

By the end of this article, you should be able to make an informed decision about whether to use QuickBooks Contractor to enhance your financial management processes.

### QuickBooks Contractor: Customization for Construction Needs

In the dynamic world of construction accounting, one size doesn't fit all.

QuickBooks Contractor recognizes this and offers industry-specific features that can be customized to meet the diverse needs of different types of construction businesses.

Whether managing a residential construction company, a commercial contractor, or a specialty trade business, QuickBooks Contractor's flexibility allows you to tailor the software to your specific requirements.

Customization begins with your company's setup.

QuickBooks Contractor allows you to define your business type, which serves as the foundation for customizing the software to match your unique needs. It provides detailed templates for various construction segments, such as general contracting, subcontracting, or design-build.

Moreover, QuickBooks Contractor lets you specify how to track expenses, income, and other financial transactions. You can categorize costs by job, phase, or category, allowing you to allocate expenses accurately.

This level of customization ensures that you have a clear and detailed view of your financial data, allowing for precise analysis and decision-making.

Furthermore, you can customize your financial reports to focus on the key performance indicators that matter most to your construction business.

Whether it's tracking job profitability, project timelines, or cash flow, QuickBooks Contractor's reporting capabilities can be adjusted to provide the insights that are most relevant to you.

The ability to tailor QuickBooks Contractor to the needs of your construction business is a testament to its versatility and adaptability. With these customization features, you can optimize your financial management processes and make more informed decisions based on your specific construction accounting requirements.

Check out this helpful video for a detailed demonstration on how Quickbooks Enterprise Contractor Edition can be used for your business:

<https://www.youtube.com/watch?v=UKD9fLxFVAQ>

## **Core Features of QuickBooks Contractor**

QuickBooks Contractor offers a range of core features, including the ability to estimate jobs, make changes to estimates, create purchase orders, create invoices, allocate employee time to jobs and service items, and access various reporting tools.

These features empower construction businesses to manage their projects efficiently and stay on top of their finances.

## **QuickBooks Contractor vs. QuickBooks Pro**

### **QuickBooks Contractor**

QuickBooks Contractor is tailored to meet the requirements of contractors in the construction industry. It offers a pre-built setup, including a Chart of Accounts, an Items List, and a Class List. These built-in features make it easier for novice users to set up their accounting system, thus saving time on initial configuration.

In addition to standard accounting functions, QuickBooks Contractor has Contractor-specific features like estimating, invoicing, bill management, and employee

payment. It provides a dedicated menu for job-related tasks and various job-specific reports. QuickBooks Contractor is based on the Premier version of QuickBooks, but with additional functionality.

QuickBooks Contractor offers a Business Plan Tool, Expert Analysis Tool, and various Decision Tools to help you manage your construction business more efficiently. These tools allow you to create financial projections, analyze financial strength, compare debt and ownership, manage receivables, track taxes, and more.

It comes with a 12-month free subscription for Remote Access, providing remote connectivity to your QuickBooks data, which can be beneficial depending on your specific needs and access conditions.

## **QuickBooks Pro**

QuickBooks Pro, on the other hand, is a more flexible and open-ended app that requires users to configure it according to their specific business requirements. While it offers robust functionality, it doesn't come with the pre-built setups available in QuickBooks Contractor provides.

Users of QuickBooks Pro have the flexibility to customize their Chart of Accounts, Items List, and Class List to align with their business's unique structure. This means more control over the setup, but it also requires a deeper understanding of the software and accounting principles.

While QuickBooks Pro offers a high degree of customization, it may take more effort to set up than QuickBooks Contractor. Users must determine their requirements and configure the software accordingly, potentially adding more accounts and making more setup decisions.

## **Expense Tracking and Job Costing in QuickBooks Contractor**

In the construction industry, tracking expenses and job costs are paramount to maintaining profitability and staying within budget. QuickBooks Contractor excels in this area, providing detailed and comprehensive tools for managing expenses and job costing efficiently.

## **1 DETAILED JOB COSTING CAPABILITIES**

QuickBooks Contractor allows construction professionals to track expenses and allocate them to specific projects.

This detailed job costing feature provides an accurate and up-to-date overview of your project's financial health. You can assign expenses to the appropriate job or phase, making it easier to identify areas where cost control is essential.

By knowing how much has been spent on each project and comparing it to the budget, you can prevent budget overruns and ensure that each project remains profitable.

