



# **Accounts Payable User Guide**

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**Financials**

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# Chapter 1

## Using This Guide

---

The purpose of this user guide is to provide reference material for your daily use of the product and for your needs in Lawson training.

This user guide contains procedures on basic and advanced features of the product. In addition, it provides information to help you understand how to use each procedure for your business processes.

## User Guide Conventions

---

This user guide uses specific text conventions, visual elements, and terminology.

### Text Conventions

Lawson user guides use the following standard text conventions.

| <b>This</b> | <b>Represents</b>  |
|-------------|--|
| <b>bold</b> | A key name or a function key name.<br>For example, <b>Shift</b> is a key name and <b>Help (F1)</b> is a function key name.<br><br>A value or command that you must type exactly as it appears.<br><br>A program name or a file name. |

---

| <b>This</b>       | <b>Represents</b>   |
|-------------------|---|
| <i>italics</i>    | <p>A manual title or form name.</p> <p>An emphasized word or phrase.</p> <p>A placeholder for a user-defined value or variable. Follow the capitalization pattern of the placeholder. For example,</p> <p>For UNIX:</p> <p>“Type <b>\$LAWDIR/print/username/jobname/stepnumber/FORMID.prt</b>” instructs you to type the user name, job name, step number, and form ID as follows: <b>\$LAWDIR/print/jane/emplist/1/GL100.prt</b></p> <p>For Windows:</p> <p>”Type <b>%LAWDIR%\print\username\jobname\stepnumber\FORMID.prt</b>” instructs you to type the user name, job name, step number, and form ID as follows: <b>%LAWDIR%\print\jane\emplist\1\GL100.prt</b></p> |
| <b>(F1)–(F24)</b> | <p>A function key number. “Press <b>Help (F1)</b>” instructs you to press the key mapped for the <b>(F1)</b> function.</p>  |
| <b>Key1+Key2</b>  | <p>A key combination. “Press <b>Shift+FndNxt (F3)</b>” instructs you to press and hold down the <b>Shift</b> key and then press the <b>FndNxt (F3)</b> function key. Release both keys to complete the action.</p>  |
| [ ]               | <p>Optional parameters. You can type none, one, or more of the parameters within the brackets. For example, the command</p> <p><b>qsubmit [-Un] [-jJobQueue -dDate -tTime] username jobname</b></p> <p>means that you can type a specific job queue, date, or time, or you can omit these parameters.</p>   |

| This  | Represents  |
|-------|---|
| [   ] | <p>Optional parameters. You can type only one of the parameters separated by a vertical line. For example, the command</p> <p><b>phraserpt</b>[-n t] <i>BaseLanguage</i> [<i>Translation</i>]</p> <p>means that you can type either the <b>n</b> or <b>t</b> parameter; you cannot type both.</p> |
| ...   | <p>A parameter that can be repeated. For example, the command</p> <p><b>scrgen</b> [-scxvV] <i>productline</i> [<i>systemcode</i> [<i>programcode</i>...]]</p> <p>means that you can type any number of program codes.</p>  |

## Visual Elements

Lawson user guides use the following visual elements.

---

**STOP** Information that must know before you attempt the procedure or process.

---



**Need More Details?** Check out the following concepts:

- Introduces a list of topics that provide additional or background information. Each item in the list includes a cross-reference to the information.

\*\* Application integration. Events, required actions, or other consequences that are related to other Lawson applications.

---

**IMPORTANT** Important information that you must consider when you perform the procedure.

---



**CAUTION** Cautionary information about actions that involve a risk of possible damage to equipment, data, or software.

---



**WARNING** Warning information about actions that involve a risk of personal injury or irreversible destruction to the data or operating system.

---

**TIP** Supplemental information about possible shortcuts to the procedure or your business process.

**NOTE** Supplemental information that might be of interest to you as you complete the procedure.

## Terminology

The following terms have precise meanings in Lawson documentation.

| Term   | Meaning   |
|--------|---|
| access | Open a Lawson application form or subform.  |
| choose | Start a process.<br>“Choose Add” instructs you to click a button or a link on a form to add a record to the Lawson system.  |
| click  | Place the cursor over an object (such as a button, link, or tab) and press the left mouse button.<br><b>NOTE</b> This description applies to a standard PC mouse with standard settings. You must translate the meaning of “click” to what is appropriate for your equipment. |
| define | Use a Lawson form to create a new record for a company, a vendor, a class, a code, or another entity used throughout the Lawson system.<br>– or –<br>Specify configuration parameters, printers, security roles, data areas, and so on.                                       |
| run    | Send data for processing. For example, run a report or batch job.   |

| Term   | Meaning  |
|--------|--|
| select | <p>Identify an item to process. Selecting an item does not start a process.</p> <p>To select an item, place the cursor over an item and then click.</p> <p>If you use character-based mode, highlight an item to select it. Sometimes, you must also press <b>Mark</b> or <b>Next</b> or choose <b>OK</b>.</p>   |
| type   | <p>Press keyboard keys to enter information in a field and move the cursor to the next field.</p> <p>At a command line, type the letters exactly as written in the procedure, and then choose <b>OK</b>.</p>   |
| OK     | <p>Choose OK to save or process the data that you entered on the current form.</p> <ul style="list-style-type: none"> <li>• “Choose OK” instructs you to click a button or a link on a form. An “OK” button might be labeled “Update” or show a check mark. An “OK” link might be labeled “OK.”</li> <li>• “Choose <b>OK</b>” instructs you to press the keyboard key mapped as <b>Enter</b>.</li> </ul> |

## Product Documentation

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Lawson offers the following product documentation:

- Online help
- User guides and manuals
- Release notes and installation instructions
- Enhancement and patch documentation

To find Lawson documentation, see the user interface or <http://support.lawson.com>. To obtain a login password and ID for the Support site, see your organization’s Lawson contact or your Lawson client manager.

## Global Support Center

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Lawson Global Support Center (GSC) services are available to all Lawson customers who are on maintenance support for Lawson products. See the *Global Support Manual* for the following information:

- What information to gather before you contact the GSC
- How to contact the GSC
- How the GSC processes your request
- How to receive enhancements and patches
- Which services are standard maintenance and which services are billable

To find the *Global Support Manual*, see <http://support.lawson.com>. To obtain a login password and ID for the support web site, see your organization's Lawson contact or your Lawson client manager.

## Documentation Contact

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We welcome your questions or suggestions about Lawson documentation. Please send comments to [documentation@lawson.com](mailto:documentation@lawson.com).

## Chapter 2

# Overview of Accounts Payable

---

The Lawson® Accounts Payable application is used to enter invoices, create and store vendor records, manage cash flow, and generate payments. This chapter provides a high-level overview of Accounts Payable, including information on the application's major processes and integration with other Lawson and non-Lawson products.

## Accounts Payable Process Flow

---

The Accounts Payable application can be broken down into four main processes: setup, invoice processing, special processing, and reporting. This section takes a closer look at setting up Accounts Payable and using the application to process invoices and generate reports.

### Accounts Payable Setup

While setting up Accounts Payable, you need to consider your payment processing and reporting needs, determine the company and vendor structures that best fits those needs, and set up your Accounts Payable application accordingly.

Hands-on setup of your Accounts Payable application will include defining the bank accounts out of which you will make payments, the terms under which you will make payments, and the vendors you will pay.

### Accounts Payable Invoice Processing

Accounts Payable invoice processing consists of entering, releasing, and paying invoices. You can also maintain invoices between the time you release and pay them, and you will be required to close your accounting periods.

The setup you complete prior to invoice processing can help you streamline invoice entry and manage your cash flow. For example, you can define codes that will default on an invoice to indicate when the invoice should be paid and to which accounts the expense should be distributed.

### Accounts Payable Special Processing

In addition to entering and paying expense invoices, you can use the Accounts Payable application for other special processing such as voiding payments, paying employee expenses, and generating bills of exchange. You can also track and report on vital information such as reportable income, VAT, and Intrastat.

