

# Chapter 1

## Setting Up Shop

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### *In This Chapter*

- ▶ Installing Quicken
  - ▶ Touring Quicken
  - ▶ Setting up your bank (or other) accounts if you're a first-time user
  - ▶ Retrieving existing Quicken data files
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**I**f you've never used Quicken, begin here. This chapter tells you how to install Quicken (if you haven't already) and how to start the program for the first time. You also find out how you go about setting up Quicken accounts to track banking activities — specifically, the money that goes into and out of a checking or savings account.

If you've already begun to use Quicken, don't waste any time reading this chapter unless you want the review. You already know the stuff it covers.

By the way, if you have Windows, I assume that you know a little bit about it. No, you don't have to be some sort of expert. Shoot, you don't even have to be all that proficient. You do need to know how to start Windows applications (such as Quicken). It also helps immensely if you know how to choose commands from menus and how to enter stuff into windows and dialog boxes. If you don't know how to do these kinds of things, flip to Appendix A. It provides a quick-and-dirty overview of how you work in Windows. Read the stuff in the appendix, or at least skim it, and then come back to this chapter.



When I say Windows, I mean a recent version of Windows — something Microsoft is either currently selling or has sold in the last few years. Quicken 2006 won't run on Windows 3.1, so if you want to run the latest version, I'm afraid it's time to upgrade.

## Installing and Starting Quicken

You install Quicken the same way that you install any program in Windows. If you already know how to install programs, you don't need any help from me. Stop reading here, do the installation thing, start your newly installed Quicken program, and then start reading the next section, "Finishing Setup If You've Used Quicken Before."

If you need help installing Quicken, here are the step-by-step instructions. Installing Quicken from a CD-ROM is as easy as one, two, three, four:

### 1. Insert the CD-ROM into the CD-ROM drive.

In a short amount of time, Quicken should display the Quicken 2006 installation window. I'm not going to show this window in a figure. There's really nothing on the window to talk about. The window just reads Welcome.

**Note:** If nothing happens when you put the CD-ROM into the CD-ROM drive, don't panic! First, try removing the CD and then putting it in again. If Windows still doesn't recognize the CD, you need to *tell* Windows that it should install your Quicken program. In many versions of Windows (but not necessarily with your version), you do this with the Windows Control Panel by using a tool called Add/Remove Programs. To do this, refer to your Windows user guide or a good book about your version of Windows (such as *Windows XP For Dummies*, 2nd Edition, written by Andy Rathbone and published by Wiley).

### 2. Click Next.

Quicken then displays a window that asks you a few questions:

- The first question is whether you accept the Quicken license agreement.
- The next question asks whether you want to perform an Express or Custom installation. Unless you want to spend time figuring out which features you'll use and muck about storing all the bits and pieces of Quicken in different places, go with the Express installation.
- The installation program may also ask whether you want to install the U.S. version or the Canadian version. Obviously, you're a patriotic guy or gal, and you want to install the version for your country. (Even if you aren't a patriotic guy or gal, install the version for your country. Quicken uses different expense categories for the countries because their taxes work differently.)

- 3. Answer these three questions by clicking the appropriate buttons. Click Next to move to the next question. Then click the Install Now button when you answer the last question.**

Quicken installs itself. This process takes a few minutes. Along the way, you see several other screenfuls of messages, including marketing information about the features new to Quicken and some progress reports on the installation itself.



If you're upgrading from an earlier version of Quicken, the installation program also displays a message at the start of the installation. It says that if you install Quicken 2006 in the same default `quickenw` directory, it'll need to uninstall the current version of Quicken. Because this uninstallation of "old" Quicken is sort of a big deal — what if you want to use the old Quicken? — the installation program asks you to confirm this bit of minor risk-taking.



When in doubt about some installation option, just accept the default suggestion by pressing Enter.

After the installation is complete, Quicken displays an `installation complete` message.

- 4. Click Finish.**

Congratulations. You're done.