## **2 EXPENSES CAN BE TRACKED TO SPECIFIC PROJECTS**

QuickBooks Contractor simplifies the process of tracking expenses related to specific projects. Users can allocate costs to jobs, record every expenditure accurately, and generate reports that show which expenses are associated with each project.

This level of transparency ensures that contractors can monitor their project's financial status anytime.

## **3 REAL-TIME BUDGET UPDATES AND THEIR IMPORTANCE**

Real-time budget updates are a game-changer for construction businesses.

QuickBooks Contractor ensures that your budget reflects the latest expenses and revenue, providing a dynamic and accurate overview of your financial situation. This real-time feature helps you make informed decisions, allowing immediate adjustments if a project is veering off-budget.

This level of financial control is invaluable in the construction industry, where cost overruns can impact profitability significantly.

### **Streamlined Billing and Invoicing in QuickBooks Contractor**

Billing and invoicing are critical aspects of construction project management. Inaccurate or delayed invoices can lead to cash flow issues and strained client relationships. QuickBooks Contractor offers a streamlined billing and invoicing process, making it easier for construction professionals to manage this essential task.

## **1 PROGRESS INVOICING FEATURE FOR ONGOING PROJECTS**

QuickBooks Contractor's progress invoicing feature allows contractors to bill clients as the project progresses.

This approach ensures that clients receive invoices that accurately reflect the work completed, helping to maintain a positive client-contractor relationship. It also promotes transparency and trust, as clients can see tangible project progress.

## **2 BUILT-IN CHANGE ORDER MANAGEMENT**

Change orders are a common occurrence in the construction industry. QuickBooks Contractor simplifies change order management by providing tools to track changes to the original project scope, costs, and deadlines.

This ensures that changes are documented, approved, and reflected accurately in the project's financials. When it's time to invoice for these changes, the process is straightforward, reducing the potential for billing disputes.

## **3 INTEGRATED TIME TRACKING FOR ACCURATE BILLING**

Accurate time tracking is essential for billing clients and managing labor costs. QuickBooks Contractor integrates with time tracking tools (like Workyard!), allowing you to capture labor hours efficiently and bill clients with precision.

This ensures you're not underbilling or overbilling for labor, improving both cash flow and client satisfaction. Customization begins with your company's setup. QuickBooks Contractor allows you to define your business.

QuickBooks Contractor's streamlined billing and invoicing features offer a significant advantage to construction businesses.

By providing accurate and timely invoices, efficiently managing change orders, and integrating time tracking, the software contributes to a healthier cash flow and more robust client relationships.

Looking for a great time-tracking solution that integrates with QuickBooks? Try Workyard – built from the ground up to help construction businesses track employee time to the minute, with the most precise GPS tracking and geotargeting features on the market.



### **Try The Most Accurate Employee Time Tracker Built For QuickBooks**

[Read More](#) →

## **Payroll Management in QuickBooks Contractor**

Effective payroll management is vital for construction businesses, especially when dealing with varying wage rates and workers' compensation.

QuickBooks Contractor offers robust tools to simplify payroll processes and ensure compliance with industry-specific payroll requirements.

Prevailing wage rates are common in construction, and they can vary significantly by location and project. QuickBooks Contractor allows you to set up and manage these wage rates, ensuring that your employees are paid according to the prevailing rates for their specific job and location. This feature simplifies compliance with labor laws and union requirements.

Construction projects often involve various job positions, each with its own pay rate. QuickBooks Contractor enables you to define and manage different pay rates for your employees, making it easy to pay workers accurately based on their roles and responsibilities.

Additionally, the software provides tools to track and manage workers' compensation, helping you ensure that your employees are adequately protected.

Effective payroll management not only simplifies the payment process but also enhances employee satisfaction and reduces compliance risks. QuickBooks Contractor's features

cater to the unique payroll needs of construction businesses, saving time and reducing the chances of costly payroll errors.

## **Reporting Features in QuickBooks Contractor**

Effective financial management requires access to comprehensive and customizable reports that provide insights into a construction business's performance.

QuickBooks Contractor offers a wide range of reporting features tailored to the specific financial needs of the construction industry.

### **1 CUSTOMIZABLE REPORTS SPECIFIC TO CONSTRUCTION FINANCIALS**

QuickBooks Contractor includes a variety of industry-specific reports that allow construction business owners to track financial data more effectively. These reports cover job costs, project profitability, vendor expenses, and more.