### Accounts Payable Reporting

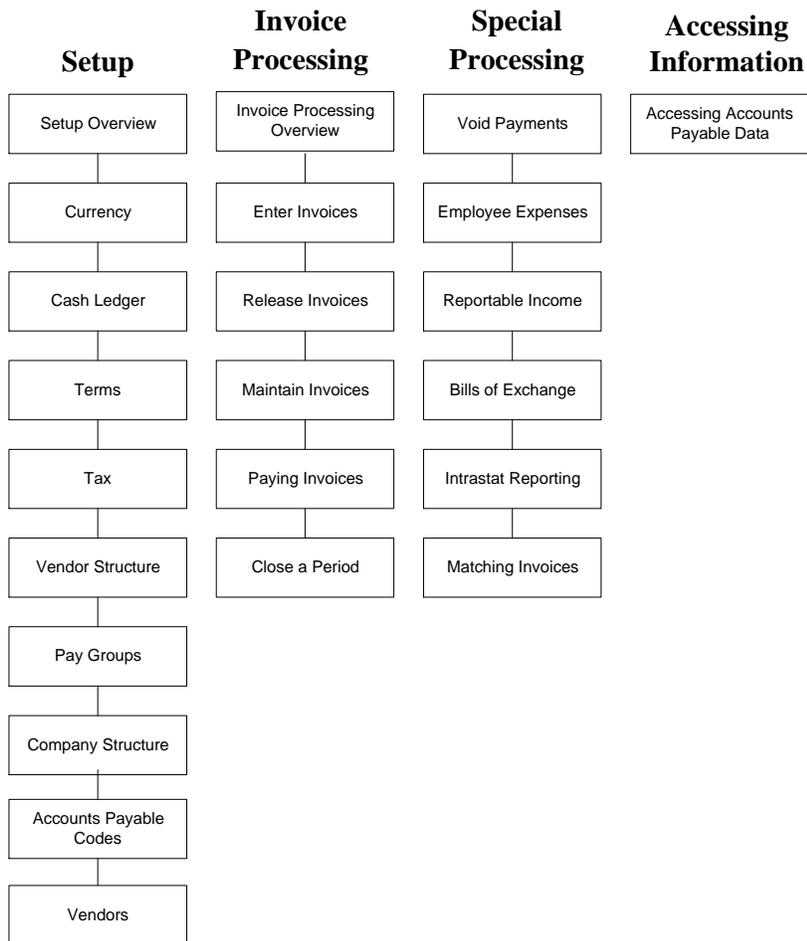
Accounts Payable contains programs that will allow you to gather reports on open payables, cash forecasting, payment history, vendor balances, and

more. You can also use the Account Payable application to complete required federal reporting, such as the submitting reportable income information.

## Accounts Payable: A Big Picture

To mirror Accounts Payable’s major processes, this user guide is divided into four parts: Setup, Invoice Processing, Special Processing, and Reporting.

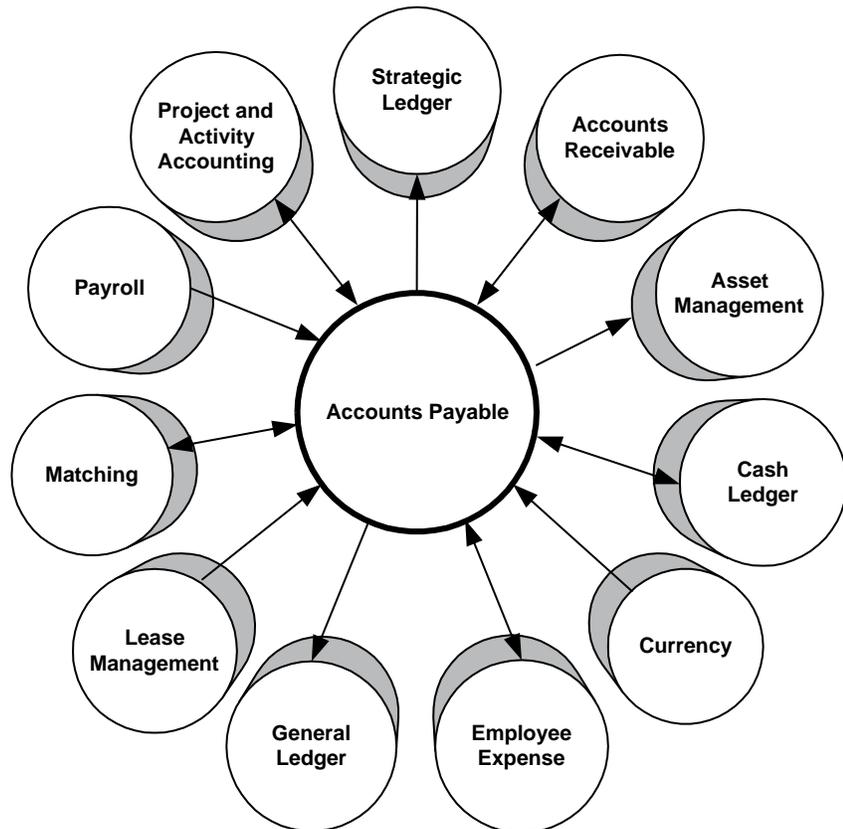
The big picture flow illustrates Accounts Payable’s four main processes, breaks the processes down into sub-processes, and serves as a reminder of where you are in the user guide.



## How Accounts Payable Integrates With Other Lawson Applications

\*\* This section explains how the Accounts Payable application interfaces with other Lawson applications.

Figure 1. Application integration: How Accounts Payable integrates with other applications.



## Accounts Receivable

Accounts Payable vendors can be defined to have a relationship to customers in the Lawson® Accounts Receivable application.

In Accounts Receivable you can display balances between your AR customers and AP vendors. You can also select open transactions (invoices, debit memos, credit memos, and payments) and interface a summary debit memo or credit memo into the Accounts Payable application for the selected amount.

## Asset Management

If you define asset invoices, the Accounts Payable application sends the Lawson® Asset Management application all information needed to automatically create assets from those invoices.

In Asset Management, you can maintain distributions from Accounts Payable.

## Cash Ledger

Accounts Payable uses the Lawson® Cash Ledger for updating payment processing information. Bank service charges are also recorded in Cash Ledger.

## **Currency**

Accounts Payable uses currency codes and exchange rates defined in the Lawson® Currency application.

## **Employee Expense**

Accounts Payable defines the vendors that are used by the Lawson® Employee Expense module.

Employee Expense updates Accounts Payable vendor balances, and Employee Expense comments can be printed on Accounts Payable payments.

Employee Expense sends encumbrances to the Lawson General Ledger application.

## **General Ledger**

Accounts Payable sends journal entry information to the Lawson General Ledger application, updating expense and liability accounts.

Accounts Payable sends encumbrances to the Lawson General Ledger application.

## **Inventory Control**

Inventory Control uses vendors that were set up in the Lawson Accounts Payable application.

## **Invoice Matching**

Accounts Payable sends vendor information to the Lawson® Invoice Matching application.

Invoice Matching creates general ledger distributions for invoice and credit approvals and sends them to Accounts Payable. The match process creates a released invoice, which is then sent to Accounts Payable for payment processing.

## **Lease Management**

Lease Management sends release and approved invoices to the Lawson® Accounts Payable application.

## **Payroll**

Accounts Payable invoices can be created from deductions such as garnishments and insurance premiums created in the Lawson® Payroll application.

## **Project and Activity Accounting**

Accounts Payable sends committed costs to the Lawson® Project and Activity Accounting application.

The Project and Activity Accounting application sends subcontractor time entry to Accounts Payable. In addition, Project and Activity Accounting sends payment information to Accounts Payable of invoices paid with an activity.

## **Purchase Order**

Purchase Order uses vendors that were set up in the Lawson Accounts Payable application.

## **Requisitions**

Requisitions uses vendors that were set up in the Lawson Accounts Payable application when users select a vendor on a requisition.

## **Strategic Ledger**

Accounts Payable sends user analysis values to the Lawson® Strategic Ledger application for analysis and reporting on organizational profitability.

A user analysis field is a flexible, user-defined element that stores transaction information to measure profitability. You can assign user analysis fields to accounts payable distribution lines.

## **Tax**

You must set up a Lawson Tax application company and tax code before setting up an Accounts Payable company.

## **Terms**

Terms lets you assign terms codes to vendors, locations, and invoices in Accounts Payable.

## **Using the Accounts Payable Flowchart**

---

The Accounts Payable flowchart is the basic navigational guide for the Accounts Payable application. It provides a quick and easy way to access the Accounts Payable programs.



## Chapter 3

# Setup Overview

---

Before you start invoice processing, you must perform several setup tasks. By completing these setup tasks, you provide basic information that is vital for invoice processing such as the currency you will use to pay vendors, the bank you will draw funds from, any special payment terms you've negotiated, and the names and locations of your vendors.

This chapter provides an overview of the minimum setup that is required before you can begin processing with the Lawson Accounts Payable application. Procedures for each step in the process are detailed in the chapters that follow.

## Accounts Payable Setup Overview

---

You must complete required setup within Accounts Payable and in other specified Lawson applications.