After you install Quicken, you need to start it to finish the setup process. If you told the installation program to launch Quicken 2006, you should see the Quicken program window on your screen. If you didn't tell the installation program to launch Quicken, you need to start Quicken.



The easiest way to start Quicken is to double-click the Quicken shortcut icon that (post-installation) appears on your Windows desktop. The Quicken program window appears, almost like magic.

## *Finishing Setup If You've Used Quicken Before*

If you've used a previous version of Quicken, the Quicken program might show option buttons to indicate what you want to do next: Open the found data file. (Alternatively, you can also indicate that you want to open some other data file.) You're done. You're ready to begin Quicken-ing.



The Quicken setup process can usually tell if you've used Quicken before. The setup process knows where the Quicken installation program usually puts the Quicken program and data files, and the installation program will look there. If you have used Quicken before but Quicken can't see this, two possibilities exist: The first possibility is that you put the Quicken data file someplace weird. (If that's the case, hopefully, you remember the weird place you hid the Quicken data file.) The second possibility is that you didn't do anything with the Quicken data file but that the data file has somehow gone missing. (If that's the case, hopefully, you backed up the Quicken data file to a CD or to some other disk from which you can restore the data file.)

## *Finishing Setup If You Haven't Used Quicken Before*

If Quicken can't figure out whether you've used the Quicken program before, it displays the welcome message shown in Figure 1-1.



**Figure 1-1:**  
The Getting Started with Quicken 2006 window.

If you have used Quicken before, select the I Am Already A Quicken User option button. Quicken then displays another Getting Started With Quicken 2006 window that asks whether you want to open a Quicken file located on this computer, restore a Quicken data file you've backed up to CD or disk, or start over and create a new data file, as shown in Figure 1-2.



**Figure 1-2:**  
Another  
Getting  
Started with  
Quicken  
2006  
window.

If you indicate that you want to open another Quicken data file located on the computer, Quicken displays a dialog box that asks where that file is. If you indicate that you want to grab a backup copy of the Quicken file, Quicken displays a dialog box that asks where that file is. Presumably, if either of these situations is your case, you'll know where the data file or backup copy of the data file is.



At the very end of this chapter in the section, “The mysterious case of the missing Quicken data files,” I describe how you can locate and open a Quicken data file.

If you haven't used Quicken before — or if you have but you want a fresh start and a fresh set of accounts — you need to set up a new data file. (A *data file* is the place where all your financial records are stored.) What happens next depends on whether you've used Quicken before:

- ✔ If you *haven't* used Quicken before, Quicken automatically sets up a data file for you (you don't need to worry about it) and starts the Quicken Guided Setup (see Figure 1-3). This Guided Setup process walks you through the steps for setting up the Quicken data file. (You can find out much more on this process in the next section.)
- ✔ If you *have* used Quicken before, Quicken asks you to name the new data file (using a familiar-looking dialog box named something like Create New Data File), and then it starts the Quicken Guided Setup, as shown in Figure 1-3.



**Figure 1-3:**  
The Quicken  
Guided  
Setup  
window.

## *Running the Quicken Guided Setup*

Okay. Here's the deal. The Quicken Guided Setup walks you through a three-step process that asks about your personal financial affairs as well as a few other questions. (You walk through the steps by clicking the Next Step button in the lower-right corner of the window.)