By customizing these reports, you can gain deeper insights into your business's financial health and make informed decisions.

### **2 ANALYZE PROFITABILITY BY PROJECT**

Construction projects often involve numerous variables, and it's crucial to understand which projects are the most profitable. One of the key advantages of QuickBooks Contractor is its ability to analyze project profitability.

QuickBooks Contractor can break down profitability by project, considering expenses, revenue, and other financial data. This insight is invaluable for making strategic decisions and optimizing project management.

### **3 FORECASTING AND BUDGET COMPARISON REPORTS**

To maintain financial control, construction businesses need to create budgets and forecasts. QuickBooks Contractor streamlines this process by offering budget comparison reports. These reports allow you to assess actual financial performance against budgeted figures, making it easier to identify areas that require attention.

The reporting capabilities of QuickBooks Contractor provide you with the financial insights necessary to drive growth and make informed decisions.

Whether you're analyzing job costs, profitability, or budget compliance, this software equips construction business owners with the tools needed to succeed.

## **QuickBooks Contractor Ease of Use**

Even the most robust construction accounting software is of limited value if it's overly complex and difficult to navigate.

QuickBooks Contractor, however, offers an intuitive and user-friendly interface that caters to both accounting professionals and construction team members who may not have extensive accounting experience.

### **1 FRIENDLY USER INTERFACE FOR NON-ACCOUNTANTS**

QuickBooks Contractor's user interface is designed with the end user in mind.

It provides a simplified experience for those who aren't professional accountants, making it accessible to construction team members. This user-friendliness is crucial for efficient data entry and retrieval, ensuring that your team can use the software without extensive training.

### **2 TRAINING RESOURCES AVAILABLE FOR CONSTRUCTION TEAMS**

To further support construction teams, QuickBooks Contractor offers a range of training resources. These include tutorials, guides, and customer support to assist users in mastering the software.

Construction business owners can use these resources to ensure their teams are well-equipped to handle accounting tasks efficiently.

### **3 CUSTOMER SUPPORT OPTIONS**

QuickBooks Contractor goes the extra mile by providing responsive customer support.



In the construction industry, where issues can arise unexpectedly, having access to timely assistance is essential. With QuickBooks Contractor, you can rely on a reliable support team that understands the unique challenges construction businesses face.

The ease of use, user-friendly interface, and robust training resources offered by QuickBooks Contractor make it a valuable tool for accountants and construction professionals. It ensures that everyone on your team can work seamlessly with the software, promoting efficiency and accuracy in financial management.

## **Integrations in QuickBooks Contractor**

QuickBooks Contractor doesn't operate in isolation. It offers powerful integrations that allow your construction business to connect with other tools and software systems seamlessly.

### **1 CONSTRUCTION MANAGEMENT SOFTWARE**

One of the standout features of QuickBooks Contractor is its ability to sync with construction management software.

These integrations ensure financial data, project updates, and other critical information are effortlessly shared between systems. Construction management software often covers project planning, scheduling, and collaboration, and when combined with QuickBooks Contractor, it provides a comprehensive solution for construction businesses.

### **2 CRM SYSTEMS**

Customer Relationship Management (CRM) systems are crucial for maintaining strong relationships with clients and partners.

QuickBooks Contractor integrates with popular CRM systems, making it easy to keep track of client interactions, project histories, and invoices in one central location.

### **3 MOBILE APPS FOR ON-SITE MANAGEMENT**

QuickBooks Contractor is designed to be mobile-friendly and works seamlessly with construction-related mobile apps.

Your team can access project and financial data from anywhere, ensuring on-site decisions are well-informed and aligned with your financial goals.

The integration capabilities of QuickBooks Contractor enable construction businesses to create a connected ecosystem of tools that work harmoniously together. This leads to improved data accuracy, increased efficiency, and, ultimately, greater project success.

## What Real Construction Professionals Say

To gain a better perspective on QuickBooks Contractor, you may want to examine the feedback and experiences of real construction professionals. Here are reviews from two QuickBooks Contractor users on Conacct.com, a search tool for construction software:

### Tracy, SENIOR PROJECT COORDINATOR, on Real-time Performance Dashboards:

“I love that it integrates with tons of 3rd party applications.”