## Accounts Payable Setup Step-by-Step

---

The following table shows the order in which the setup steps should be performed. You can find details about concepts and procedures related to setup in the following chapters and in the additional noted resources.

| <b>Setup</b>         | <b>What is required?</b>  | <b>For details, see...</b>   |
|----------------------|---|--|
| Currency application | In the Currency application, you define information about the base currency your company will be using. If you operate in multiple currencies, you will need to define additional details that will be used for currency exchange. If you have only one currency you are only required to define: <ul style="list-style-type: none"><li>• A currency code</li></ul> | The <i>Currency User Guide</i> and " <a href="#">Currency Setup</a> " on page 35 in this user guide. |

---

| <b>Setup</b>               | <b>What is required?</b>  | <b>For details, see...</b>   |
|----------------------------|---|--|
| General Ledger application | You must set up the Lawson General Ledger application or General Ledger subset before you set up and use Accounts Payable. You will need to define at least one general ledger company and the accounts you will to post to.  | The <i>General Ledger User Guide</i>   |
| Cash Ledger application    | <p>You define your bank information and payment formats in the Cash Ledger application. At a minimum, you must define:</p> <ul style="list-style-type: none"> <li>• At least one bank</li> <li>• Bank account(s) at each bank</li> <li>• A relationship between your general ledger company and each bank account</li> <li>• Each bank transaction you will require, such as payment or deposits</li> <li>• Each payment format you will use, such as checks or electronic files</li> </ul> | The <i>Cash Ledger User Guide</i> and " <a href="#">Cash Ledger Setup</a> " on page 43 in this user guide. |

| Setup             | What is required?   | For details, see...   |
|-------------------|---|---|
| Terms application | <p>Optional. Use the Terms application to define special payment terms you have negotiated with your vendors. Terms are used to calculate invoice due dates and early payment discounts. While there is no required setup in the Terms application, defining the terms you use most commonly can save time and improve accuracy during invoice entry.</p>                             | <p>The <i>Terms User Guide</i> and "<a href="#">Terms Setup</a>" on page 55 in this user guide.</p> |
| Tax application   | <p>You must define a tax company in the Tax application. Use the tax application to calculate and track taxes for taxed invoices. Required setup is dependent on your specific tax needs, but can include:</p> <ul style="list-style-type: none"> <li>• A tax company</li> <li>• A tax code master</li> <li>• A tax table</li> <li>• Tax code options</li> <li>• Tax rates</li> </ul> | <p>The <i>Tax User Guide</i> and "<a href="#">Tax Setup</a>" on page 71 in this user guide.</p>     |

| <b>Setup</b>     | <b>What is required?</b>  | <b>For details, see...</b>  |
|------------------|---|---|
| Vendor Structure | <p>An important part of managing accounts payable in your organization is efficiently and accurately maintaining your vendor records. The Accounts Payable application provides several options for organizing and categorizing your vendor records. The minimum vendor structure setup required is:</p> <ul style="list-style-type: none"> <li>• One vendor group</li> <li>• One vendor class for each vendor group</li> </ul> | <p><a href="#">"Vendor Structure Setup"</a> on page 79 in this user guide.</p>  |
| Pay Groups       | <p>You define how you want to group your vendors for payment processing. You can define pay groups that let you consolidate payments from multiple AP companies to a vendor. You can also define process groups to streamline payment processing if you are dealing with large pay runs. A pay group is above vendor and process groups are defined at the vendor level. The minimum setup is one pay group</p>                 | <p><a href="#">"Payment Structure Setup"</a> on page 89 in this user guide.</p> |

| Setup                  | What is required?   | For details, see...  |
|------------------------|---|--|
| Company Structure      | <p>Your accounts payable company structure is made up of companies and process levels. This structure provides a framework for reporting and processing. You can use a combination of companies and process levels to reflect how your organization is structured: by physical location, division, departments, cost centers, or other groups. The minimum setup required is:</p> <ul style="list-style-type: none"> <li>• One accounts payable company</li> <li>• One process level</li> </ul> | <p><a href="#">"Company Structure Setup"</a> on page 101 in this user guide.</p>         |
| Accounts Payable Codes | <p>You can define a variety of codes to use when processing accounts payable. You assign these codes throughout the Accounts Payable application, such as when you define your company or enter invoices. These codes eliminate repetitive data entry, resulting in streamlined processing and fewer data entry errors. Two codes are required for setup:</p> <ul style="list-style-type: none"> <li>• An invoice accrual code</li> <li>• A discount code</li> </ul>                            | <p><a href="#">"Defining Accounts Payable Codes"</a> on page 117 in this user guide.</p> |

| Setup   | What is required?  | For details, see...   |
|---------|--|---|
| Vendors | <p>You can add vendor records at any time, but often a mass add of existing vendor records is done as part of the setup process. A vendor is any company or person you remit payments to. You must define a vendor in the application before you can process an invoice for that vendor, unless you enter a one-time vendor invoice.</p> | <p><a href="#">"Adding and Maintaining Vendors"</a> on page 133 in this user guide.</p> |

## Chapter 4

# Currency Setup

---

This chapter discusses information that must be defined in the Lawson Currency application prior to accounts payable processing. This chapter covers only the portions of Currency that are required for processing in Lawson Accounts Payable. For more information about all aspects of the Currency application, see the *Currency User Guide*.

# Concepts in this Chapter

---

The following concepts provide background and conceptual information for the procedures within this chapter.

- ["What Should I Consider Before Setting Up Currency?" on page 36](#)
- ["What Are Setup Requirements for Multiple Currencies?" on page 37](#)
- ["What are Currency Codes?" on page 38](#)
- ["What is Currency Exchange?" on page 39](#)
- ["What is Currency Revaluation?" on page 39](#)
- ["What are Translation Codes?" on page 40](#)
- ["What are Unrealized and Realized Gain and Loss Accounts?" on page 41](#)

## What Should I Consider Before Setting Up Currency?

---

If your organization conducts business in only one currency, your considerations for currency setup are clear-cut. The only setup required is to define a currency code that represents the currency in which you do business.

If you operate in more than one currency, additional planning and setup is required. Before you start your Currency setup, consider the following:

- Determine the number of currency codes you need to define, based on the number of currencies you will use.
- Determine if your general ledger company will use currency exchange and if the currency exchange involves triangulated currencies.
- Determine if your general ledger company will use translation. If so, which translation method is right for the company.

## What Are Setup Requirements for Multiple Currencies?

---

If your organization conducts business in more than one currency, you must complete additional set up tasks. The following table describes required and optional setup for multi-currency companies. You can find detailed procedures for each task in the *Currency User Guide*.

| <b>Setup</b>                            | <b>Description</b>  |
|---|---|
| Currency Codes                          | In addition to the one currency code that is required by all users, you must define a currency code for each currency in which you do business.   |
| Currency Table                          | A currency table holds currency relationships, exchange rates, and translation rates in one place. You must define a currency table if you use multiple currencies. Associate a currency table with one or more companies to share currency information. This reduces setup and maintenance time.   |
| Currency Relationships                  | When you define a relationship between two currencies, you specify the rules that should be applied for transactions that involve both currencies. A relationship is required for any business transactions that involve two currencies, such as if your base currency is US dollars, but you have a vendor that bills you in Japanese yen. |
| Currency Gain/Loss Accounts             | Currency gain and loss accounts are used to post variance amounts when there is a difference between the beginning and ending exchange rates for a transaction. These accounts are required only if you use multiple currencies.  |
| Currency Exchange and Translation Rates | Define the exchange and translation rates used to convert amounts from one currency to another. There are two ways to define rates: manually or through an interface. You must define rates if you will be exchanging or translating currency amounts.  |

## What are Currency Codes?

---

**Currency codes** represent any currency in which you conduct business. You must define a currency code for each base, account, transaction, or report currency you use.

Currency codes represent the different currencies that are valid for use in all Lawson applications. You must establish at least one currency code before defining the General Ledger company.

## How are Currency Codes Used?

Use currency codes to identify the currencies you use. Based on the currency code entered and the exchange or translation rates defined for the currency code in the currency table assigned to the company, the Currency application exchanges, revalues, and translates currency amounts to the company base currency. If the company uses reporting currencies, the Currency application also exchanges currency amounts to the appropriate company reporting currencies.

You can use any currency code as base currency, account currency, transaction currency, or report currency.

| <b>Currency</b> | <b>Description</b>  |
|-----------------|---|
| Base            | <p>Base currency <i>is the functional operating currency assigned to a General Ledger company.</i></p> <p><b>NOTE</b> Base currency does not need to be the same as the local currency.</p>   |
| Account         | <p>Account currency <i>is the currency assigned to a General Ledger detail account to store nonbase currency amounts.</i> For example, a US company maintaining a bank account in France might want to assign EUR to the cash account where the bank account balances are posted.</p> <p>The account currency defaults on General Ledger transactions and is used to calculate account amounts if the account currency is different from the company base currency.</p> |
| Transaction     | <p>Transaction currency <i>is the currency in which a business transaction is conducted;</i> for example a purchase, sale, lease transaction, asset purchase, or depreciation.</p>  |
| Report Currency | <p>Report currency <i>is an additional currency assigned to a company or activity group for reporting and analysis only.</i> The report currencies are calculated in the same manner as the base currency. You can define up to two report currencies. Report currencies can be revalued and translated.</p>  |

## What is Currency Exchange?

---

**Currency exchange** is the process used to convert a transaction in a currency other than the base currency to the base currency, using daily exchange rates.