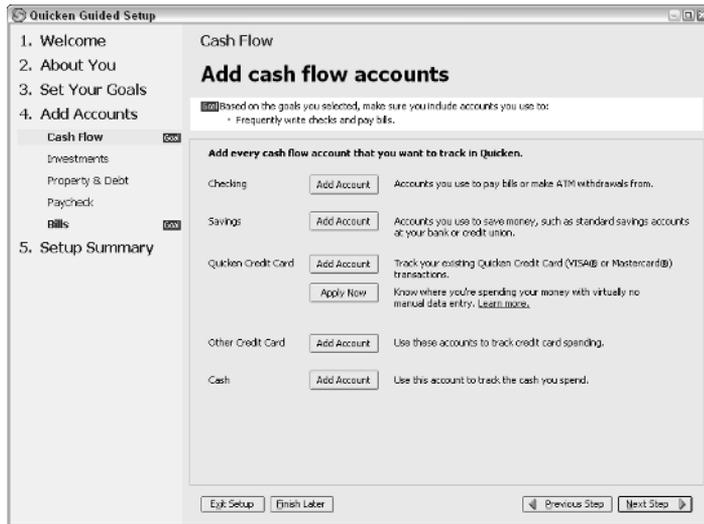
The first step asks you to provide some personal information: your name, your spouse's name, your birth date, number of dependents, and so on. You're also asked whether you own a home, invest in rental property, or run a small business. Figure 1-4 shows the window that collects this information. Answer the questions by typing information into the appropriate boxes or clicking the appropriate buttons. That's it. Simple stuff.

The second step asks you to check boxes that correspond to financial management tasks you want to accomplish with Quicken (see Figure 1-5). (You can check as many boxes as you want, but at a minimum, you want to check the Manage My Checkbook And Bills check box.)

**Figure 1-4:**  
The Tell Us  
About  
Yourself  
window.

**Figure 1-5:**  
The What  
Do You  
Want To  
Get Out Of  
Quicken?  
window.

The third step — and this one is key — provides buttons that you click to describe the accounts that you want to manage with Quicken, as shown in Figure 1-6.



**Figure 1-6:**  
The Add  
Cash Flow  
Accounts  
window.



Now I need to explain something here. The Quicken Guided Setup assumes that you're going to set up everything you need or will ever need in Quicken all at once and in the beginning. You can do that if you want, but that's not my suggestion. You can easily add stuff later, when you want it, so I suggest that you set up your principal checking account (or accounts) in the beginning. (Yes, like right now when you and I are talking about this stuff.) Later on, if you want to set up credit card accounts or manage your investments or track a rental property, you can quickly set up the accounts and other stuff you need then. Sound okay? (I do explain how to set up these other accounts in other chapters.)

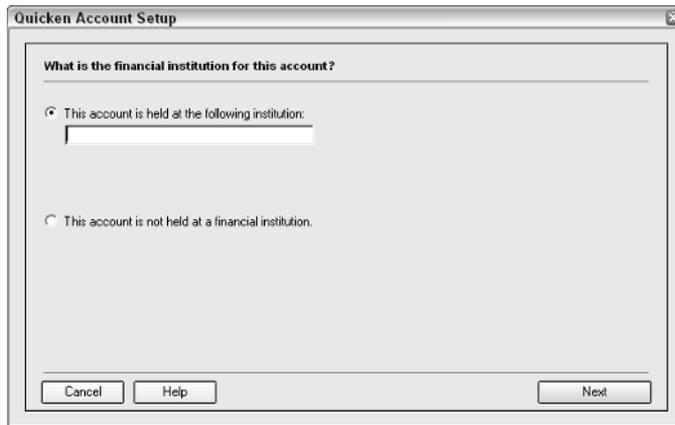
My reasoning for this suggestion is that I'd like you to have some experience working with Quicken before you go hog-wild. Focus first on those personal accounting tasks that you absolutely will want to perform. This approach gets you started working with Quicken — happily, productively, and successfully — from day one. If you want to do more in a week or a month or a year, great. You can easily do more tasks, and by then, you'll know so much more about Quicken that adding these other tasks will be a snap.

## Setting up an account with the Guided Setup

To set up an account for your principal checking account from within the Quicken Guided Setup, display the Add Cash Flow Accounts window (refer to Figure 1-6) by clicking the Cash Flow label, if necessary. (This button appears on the left edge of the Quicken window and is cleverly labeled Cash Flow.) Then follow these steps:

1. **Click the Add Account button that's next to the Checking label.**

Quicken displays the Quicken Account Setup dialog box, as shown in Figure 1-7.