**Overview:** Tracy appreciates QuickBooks Contractor's seamless integration with various third-party applications. This feature simplifies processes and enhances efficiency in project management.

### Steve, CEO, on Positive User Feedback and Testimonials:

“The most helpful part of Quickbooks Online is that it syncs with our other online platforms.”

**Overview:** Steve highlights the syncing capability of QuickBooks Contractor with other online platforms. This synchronization streamlines financial accounts and reporting, making it a valuable asset for their business.

## QuickBooks Enterprise Pricing

For those considering QuickBooks Enterprise Contractor's Edition, it's important to understand the pricing structure and feature offerings. Below, you'll find an overview of the pricing tiers and what each one includes. Remember that some features may come with additional details and conditions, so it's a good idea to review the comprehensive information on the official Intuit pricing page [here](#).

The Contractor's Edition is integrated into QuickBooks Enterprise (a Desktop version), with the following plans:

### Pricing Plans for QuickBooks Enterprise

| QUICKBOOKS ENTERPRISE | PRICE AND SOME FEATURES                                                                                                                                                                                                                                                 |
|-----------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>SILVER</b>         | <b>Starting at \$1,410/yr</b> <ul style="list-style-type: none"> <li>- Annual subscription</li> <li>- Available for 1-10 or up to 30 users</li> </ul>                                                                                                                   |
| <b>GOLD</b>           | <b>Starting at: \$1830/yr</b> <ul style="list-style-type: none"> <li>- Everything in Silver, plus...</li> <li>- Payroll built in</li> <li>- Cloud access (additional fees apply)</li> <li>- Advanced Reporting</li> <li>- QuickBooks Priority Circle service</li> </ul> |
| <b>PLATINUM</b>       | <b>Starting at: \$2250/yr</b> <ul style="list-style-type: none"> <li>- Everything in Gold, plus...</li> <li>- Advanced Inventory</li> <li>- Advanced Pricing</li> <li>- Bill and PO workflow approvals</li> </ul>                                                       |
| <b>DIAMOND</b>        | <b>Starting at: \$4400/yr</b> <ul style="list-style-type: none"> <li>- Everything in Platinum, plus...</li> <li>- QuickBooks Time Elite (\$5/mo/user)</li> <li>- Salesforce CRM Connector (\$150/mo/file)</li> </ul>                                                    |

QuickBooks Contractor can also be bundled with the Pro and Premier editions; however, custom pricing for these two editions is available only by calling the QuickBooks Enterprise Sales Team directly.

## QuickBooks Online for Contractors

QuickBooks Online is another viable solution for contractors, offering features like job costing, scheduling, and invoicing. QuickBooks Online provides flexibility, accessibility, and integration with construction management software, making it a strong choice for modern construction businesses.

Considering the various factors surrounding cost, benefits, and specific business needs, we'll delve further into a comparative analysis between QuickBooks Contractor and other options in the construction accounting software landscape.

Please bear in mind that while QuickBooks Contractor Edition may be an excellent choice for many contractors, it's crucial to evaluate your unique business requirements before making a final decision.

## Analyzing the Cost-Benefit of QuickBooks Contractor

Beyond pricing, each variant of QuickBooks has its own advantages and some limitations. To make an enlightened choice, consider user-friendliness, pivotal features, and the software's alignment with your business prerequisites.

QuickBooks Contractor, a specialized variant of the QuickBooks Premier desktop software, presents unique features and functionalities tailored to assist with planning and managing the financial intricacies of construction projects.

QuickBooks is already a widely trusted accounting software solution for many small and medium-sized enterprises (SMEs). But what about similarly-sized construction companies? Does QuickBooks accommodate the specialized data and complexities inherent in construction accounting?

When contemplating QuickBooks as your preferred accounting program for your small business, the first crucial decision is whether to opt for the convenience of cloud-based software or embrace the more robust capabilities of locally installed desktop apps.

QuickBooks offers a suite of accounting solutions tailored to diverse business needs, and your selection will have a direct impact on the pricing structure.

QuickBooks Contractor is a specialized service that can be seamlessly integrated into your chosen QuickBooks software package, greatly enhancing your capacity to handle the distinct financial intricacies associated with construction businesses.

QuickBooks Premier Contractor Edition includes online backup, unlimited customer support, and version updates. After licensing QuickBooks Premier Plus 2023, you can conveniently add the Contractor Edition during the software download process.