### How is Currency Exchange Used?

You can enter a transaction amount in any currency that has been defined in the currency table assigned to the company and from any application that allows transaction entry. The amount is then immediately exchanged to the company's base currency, using the currency table exchange rate. All Lawson applications accommodate currency exchange.

### Example

Pierre's Catering Service invoices LGE Corporation for 1500 GBP on March 15. The exchange rate is 0.1642. Therefore, the invoice is exchanged to \$246.30 (1500 GBP \* 0.1642) in the base currency.

## What is Currency Revaluation?

---

**Currency revaluation** is the process of checking non-base transaction amounts against current exchange rates or translation rates and adjusting the amounts to match the new exchange rates or translation rates, with offsetting amounts sent to a gain or loss account. Revaluation occurs only for accounts that are flagged to revalue.

Currency revaluation occurs in the General Ledger application for the General Ledger accounts that you mark for revaluation as described later in this chapter.

If your company has reporting currencies, the General Ledger application can also revalue non-base transaction amounts to the reporting currencies.

## What are Translation Codes?

---

For each currency relationship in which you want to translate a company's financial statements, you may need to define several sets of rates, depending on the financial statements you want to translate. To differentiate between sets of rates for the same currency relationship, the Currency application uses translation codes. Translation codes *identify the rate type and ensure that the correct translation rate is applied when translating an account.*

- For balance sheet accounts, you need to use translation rates that represent the last rate in effect for each period. (Rate Type = Ending)
- For income statements, you need to use translation rates that represent the average rates for each period. (Rate Type = Average)
- For some balance sheet accounts, such as fixed asset accounts, you may also want to use historical translation rates representing the rates in effect on the date of a transaction. (Rate Type = Historical)
- Use the Historical Balance type to have the translated amount calculated by adding historical translated balances to the current period activity and translated at the period rate.

**TIP** A Historical rate does not mean a rate that never changes. If the translation code for the Historical rate is defined with changing rates, the account balances will be updated according to the rate in effect for the translation code at the time of the translation.

A translation code is assigned to each chart of accounts detail account. The Currency application provides two default translation codes that it automatically assigns to chart of accounts detail accounts as follows:

- Chart Section One (Balance Sheet) detail accounts are assigned a translation code of BS (Balance Sheet) with a rate type of E (Ending).
- Chart Section Two (Income Statement) detail accounts are assigned a translation code of IS (Income Statement) with a rate type of A (Average).

You can also define your own translation codes and assign them to any detail account. Any account assigned that translation code will be translated using the rates you define for the relationship and translation code.

## What are Unrealized and Realized Gain and Loss Accounts?

---

Realized gain and loss accounts *are used to post the difference resulting from a change between the exchange rate in effect at the time a transaction is entered and the exchange rate in effect at the time the transaction is closed.* For example, if you enter an invoice with an exchange rate, and the rate changes by the time you pay the invoice, the system posts the difference to a realized gain or loss account.

Only one set of currency gain and loss accounts must be set up. This value will default for individual currency relationships, *if the currency code and system code fields are left blank.* If you want to track gains and loss by currency relationship, you can set up specific currency gain and loss accounts for specific currency relationships and system codes.

Unrealized gains and losses occur if a transaction that was journalized during the period is still outstanding at the end of the period. Unrealized gain and loss accounts *are used to temporarily account for any changes in the currency exchange rate from the transaction date to the period ending date.* Entries made to unrealized gain and loss accounts are reversed automatically (Accounts Payable or Accounts Receivable) or manually (General Ledger) in the subsequent period.

---

**IMPORTANT** The General Ledger does not generate any entries to the *realized* gain or loss accounts. Accounts Payable and Accounts Receivable are the only applications using these accounts. General Ledger will post the values that are sent from the Accounts Payable and Accounts Receivable applications.

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# Procedures in this Chapter

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Your currency setup requirements are dependent on the number of currencies your organization uses. If your organization conducts business in only one currency, all you are required to set up is one currency code. If your organization conducts business in more than one currency, your requirements will be more complex. Those setup procedures are detailed in the *Currency User Guide*.

- ["Defining Currency Codes" on page 42](#)

## Defining Currency Codes

---

Currency codes are required for all companies. If your company conducts business in one currency, you define only one currency code.

### **STEPS** To define currency codes

1. To define a single currency code, access Currency Code (CU01.1).

– or –

To define multiple currency codes, choose the Multiple Entry button on CU01.1 to access Currency Codes (CU01.2).

2. Define a currency code for each currency in which your company conducts business. Two or more currency codes are required to perform currency exchange or currency translation. Consider the following fields.

**TIP** To create a common language of currency codes, define currency codes based on the standard international currency and ISO country codes.

|                         |  |
|-------------------------|--|
| <b>Forms Expression</b> | Use this field to type an additional description of the code that prints on Lawson-defined printed forms such as checks. |
|-------------------------|--|

|                           |  |
|---------------------------|--|
| <b>Number of Decimals</b> | This field determines the number of decimals used to display currency amounts. |
|---------------------------|--|

|                 |  |
|-----------------|--|
| <b>ISO Code</b> | Use this field to type the alphanumeric International Standards Organization (ISO) currency code to associate with your user-defined code. |
|-----------------|--|

|                   |  |
|-------------------|--|
| <b>ISO Number</b> | Use this field to type the International Standards Organization (ISO) number associated with the country using the currency. This number is used in electronic transactions by third-party credit card processors. |
|-------------------|--|

## Related Reports and Inquiries

| To              | Use                            |
|-----------------|--------------------------------|
| List currencies | Currency Codes Listing (CU201) |

## Chapter 5

# Cash Ledger Setup

---

Because you will be using Lawson Accounts Payable to pay vendors, you will need to define the banks and bank accounts you will draw on for those payments. This chapter covers information you are required to define in Lawson Cash Ledger prior to accounts payable processing. For more information about all aspects of Cash Ledger, see the *Cash Ledger User Guide*. You can also set up bank services and BOE (Bill of Exchange) payments in this application. See "[Processing Bills of Exchange](#)" on page 291, for more information about BOE setup and processing.

# Concepts in this Chapter

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The following concepts provide background and conceptual information for the procedures within this chapter.

- ["What Is a Journal Book?" on page 44](#)
- ["What Is a Transaction Code?" on page 44](#)
- ["What Should I Consider If I Have a New Bank or Account?" on page 44](#)

## What Is a Journal Book?

---

A journal book is used to post all entries in detail to the general ledger, with similar transactions grouped together. A journal book has two components:

- Header: the definition and parameters associated with the journal book
- Detail: the transactions assigned to a journal book

Journal books are used to provide greater detail in the general ledger for the cash and accounts payable accrual accounts. Journal book processing is a requirement in certain countries.

If your company processes by journal book, you must assign all transactions to a journal book number. Auditors can use these journal book numbers to track transactions to their origins. These numbers are also helpful in tracking transactions you have interfaced from non-Lawson applications.

You can define a default journal book on System Control (GL01.1). If you select a journal book number in this field, during posting the system assigns this value to transactions that originate from this system code for the company without a journal book value. This value will not default to the AP transaction during transaction entry. For details about defining a journal book, see the *General Ledger User Guide*.

## What Is a Transaction Code?

---

In the Accounts Payable application, a transaction code represents a type of payment. You must define a transaction code for each type of payment you plan to use, such as manual checks, system checks, electronic files, and bills of exchange. You might also see transaction codes referred to as payment codes on some forms.

If you use other Lawson applications, you may also define transaction codes for banking services you will require, such as deposits and withdrawals.

## What Should I Consider If I Have a New Bank or Account?

---

If, after initial setup, you begin banking at a new institution or get a new account, you will need to adjust your Cash Ledger setup. Use the procedures

in this chapter to define a new bank, define a new cash code (bank account), establish a relationship between the company and the cash code, and attach the new cash code to each transaction code you will use.

## **Paying Invoices From a New Cash Code**

If all invoices from an old cash code are going to be paid from a new cash code, you can override the cash code on existing invoices. When you run Cash Requirements (AP150), select your old cash code in the Selected Cash Code field and select the new cash code in the Override Cash Code field. Any invoices with the old cash code which are selected for payment will be paid from the new cash code.