**Figure 1-7:**  
The first  
Quicken  
Account  
Setup dialog  
box.

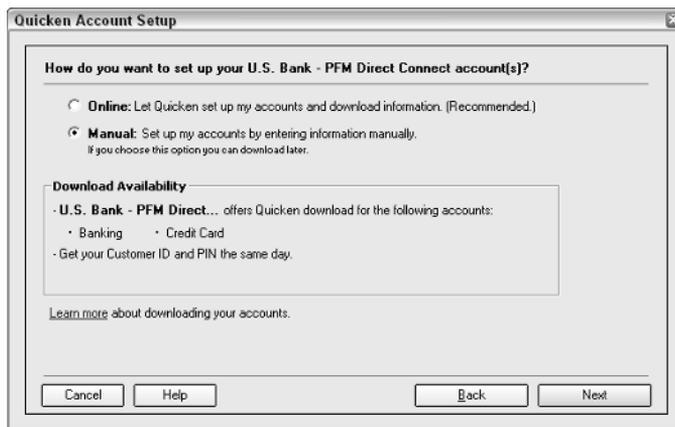
2. **Identify the financial institution — usually a bank — by typing your institution's name into the text box provided.**

As you type, Quicken displays a list of financial institutions that match what you've typed so far. The more you type, the shorter the list of possible matching institutions. If you see your bank or whatever listed, select it. If you don't see your bank listed, select the This Account Is Not Held At A Financial Institution option button.

When you click Next, Quicken displays the third Quicken Account Setup dialog box, as shown in Figure 1-8.

**3. Tell Quicken whether you want to use the online setup for your account or manually set up your account.**

For most banks, the third Quicken Account Setup dialog box looks like the one shown in Figure 1-8. This dialog box suggests that you let Quicken set up your account by directly connecting to the bank's computer system. But, in a gesture of courtesy, Quicken also admits that you can manually set up the account. I'm going to suggest, because you're just starting out, that you set up your account manually. You have plenty of time later on to find out how online banking works. (Online banking is really cool, though. See Chapter 6 for more information.) To indicate that you'll manually set up your account, select the Manual option button and then click Next.



**Figure 1-8:**  
The third  
Quicken  
Account  
Setup  
dialog box.

**4. Tell Quicken the name you want to use for the checking account, and then click Next.**

You do so by typing a name in the Name This Account text box, as shown in Figure 1-9. By the way, you can be as general or as specific as you want. But remember, brevity is a virtue; be as concise as you can. The reason is that Quicken uses your account name to label stuff within the Quicken window and on Quicken reports. If you use a long account name, the name may not always fit on reports and screens.

**5. Enter the ending bank statement date by referring to your bank statement.**

When Quicken asks for the ending statement date, enter the date of your last bank statement. This date, by the way, is when you will start using Quicken. Enter the date in MM/DD/YYYY fashion. Figure 1-10 shows the dialog box that Quicken uses to ask for this information.

**Figure 1-9:**  
The first  
Quicken  
Account  
Setup dialog  
box you use  
to provide  
checking  
account  
information.

The screenshot shows a dialog box titled "Quicken Account Setup" with a close button (X) in the top right corner. The main heading is "Tell us about this checking account". Below this, there is a label "Name this account:" followed by a text input field containing the word "Checking". At the bottom of the dialog, there are four buttons: "Cancel", "Help", "Back", and "Next".

**Figure 1-10:**  
The second  
Quicken  
Account  
Setup dialog  
box used to  
provide  
checking  
account  
information.