## When to Choose QuickBooks Contractor Edition

QuickBooks Contractor Edition emerges as the ideal solution for several scenarios:

- **SEPARATING JOB COSTS FROM ACCOUNTING:** Streamlining job costing and basic bookkeeping within QuickBooks Premier Contractor Edition saves time and ensures that no expenses are overlooked, as job costs are directly linked to overall company expenses.
- **MANAGING MULTIPLE CREWS:** As businesses expand and manage multiple crews, accurate job profitability estimation becomes crucial. QuickBooks Contractor Edition provides detailed task pricing for better cost control across multiple crews.
- **FOR COST-EFFICIENCY:** QuickBooks Contractor Edition offers the same inventory functionality as QuickBooks Premier's base edition, allowing for efficient material management and cost minimization.

However, there are situations where QuickBooks Contractor Edition may **not** be the most suitable:

- **CLOUD ACCOUNTING:** If your business necessitates certain on-site accounting tasks, such as generating invoices during job-related activities, QuickBooks Online might be a more suitable option.
- **INEXPERIENCED BOOKKEEPERS:** Off-site certified public accountants (CPAs) or bookkeepers won't have direct access to your QuickBooks Contractor books. Instead, you'll need to send them an Accountant's Copy, which may not be the most convenient method for regular use.
- **LARGER ACCOUNTING DEPARTMENTS:** QuickBooks Contractor Edition has a maximum concurrent user limit of five. For larger accounting departments requiring constant access, QuickBooks Enterprise, which supports up to 30 concurrent users and includes a contractor-specific edition, might be a better

choice.

## Which One Is Right for You?

The choice between QuickBooks Contractor and QuickBooks Pro largely depends on your existing setup and your level of accounting expertise:

QuickBooks Contractor might be a suitable choice if:

- You're new to accounting or QuickBooks.
- You appreciate a pre-built setup that aligns with contractor-specific needs.
- You want to save time on the initial configuration.
- You require a straightforward approach to job-related tasks and reports.
- Remote access to your data is essential for your business.

QuickBooks Pro might be a better fit if:

- You're already using QuickBooks Pro, and it meets your requirements.
- You're well-versed in accounting principles and software customization.
- You prefer a more flexible, open-ended accounting software.
- You don't mind configuring the software to your needs.
- You require a higher level of customization for your Chart of Accounts and other lists.

The choice between QuickBooks Contractor and QuickBooks Pro will depend on whether you value convenience and a pre-set structure or prefer full customization and flexibility.

If you're new to accounting or QuickBooks, the pre-configured setup of QuickBooks Contractor may be more appealing, whereas experienced users who are comfortable with customization may favor QuickBooks Pro.

It's essential to evaluate your specific business needs, budget, and the features that matter most to you when selecting the right construction accounting software. QuickBooks Contractor may be a strong choice for those who require a balance between functionality, ease of use, and cost-effectiveness in their construction accounting software.

## Conclusion

### Key Takeaways

- Whether you're new to accounting or QuickBooks, value pre-built setups that align with your industry needs, or have straightforward job-related tasks and reports, QuickBooks Contractor has much to offer.
- However, with the variety of accounting software options available, each with its unique strengths and weaknesses, the key is to choose the solution that best aligns with your construction business's specific needs and goals.
- [Try The Most Accurate Labor Tracker Built For QuickBooks.](#)

QuickBooks Contractor is a powerful and versatile accounting software solution specifically tailored to meet the unique financial needs of construction businesses.

With its customization features, expense tracking, and job costing capabilities, streamlined billing and invoicing process, efficient payroll management tools, and robust reporting features, it provides the tools necessary to enhance financial control and decision-making in the construction industry.

Its user-friendly interface and integration options make it a valuable asset for construction professionals looking to optimize their financial management processes.

When considering using QuickBooks Contractor or alternative accounting software, it's essential to assess your specific business requirements and preferences.

QuickBooks can do many things for your business' finances, but it's not necessarily optimized to track and report on your team's labor time. That's where integrations like Workyard come in handy.

With Workyard, you can accurately record everyone's clock-ins and clock-outs to the minute with advanced GPS tracking and precise geofencing features, generate job cost reports, stay compliant with your state's laws on breaks and overtime, schedule everyone on the team with ease, and more.

[Check out what Workyard can do when you integrate it with QuickBooks...](#) or [sign up for a fully-featured 14-day free trial now!](#)

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