To have all invoices (regardless of the current cash code) paid from the new cash code, leave the Selected Cash Code field blank. Any invoice selected for payment will be paid from the new cash code you identify in the Override Cash Code field.

You can change the cash code for individual, unreleased invoices using Basic Invoice (AP20.1) or Taxed Invoice (AP20.2). For invoices that are released, use Payment Schedule Adjustment (AP30.3) to make changes to the cash code.

## **Changing the Cash Code Default**

You can change the cash code that defaults on invoices when you enter them. Do this by editing the cash code on each process level and company. Making a change to a process level will only affect invoice entered after you make the change. You will need to change invoices that are already entered using the steps described in "[Paying Invoices From a New Cash Code](#)" on page 45.

In addition, inquire on the pay group using Pay Group (AP01.1) and change the default in the Cash Code field to the new cash code. If you do not want to change the pay group default, you can override it on Company (AP00.4) or Process Level (AP00.5).

## **Preventing Payments From an Old Cash Code**

Use the following steps to make sure that invoices don't pay from an old cash code:

- Use Cash Code (CB00.2) to inactivate the old cash code
- Use Process Level (AP00.5) to check for and change any process levels that use the old cash code as a default
- Run Open Payables Report (AP230), Cash Forecasting (AP250), or Cash Requirements (AP150) for the old cash code to identify invoices using that cash code

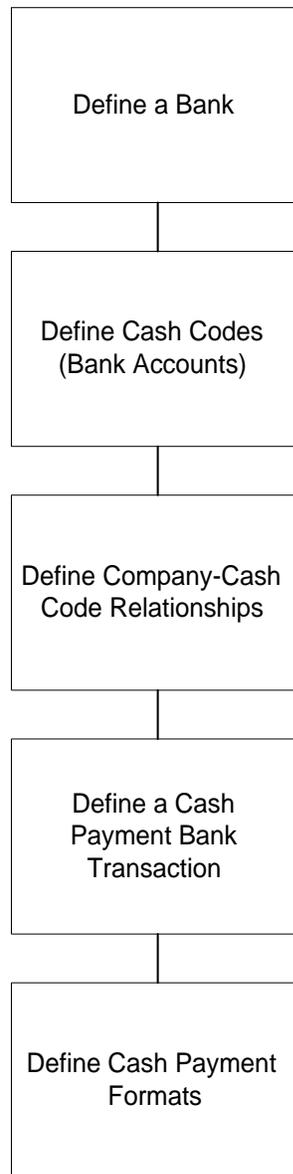
# Procedures in this Chapter

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The following procedures represent the required setup in the Cash Ledger application.

- ["Defining a Bank" on page 47](#)
- ["Defining Cash Codes \(Bank Accounts\)" on page 47](#)
- ["Defining Company Cash Code Relationships" on page 49](#)
- ["Defining a Bank Transaction" on page 50](#)
- ["Defining Cash Payment Formats" on page 52](#)

*Figure 2. Procedure relationship: Cash Ledger setup*



## Defining a Bank

A bank represents the actual institution or physical location where you do your banking. You must define at least one bank. This procedure outlines the process for defining a bank.

### STEPS To define a bank

1. Access Bank (CB00.1).
2. Define the address and contact information for the bank. Consider the following fields.

#### Bank Identification

Enter the routing number of the bank in this field. If you will be making BACS (Banker Automated Clearing System) payments, this value must be numeric. ACH and EDI files require a routing number.

#### Credit Button

If you use the Lawson Accounts Receivable application and perform bank risk processing, use the Credit Risk subform to define credit lines used for remitting bills of exchange at a discount.

Figure 3. Form clip: Bank (CB00.1)

The screenshot shows the Lawson Bank (CB00.1) form. The form is titled "LAWSON BANK" and "Welcome Jane Doe". It includes a navigation bar with "GO", "Bank List", "Add", "Change", "Delete", "Inquire", "Next", and "Previous". The main form area contains fields for "Bank Identification", "Bank Name", "Address 1", "Address 2", "Address 3", "Address 4", "City or Address 5", "State or Province", "Postal Code", "Country", "Contact Name", "Telephone", "Fax", and "Charge Account". There are also "Home", "Data Directory", and "Related Links" sections on the left side.

## Defining Cash Codes (Bank Accounts)

A cash code represents a bank account at a bank. You may have more than one account at a bank, such as a savings account and a checking account. The accounts you define can be used by Accounts Payable, Accounts Receivable, and Cash Ledger. The following procedure outlines the process for defining a cash code.

**NOTE** Accounts Receivable also uses cash codes, so if an account has both Accounts Receivable and Accounts Payable transactions, you do not need to set them up twice.

**STEPS To define a cash code (bank account)**

1. Access Cash Codes (CB00.2).

Figure 4. Form clip: Cash Code (CB00.2)

The screenshot shows the Lawson Cash Code (CB00.2) form. The interface includes a navigation bar with 'Add', 'Change', 'Delete', 'Inquire', 'Next', and 'Previous' buttons. A left-hand menu lists 'Home', 'Cash C...', 'Data Directory', '1) Cash Codes', and 'Related Links' with sub-items like 'Banks', 'Compare Cash Code Relationships', 'Bank Transaction Definition', 'Cash Payment Formats', 'BOE Payment Formats', and 'Cash Code Group'. The main form area contains the following fields and options:

- Cash Code:** A dropdown menu and a text input field.
- Bank Account:**
  - Bank Identification:** A dropdown menu.
  - Bank Account Number:** A text input field with a checkbox.
  - IBAN:** A text input field.
  - Currency:** A dropdown menu.
  - Electronic Transfer Bank:** A dropdown menu.
  - ROI Rate:** A text input field.
  - Status:** A dropdown menu set to 'Active'.
- Reconciliation Statement:**
  - Required:** A dropdown menu set to 'No'.
  - Single User Flag:** A dropdown menu.
  - Last Number Used:** A text input field.
  - Last Ending Balance:** A text input field.
- Security:** A blue button at the bottom.

2. Define bank account information. Consider the following fields.

**Electronic Transfer Bank**

If you will issue electronic payments from this account and will need to send the payment to another bank, enter the routing number of the receiving bank.

**ROI Rate**

Used with matched invoices. For more information, see the *Invoice Matching User Guide*.

**Statement Required**

Decide whether to require bank statements for this account to be reconciled. Select Yes to add a bank statement in Bank Statement (CB06.1), enter and process associated transactions, then close the bank statement by running Bank Statement Close (CB191).

**Security Button**

To assign security to a cash code, select the Security button.

# Defining Company Cash Code Relationships

You must define a relationship between a general ledger company and a cash code for the company to be able to process transactions for a specific bank account. You also have the option of defining journal books for the transaction codes associated with the company cash code relationship. This procedure outlines the process for defining company cash code relationships.

 **Need More Details?** Check out the following concepts:

- "What Is a Journal Book?" on page 44

## **STEPS** To define a company cash code relationship

1. Access Company Cash Code Relationships (CB00.3).

Figure 5. Form clip: Company Cash Code Relationships (CB00.3)

2. Select the company and cash code you want to define a relationship for. Continue to complete the form, considering the following fields.

|                     |   |
|---------------------|---|
| <b>Cash Account</b> | Select the general ledger cash account to be used for posting accounts payable payments and accounts receivable deposits. |
|---------------------|---|

|                                  |  |
|----------------------------------|--|
| <b>Transfer Clearing Account</b> | Select a general ledger bank transfer account for bank transfers to or from the cash code for the company. |
|----------------------------------|--|

|                                 |  |
|---------------------------------|--|
| <b>Payment Clearing Account</b> | Select a general ledger payment account for processing cash ledger payments. |
|---------------------------------|--|

|  |  |
|--|--|
| <b>EFT/CC Extract Clearing Account</b> | Select a general ledger EFT/credit card extract account for processing cash ledger EFT and credit card extracts. |
|--|--|

|   |   |
|---|---|
| <b>Over Reconcile Tolerance and Under Reconcile Tolerance</b> | If you do not want to manually reconcile differences between issued amounts and cleared amounts for a transaction, type a range that indicates the variance you are willing to tolerate.                                      |
| <b>Variance Account</b>                                       | If you defined reconciliation tolerances, select the variance account to be used for posting variance amounts within the defined tolerances.  |
| <b>Reconcile Entry</b>  | Indicate whether a general ledger entry is created from the cash account to a reconciliation account when the company reconciles a transaction for the cash code.   |
| <b>Journal Book button</b>                                    | If the company uses journal books to group general ledger transactions, click the Journal Book button to select default journal books. For more details about defining journal books, see the <i>Cash Ledger User Guide</i> . |

## Defining a Bank Transaction

You define codes to represent the various bank transactions you will use in accounts payable. You must define a transaction code for each type of payment you plan to use, such as manual checks, system checks, and electronic files. This procedure describes the process for defining bank transactions for your cash payments. For more information, see "[Processing Bills of Exchange](#)" on page 291.