The screenshot shows a dialog box titled "Quicken Account Setup" with a close button (X) in the top right corner. The main heading is "Enter the ending date and balance from your statement, if you have it." Below this, there are two sections:
 

- ▶ Enter the ending date on the statement. Statement Date: 6/2/2006 (with a calendar icon)
- ▶ Enter the ending balance on the statement. Ending Balance: 4.16 (with a currency icon)

 Below these sections, there is explanatory text: "This becomes the opening balance of your Quicken account." and "Don't worry if you don't have your last statement - you can make changes to your account later." At the bottom of the dialog, there are four buttons: "Cancel", "Help", "Back", and "Done".

“Geez, Steve,” you’re now saying to yourself, “what’s MM/DD/YYYY fashion?” Okay. Here’s an example: If your bank statement is dated June 2, 2006, type **06/02/2006**, or you can type **6/2/2006**.

**6. Enter the ending bank statement balance by referring to your bank statement.**

This balance is whatever appears on your bank statement. This balance is also the amount of money in your account on the date you begin your financial record keeping. If you have \$4.16 in your checking account, type **4.16** into the Ending Balance text box.

**7. After you type the bank statement balance, click the Done button.**

Quicken removes the Checking Account Setup dialog box and redisplay the Add Cash Flow Accounts version of the Quicken Guided Setup

window (refer to Figure 1-6). If you want to add another account, simply repeat Steps 1 through 6.

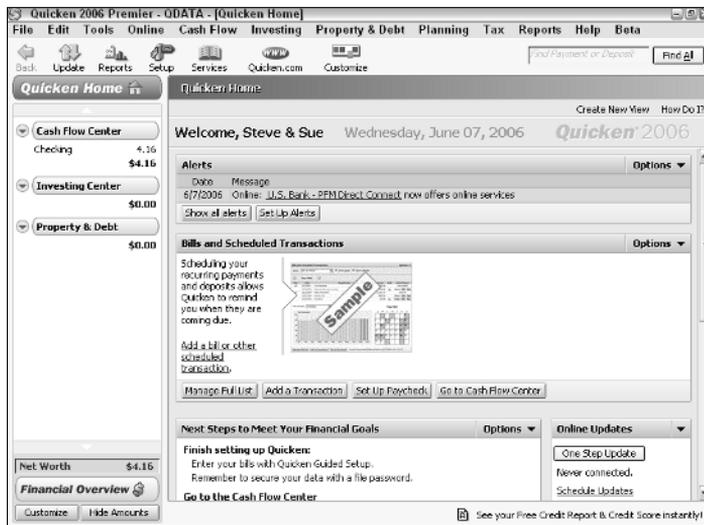
8. **After you add the accounts you need — and, again, I think you can start with one or, if you really want, two — click the Next Step button to continue moving through the Guided Setup.**

Eventually, you really do finish, although you need to click Next Step another four or five times, depending on how much stuff you've said you want to do with Quicken from the get-go.

9. **Click Done and OK.**

Quicken asks you whether you want to set up other accounts for tracking your debts and maybe even your investments. But you know what? Go ahead and skip setting up this other stuff for now. I recommend keeping stuff simple in the beginning. If all you ever do with Quicken is track your bank accounts, you get about 90 percent of the value of the product anyway. And you save yourself a bunch of work.

In the end, *voilà!* The Quicken Home window appears, as shown in Figure 1-11.



**Figure 1-11:**  
The Quicken  
Home  
window.

## Steve's Overview

You don't need to know much about the mechanics of the Quicken *interface* — the way its windows work — to begin working with Quicken, especially in any

chapters in this book in which I cover the basics. I provide plenty of detailed instructions, but I have a couple of quick comments now.

## *Starting Quicken for the second time*

The second time you start Quicken — and every subsequent time — things work pretty much the same way as the first time. Double-click the Quicken icon on your desktop. Or, if you like doing things the hard way, click Start and then choose All Programs⇨Quicken 2006.

## *Using Quicken document windows*

Quicken doesn't use document windows the way that some other Windows applications do. Quicken basically turns document windows into pages that you leaf through by clicking the window buttons that appear along the left edge of the program window. In Figure 1-11, for example, you see buttons for Cash Flow Center, Investing Center, and Property & Debt. Go ahead and turn back to that page. I'll just wait here for you until you get back.



### **The best way to get started**

Quicken wants you to use your last bank statement to set up the bank account you track. This way, your financial records synchronize with the bank's records when you start using Quicken.

But I want to suggest something slightly different to you. Go back further than just to the beginning of the previous month (which is what you do when you use your last bank statement). Go back to the beginning of the year and use the last bank statement of the previous year — even if it's now several months after the beginning of the year. Now, I'm not trying to waste your time. But let me point out two big advantages to

having a complete year's data in Quicken: Tracking and tallying your tax deductions will be a snap, and planning your finances will be easier. When you enter the activity, be sure to enter any outstanding checks or deposits from the prior period with their correct dates also. That way, they are there to check off when you do your first reconciliation.

Going back to the beginning of the year isn't as hard as you may think. Quicken provides a bunch of tools to help you enter several months' worth of data in a very short time, as you can see in this chapter and in the two or three that follow.

## *Navigating with financial activity centers' QuickTabs*

Quicken arranges all of its features — whistles, bells, or whatever else you want to call them — into *financial activity centers*. For example, the Cash Flow Center, the Investing Center, and the Property & Debt Center are all financial activity centers. You get the picture. Each of these centers gets its own button. For example, refer to Figure 1-11 for a moment. See the button that's labeled Cash Flow Center?

Quicken lists the features within a financial activity center underneath the financial activity center button. You can collapse and expand this list by clicking the small button that's just to the left of the big financial activity center button. (The small button shows a picture of an arrowhead.) You can also jump to a listed feature by clicking the feature — which Quicken calls a QuickTab. For example, see the Cash Flow Center button in Figure 1-11? See the word Checking beneath that button? Checking is a QuickTab, which you can click to quickly jump to the Checking account.

If you're still confused, click the buttons and bits of text in the area of the Quicken window that I'm talking about. You'll clearly see how things work.

## *Solving Tricky Setup Problems*

I want to quickly go over a handful of annoying setup problems new Quicken users may encounter. If you have Quicken set up and are ready to roll, skip this stuff.

### *Did somebody say Macintosh?*

You can use the existing old Quicken files you're working with a new version of Quicken. In fact, if the Quicken installation program can find a version of old Quicken files on your computer, it gives you the option of just skipping all the Quicken Guided Setup stuff. In this case, you just begin using your existing files. (I mention this point earlier in this chapter, in fact.)

If you've been using Quicken for Macintosh, however, you have to export your data from the Macintosh before you can read it in the Windows version. And I can think of about a million things more fun to do than exporting Quicken data from a Mac to Windows. See the section in Chapter 17 on importing data from an old accounting system for a brief discussion on the procedure and some suggestions for better ways to spend your time.

## *The mysterious case of the missing Quicken data files*

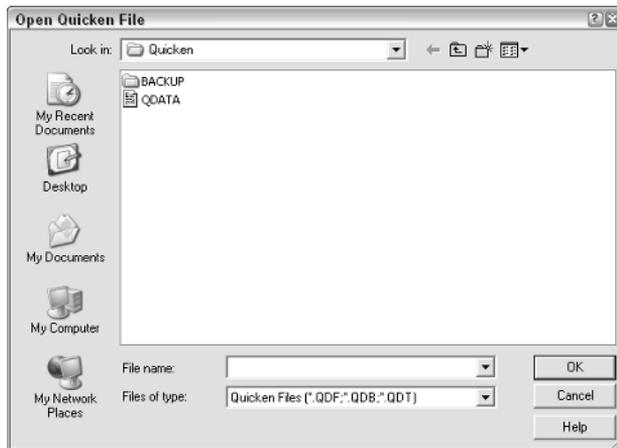
If Quicken doesn't find the old files, you need to open the specific files. But if you have this problem, you should be able to solve it yourself. What has happened, if you find yourself in this boat, is that you've moved or messed around with the Quicken files with some other program, such as Windows Explorer. If you did that, presumably you had a reason. And more to the point, you should know where you put the files.