**Need More Details?** Check out the following concepts:

- "[What Is a Transaction Code?](#)" on page 44

### **STEPS** To define a bank transaction

1. Access Bank Transaction Definition (CB00.4).

Figure 6. Form clip: Bank Transaction Definition (CB00.4)

The screenshot shows the Lawson Bank Transaction Definition (CB00.4) form. The form has a header with the Lawson logo and the title 'BANK TRANSACTION DEFINITION (CB00.4)'. Below the header is a navigation bar with buttons for 'Add', 'Change', 'Delete', 'Inquire', 'Next', and 'Previous'. The main area of the form contains the following fields and options:

- Transaction Code:** A dropdown menu and a text input field.
- Transaction Category:** A dropdown menu with 'Cash Payment' selected.
- Status:** A dropdown menu with 'Active' selected.
- Buttons:** Three buttons labeled 'Cash Payment', 'BCE Payment', and 'Bank Service' are displayed below the status field.

The left sidebar contains a navigation menu with the following items:

- Home
- Bank T...
- Data Directory
- 1) Transaction Code
- Related Links
- Bank
- Cash Code
- Company Cash Code Relationships
- Cash Payment Formats
- BCE Payment Formats

At the bottom of the sidebar, there is a note: 'Contains commands for working with the selected items.'

2. Define a transaction code and a description for the code.
3. Select Cash Payment Transaction in the Transaction Category field.
4. Select Active in the Status field.
5. Choose the Cash Payment button. Cash Payments (CB00.7) displays. Consider the following fields when defining cash payments.

**Transaction Origin** The transaction origin will generally be Accounts Payable. Select Accounts Receivable only for Electronic Fund Transfer (EFT) payments that are triggered by the Accounts Receivable application.

**Output Option** Select one of three output options for the cash payment code:

- No Output
- Printed Document
- Tape or Electronic File

**Transaction Numbering** Cash payments will always be numeric.

**Automatic Reconciliation** To have all cash payments for this code be automatically considered reconciled when they reach Cash Ledger, select Yes. If you select No, you must reconcile those cash payments manually in the Cash Ledger application.

**Payment Summarization** If you selected Tape or Electronic File in the Output Option field, select a payment summarization option. Determines the cash ledger summarization breaks for payments.

|                                   |  |
|-----------------------------------|--|
| <b>Prenotification</b>            | If you select Tape File Record in the Output Option field, this field indicates whether the processing bank must be pre-notified with bank account information before an Accounts Payable ACH payment can be created for a vendor. |
| <b>Alternate Transaction Code</b> | If you select Yes in the Prenotification field, select a valid cash payment transaction code. This field is then used to create an alternate cash payment for a vendor until the processing bank has been pre-notified.            |
| <b>Payment Format</b>             | This field is the format of the electronic payment.  |
| <b>Organization Identifier</b>    | This field contains the payer identification information.  |

## Defining Cash Payment Formats

You select formatting options for each type of cash payment you will be using. Formatting options are information about the actual payment, such as the starting document number and whether the remittance should be attached or separate. This procedure outlines the process for defining cash payment formats.

### STEPS To define a cash payment format

1. Access Cash Payment Formats (CB00.5).

Figure 7. Form clip: Cash Payment Formats (CB00.5)

The screenshot shows the Lawson Cash Payment Formats (CB00.5) form. The form is titled "Cash Payment Formats (CB00.5)" and includes a navigation bar with "Add", "Change", "Delete", "Inquire", "Next", and "Previous" buttons. The form is divided into several sections:

- Document Options:**
  - Cash Code: [ ]
  - Transaction Code: [ ]
  - Process Group: [ ]
  - Format: [ ]
  - Starting Document Nbr: [ ]
- Document Options (continued):**
  - Remittance: [ ]
  - Attached Detail Lines: [ 014 ]
  - Overflow Detail Lines: [ 050 ]
  - Language: [ ] English
- Tape Payment:**
  - Rejection Code: [ ]

2. Select the cash code and transaction code you want to define a format for. Complete the rest of the form, considering the following fields.

|                                 |   |
|---------------------------------|---|
| <b>Format</b>                   | <p>Select a format for the cash payment from the list of values. Cash payments can be produced in nine formats:</p> <ul style="list-style-type: none"> <li>• Standard Check</li> <li>• Extended Check</li> <li>• U.K. Cheque</li> <li>• Spanish Check</li> <li>• ACH Tape</li> <li>• BACS Tape</li> <li>• Electronic File</li> <li>• SWIFT File</li> <li>• ETEBAC File</li> </ul> <p><b>NOTE</b> If you are using AP161, set the format to Electronic File. If you are using AP160, set the format to ACH Tape.</p> |
| <b>Starting Document Number</b> | <p>If you are defining a printed document and you want the checks to start with a number other than 1, type the starting document number you would prefer.</p>  |
| <b>Remittance</b>               | <p>Select the format for a remittance. Your options include:</p> <ul style="list-style-type: none"> <li>• always attaching the remittance to the payment, with overflow lines printing on voided payment forms</li> <li>• always attaching the remittance to the payment, with overflow lines printing on a separate remittance form</li> <li>• printing the remittance on a separate form than the payment</li> </ul>  |
| <b>Language</b>                 | <p>Select the language in which you want to print payment documents and remittance forms.</p>   |



## Chapter 6

# Terms Setup

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If you have negotiated special payment terms with a vendor or have established corporate guidelines for when you pay invoices, you will want to define those terms in the Lawson Terms application. The terms you define are used to calculate invoice due dates and discount information. You can assign a terms code to vendors, customers, invoices, debit memos, and purchase orders. This chapter highlights the kind of terms available and describes the process for defining terms.

# Concepts in this Chapter

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The following concepts provide background and conceptual information for the procedures within this chapter.

- ["Where Are Terms Used?" on page 56](#)
- ["What Is Anticipation?" on page 58](#)
- ["What Is a Net Term?" on page 58](#)
- ["What Is a Multiple Payment Term?" on page 59](#)
- ["What Is a Split Term?" on page 60](#)
- ["What Is a Fixed Days Term?" on page 61](#)
- ["What Is a Prox Term?" on page 62](#)

## Where Are Terms Used?

---

\* The following Lawson applications use terms codes defined in the Terms application:

- Accounts Payable
- Accounts Receivable
- Billing
- Bills of Exchange
- Invoice Matching
- Order Entry
- Purchase Order

### Accounts Payable

You can assign terms codes to vendors, locations, and invoices in the Accounts Payable application.

### Accounts Receivable

You can assign terms codes to debit memos, customers, and invoices in the Accounts Receivable application. Terms codes are used to automatically calculate invoice due date and discount information.

### Billing

You can assign terms codes to invoices for ship-to customers in the Billing application. Terms codes are used to automatically calculate invoice due date and discount information.

### Bills of Exchange

Terms codes are used to calculate due dates for recreated bills of exchange and create open item debit memos in the Bills of Exchange application.

## **Invoice Matching**

You can assign terms codes to invoices in the Invoice Matching application. Terms codes are used to automatically calculate invoice due date and discount information. You can use the invoice date, receipt date, or receipt of invoice to calculate the invoice due date.

## **Order Entry**

You can assign terms codes to orders in the Order Entry application. Terms codes are used to automatically calculate invoice due date and discount information.

## **Purchase Order**

You can assign terms codes to purchase orders in the Purchase Order application. Terms codes are used to automatically calculate invoice due date and discount information.

## What Is Anticipation?

---

Some vendors may discount your purchase when payment is made prior to even receiving an invoice. This anticipation discount is based on the number of days between the payment date and the invoice date, so the earlier you pay the greater the discount you receive. The anticipation discount rate is the percentage used to calculate the discount amount. This type of discount is primarily used in the retail industry.

You can define anticipation discount terms for a multiple payment or split terms code. If you define a terms code for anticipation invoices, you must define an anticipation discount rate for each accounts payable vendor that uses the terms code.

### Calculation

To calculate the discount amount for an anticipation invoice, the application

- subtracts the invoice payment date from the invoice due date to calculate the number of days paid early,
- divides the number of days paid early by 365 days,
- multiplies the result by the anticipation discount rate, and
- multiplies the result by the payment amount to calculate the discount amount.

$((\text{days paid early} / 365 \text{ days}) * (\text{anticipation discount rate})) * \text{payment}$

### Example

Assume payment for an equipment purchase valued at \$100,000 is made 10 weeks (70 days) prior to being invoiced. The anticipation discount rate is 10%.