### *Using the File⇨Open command*

You can use File⇨Open to select and open your existing Quicken files. Here's how:

- 1. Choose File⇨Open from the menu bar by using your mouse (or you can press Ctrl+O).**

Figure 1-12 shows the Open Quicken File dialog box that appears after you choose the command. Quicken uses this dialog box to ask the burning question, "Hey, buddy, what file you wanna open?"



**Figure 1-12:**  
The Open  
Quicken File  
dialog box.

- 2. Tell Quicken in which folder the files are stored.**

If the correct folder isn't the one already shown in the Look In box in the Open Quicken File dialog box, tell Quicken what the correct folder is. Click the down arrow to the right of the Look In box. After you do,

Quicken drops down a list of the disk drives and folders your computer has. (This is why the little Look In box is called a *drop-down list box*.)

From the list of drives and folders that appears, click the one that stores your Quicken files. Quicken closes the drop-down list box and displays your selection in the list box beneath the Look In box.

**3. Select the file from the list box.**

After you tell Quicken on which disk and in which folder you stored your data files, the files in that location appear in the list box. Just click the file you want.

**4. Click OK after you find the file.**

Quicken opens the file and displays the active account in the register window. (Quicken also displays its Reminders window to show any unprinted checks or scheduled transactions.)

**Note:** If the file you're opening was created in a previous version of Quicken, Quicken converts the data to the Quicken 2006 format.

**Note:** If Quicken displays the Quicken Home page rather than the account register, click the bank account name hyperlink beneath the Cash Flow Center button.

### *What if you can't find the Quicken file?*

Uh-oh. This is a problem. But don't worry. You're not out of luck. You need to look through all the folders on your hard drive. Or, if you have more than one hard drive, look through all the folders on all your hard drives.

Fortunately, you can do this by using the Windows Find tool, also known as the Windows Search tool. (The command name varies in different versions of Windows.) Here's how:

- 1. Click the Start button and then choose Search→For Files Or Folders.**
- 2. When Windows displays the Search Results window, type \*.qdf in the Search For Files Or Folders Named text box and click the Search Now button.**

The list box on the right side of the Search Results window displays a list of Quicken files — one of which is the data file you lost.

By the way, maybe I should bring up a point here. If you're a new user, your best bet is really to just go with whatever an application program (such as Quicken) suggests. If Quicken suggests that you use the QUICKEN directory — this is the suggestion for Windows versions of Quicken, by the way — just do it. If Quicken suggests that you use drive C, just do it. If Quicken suggests that

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you take all your money, put it in a coffee can, and bury the can in your backyard. . . . Whoa, wait a minute. Bad idea.

Maybe I can suggest a better rule. Hmmm. . . . How about this? Although you shouldn't follow suggestions blindly, you also shouldn't ignore the Quicken program's suggestions unless you have a good reason. And "Just because," "I don't know," and "For the heck of it" aren't very good reasons.

## *Migrating from Microsoft Money*

Suppose that you're moving from Microsoft Money to Quicken. The question of the hour is this: Can you reuse your old or existing Money files in Quicken? The answer is, "Yes, sort of."

Theoretically, you can do this by exporting your Money data file to a QIF file. You can refer to the Money Help file or documentation to get instructions about how to export your Money data file. You can then import this QIF file into Quicken by using Quicken's Import command. Choose File⇒Import⇒QIF File, identify the file, and then follow the on-screen instructions.

Practically, however, moving financial information from Quicken to Money or vice versa doesn't work all that well. Transactions seem to get lost. Account balances get messed up. People ruin their lives. Well, maybe that last comment is a slight exaggeration. But, no kidding: Migrating is problematic. If you do want to move from one program to another, I suggest making sure that you have a really good reason for doing so and that you allow yourself enough time to track down and correct any errors.