- Days paid early = 70
- $70 / 365 = 0.19$
- $0.19 * 10\% = 0.04$
- $0.04 * 100,000 = \$4,000$  discount

## What Is a Net Term?

---

Net terms are used to establish a net due date based on a set number of days from the invoice date. The program calculates the discount amount and the discount date from the discount percent and the discount day.

For the discount logic to be valid, both the discount percent and discount day must be entered. The discount percent cannot be greater than 100, and the discount day must be less than the net due day.

## What Is a Multiple Payment Term?

---

Multiple payment terms are used to create multiple due dates for a single invoice. A hierarchy of discount dates and percentages is optional.

### Discount Logic

Discounts are only offered if a payment is made before the first obligation date. Payments must be made on or before a discount date for a discount to be granted. The discount amount is calculated by multiplying the discount percentage by the total open obligation amount.

If the payment amount is less than the amount due, the remainder is due on the obligation date. If the payment amount is enough to cover more than one obligation, the remaining obligations are not due until the originally defined due dates.

### Example

To fully pay the first three obligations and qualify for a 2.00 percent discount, a payment of 367,500.00 must be made on or before January 31. The payment amount is based on a 7,500.00 discount (2.00 percent) granted on 375,000.00 (the total amount of the first three obligations). The next payment will not be due until November 27, the original due date of the final obligation.

| Obligation | Due Date    | Amount Due | Disc Date | Disc Percent |
|------------|-------------|------------|-----------|--------------|
| Open       |             | Open       | Jan. 21   | 3.0%         |
| Open       |             | Open       | Jan. 31   | 2.0%         |
| Open       |             | Open       | Feb.10    | 1.0%         |
| First      | March 2     | 125,000    |           |              |
| Second     | May 31      | 125,000    |           |              |
| Third      | August 29   | 125,000    |           |              |
| Fourth     | November 27 | 125,000    |           |              |

## What Is a Split Term?

---

Split terms define the net due date and discount date as a specific day of the month, depending on the invoice date. Split terms can divide a month into five segments, each having a unique net due date and discount date. Assume the following structure for the split terms code:

| <b>Invoice Date Range</b> | <b>Discount On</b> | <b>Due On</b> | <b>Months Forward</b> |
|---------------------------|--------------------|---------------|-----------------------|
| 28 - 7                    | 9                  | 15            |                       |
| 8 - 12                    | 14                 | 20            |                       |
| 13 - 18                   | 19                 | End of Month  |                       |
| 19 - 27                   | 3                  | 10            | 1                     |

The entire range of invoiced dates can only include two overlapping months. The program calculates the ending day of the range from the beginning day of the next range.

| <b>Invoice Date</b> | <b>Discount Date</b> | <b>Due Date</b> |
|---------------------|----------------------|-----------------|
| January 2           | January 9            | January 15      |
| January 8           | January 14           | January 20      |
| January 15          | January 19           | January 31      |
| January 22          | February 3           | February 10     |
| January 28          | February 9           | February 15     |

## What Is the Difference Between Prox and Split Terms?

You can define specific days of the month as the net due date and optional discount dates with both split and prox terms. Split terms have the added ability to split a month into five segments, each having a unique net due date and discount date.

The key difference is the number of due dates during the month. Use Prox terms to limit the number of due dates to one per month. Use split terms to have more than one net due date each month.

## What Is a Fixed Days Term?

---

Fixed days terms can establish obligations on certain days of the month or days of the week. There are no discounts allowed with this type of terms code.

### Calculation of First Due Date

The calculation of the first due date depends on several user defined variables.

- The number of days between the invoice and the first obligation is used to calculate the date of the first obligation.
- The days for adjustment, if entered, are also used to calculate the date of the first obligation. Days for adjustment are used when a calculated due date falls between two fixed days of the month.
- The days between payments will adjust multiple obligations to be at least that many days between obligations. If this number is larger than the number of days between the fixed payment days (depending on the size of the adjustment days range), it can cause the application to skip over a fixed payment day.

### Example

The following example illustrate the obligation structure of a fixed days terms code. Assume the following information about the sample invoice:

|   |         |
|---|---------|
| <b>Number of payments</b>                     | 7       |
| <b>Days between invoice an first due date</b> | 10      |
| <b>Days between payments</b>                  | 8       |
| <b>Fixed payments days of month</b>           | 5 15 25 |
| <b>Fixed payments days for adjustment</b>     | 3       |

If the number of obligations is set at 7 and the days of the month are set at 5, 15 and 25, there are 7 obligations created with due dates being the 5th, 15th and the 25th, alternating until all 7 obligations are created.

If the number of days between the invoice and the first obligation when added to the invoice day falls on the 27th of the month and the days for adjustment is equal to 3, the program looks back 3 days to see if there is an earlier date to use as the first obligation.

In this case, the invoice date plus the days between the invoice date and the first due date is equal to 27, and the 25th is within the 3 day adjustment range. From this set of variables, the first obligation date would be the 25th.

## What Is a Prox Term?

---

Prox terms define a specific day of the month as the net due date and optional discount due date. Use prox terms to establish a net due date for all invoices generated during a defined period. For example, paying all invoices due on or prior to the 25th of the month.

Prox is a term that comes out of the retail industry and means “next of month.” Invoices that did not meet the designated “cutoff” date for one month, would be paid in the next month. This is similar to the rationale credit card companies use to produce billings; your monthly bill includes charges up to a specified cutoff date. All charges made after that date are put on the following month’s bill.

### Example

The following example illustrates prox term near the cutoff day. Assume the following information about the sample invoice:

|                            |            |
|----------------------------|------------|
| <b>Invoice Date</b>        | January 16 |
| <b>Invoice Cutoff Date</b> | 16         |
| <b>Invoice Amount</b>      | 100.00     |
| <b>Prox Day</b>            | 15         |
| <b>Discount Percent</b>    | 5.0%       |
| <b>Net Due Date</b>        | 25         |

You would see the following results:

| <b>Discount Date</b> | <b>Discount Percent</b> | <b>Discount Amount</b> | <b>Due Date</b> | <b>Amount Due</b> |
|----------------------|-------------------------|------------------------|-----------------|-------------------|
| February 15          | 5.0%                    | 5.00                   | February 25     | 100.00            |

If the invoice was a day later, January 17, you would see the following differences:

- The discount date would be March 15
- The due date would be March 25

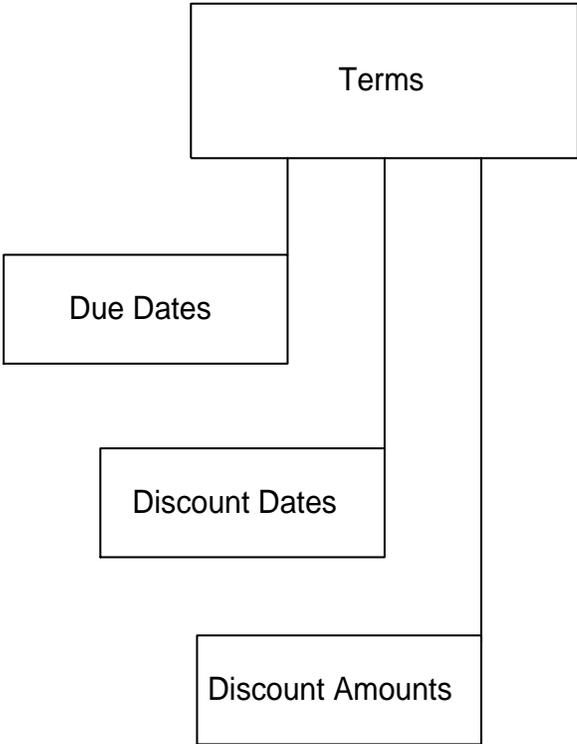
# Procedures in this Chapter

---

All setup in the Terms application is optional. You can define six types of terms to apply to your invoices or vendors.

- ["Defining Net Terms" on page 64](#)
- ["Defining Multiple Payment Terms" on page 65](#)
- ["Defining Split Terms" on page 66](#)
- ["Defining Fixed Days Terms" on page 68](#)
- ["Defining Prox Terms" on page 69](#)
- ["Defining Prepayment Terms" on page 70](#)

*Figure 8. Illustration: Terms calculate due dates, discount dates, and discount amounts*



# Defining Net Terms

Use net terms to establish a net due date based on the number of days or months from the invoice date. For example, your company may pay all employee expenses five days after receipt. The following procedure outlines the process for defining net terms.

 **Need More Details?** Check out the following concepts:

- ["What Is Anticipation?"](#) on page 58
- ["What Is a Net Term?"](#) on page 58

## STEPS To define net terms

1. Access the Net tab on Maintenance (TE01.2).
2. Type a term code and description, and define the net terms for that code. Consider the following fields.

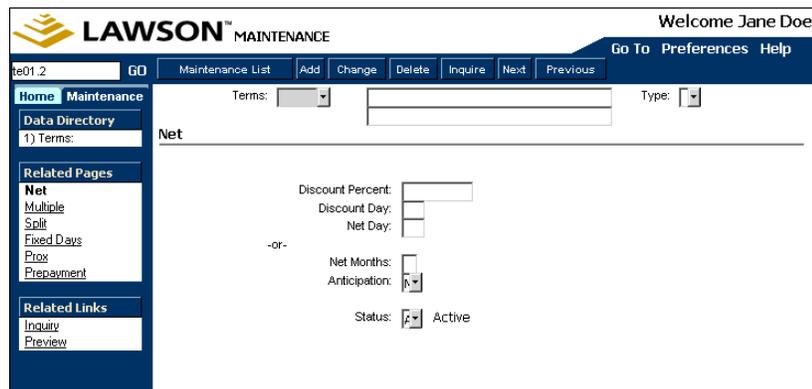
|  |  |
|--|--|
| <b>Discount Percent and Discount Day</b> | To define a discount for this term, type the percent of the discount and the number of days following the invoice date that a discount can be taken. |
|--|--|

|                              |  |
|------------------------------|--|
| <b>Net Day or Net Months</b> | Type the number of days or months to be added to the invoice date to calculate the net due date. |
|------------------------------|--|

|                     |  |
|---------------------|--|
| <b>Anticipation</b> | If invoices assigned this net payment terms code are eligible for an anticipation discount, select Yes. An anticipation discount percent must be defined in Vendor (AP10.1). |
|---------------------|--|

|                       |  |
|-----------------------|--|
| <b>Preview Button</b> | Click the preview button to test a term code using a sample invoice date and amount. |
|-----------------------|--|

Figure 9. Form clip: Maintenance (TE01.2), Net tab, Defining a net term that pays invoices in full in 60 days, or takes a 2% discount if they are paid within 30 days



The screenshot shows the Lawson Maintenance (TE01.2) Net tab form. The form is titled "LAWSON MAINTENANCE" and includes a navigation bar with "Go To Preferences Help". The main form area contains the following fields:

- Terms:
- Type:
- Discount Percent:
- Discount Day:
- Net Day:
- Net Months:
- Anticipation:
- Status:

The form also includes a "Preview" button and a "GO" button. The left sidebar contains navigation options: Home, Maintenance, Data Directory, 1) Terms, Related Pages (Net, Multiple, Split, Fixed Days, Prox, Prepayment), and Related Links (Inquiry, Preview).

# Defining Multiple Payment Terms

Use multiple payment terms to assign multiple due dates to a single invoice. For example, you may arrange to pay a large invoice in quarterly payments. This procedure describes the process for defining multiple payment terms with no discounts.



**Need More Details?** Check out the following concepts:

- ["What Is a Multiple Payment Term?"](#) on page 59

## STEPS To define multiple payment terms

1. Access the Multiple tab on Maintenance (TE01.2).
2. Type a term code and description. Complete the following fields to enter a simple multiple payment with no discounts.

|                              |   |
|------------------------------|---|
| <b>Total Payments</b>        | Type the total number of payments to be scheduled.  |
| <b>First Payment Percent</b> | Type the percent of the invoice amount to be included in the first payment. The remaining amount will be divided equally among subsequent payments. |
| <b>Due Days or Due Date</b>  | Indicate how the first due date should be calculated. For example, 30 days from the invoice date or the 15th day of March.                          |
| <b>Increment By</b>          | Type the number of days you want between scheduled payments.  |
| <b>Preview Button</b>        | Click the preview button to test a term code using a sample invoice date and amount.  |

Figure 10. Form clip: Maintenance (TE01.2), Multiple tab, Defining a multiple payment term with five equal payments, paid in 30-day increments

The screenshot shows the Lawson Maintenance (TE01.2) Multiple tab form. The form is titled "LAWSON MAINTENANCE" and "Welcome Jane Doe". It shows a "Multiple" payment term configuration. The "Total Payments" field is set to 5. Under "Due Date Options", "Invoice Cutoff Day" is set to 15, "First Payment Percent" is 100, and "Due Days" is 30. Under "Discount Options", all fields are empty. The "Status" is set to "Active".

# Defining Split Terms

---

Use split terms to split monthly payments into as many as five segments. For example, making payments on the 7th, 14th, 21st, and 28th day of a month. With split terms, each invoice date range you define can have its own discount date and net due date. The following procedure outlines the process for defining split terms.



**Need More Details?** Check out the following concepts:

- ["Procedures in this Chapter"](#) on page 63

## **STEPS** To define split terms

1. Access the Split tab on Maintenance (TE01.2).
2. Type a term code and description, and define the split terms for that code. Consider the following fields.

|  |  |
|--|--|
| <b>From</b>  | Enter up to five day ranges. You enter only the beginning days for the ranges; the application calculates the ending days.   |
| <b>Discount On</b>   | To have a discount day for the day range, enter the day here and type an amount in the Discount Percent field.   |
| <b>Due On,<br/>EOM (End of<br/>Month), or<br/>Net Due Days</b> | <p>You must select a due date option in one of the three due date fields.</p> <ul style="list-style-type: none"><li>• To have the due date on a specific day of the month, type that number in the Due On field.</li><li>• To have the due date at the end of the month, select Yes in the EOM field.</li><li>• To have the due date for a specified number of days past the invoice date, type that number in the Net Due Days field.</li></ul> <p>You can use both the Due On and EOM option in the same term, but you can only use Net Due Days on its own.</p> |
| <b>Months Forward</b>  | To have the due date fall in a different month than the invoice date, type the number of months forward. For example, if an invoice dated May 15th should come due June 1st, you would select 1 month forward.   |
| <b>Preview Button</b>  | Click the preview button to test a term code using a sample invoice date and amount.   |

Figure 11. Form clip: Maintenance (TE01.2), Split tab, Defining a split term with three invoice date ranges.

The screenshot shows the Lawson Maintenance (TE01.2) Split tab form. The form is titled "LAWSON MAINTENANCE" and "Welcome Jane Doe". It features a navigation bar with "Maintenance List", "Add", "Change", "Delete", "Inquire", "Next", and "Previous" buttons. The main content area is for defining a split term, with a section for "Invoice Date Range" containing three rows of fields for "From", "Discount On", "Due On", and "EOM". The "EOM" field is set to "Months Forward". Other fields include "Discount Percent", "Net Due Days", "Anticipation", and "Status" (set to "Active").

# Defining Fixed Days Terms

Use fixed days terms to designate specific days of the month or week for payments. For example, making payments every Friday. No discounts are allowed with fixed terms. The following procedure outlines the process for defining fixed days terms.

 **Need More Details?** Check out the following concepts:

- ["What Is a Split Term?"](#) on page 60

## STEPS To define fixed days terms

1. Access the Fixed Days tab on Maintenance (TE01.2).
2. Type a term code and description, and define the fixed days terms for that code. Consider the following fields.

### Days for Adjustment

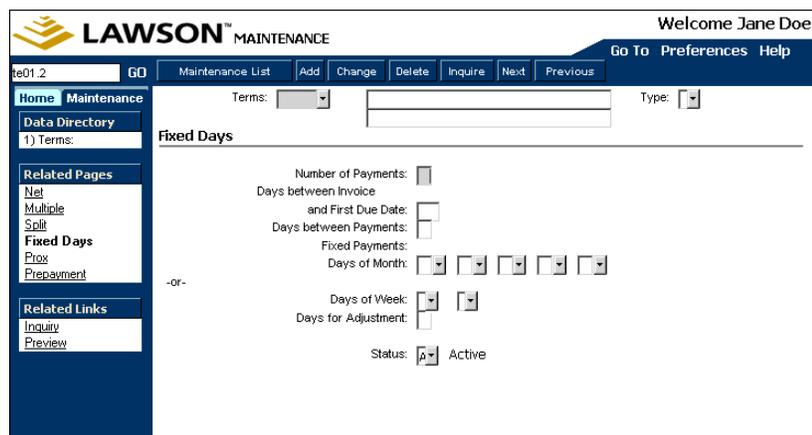
To automatically adjust a payment due date that falls between the fixed days you have defined, type the number of adjustment days to use.

For example, assume you defined due days as the 15th and 30th of the month with 2 days for adjustment. If the calculated due date for an invoice falls within 2 days of the 15th (the 16th or 17th), it will be paid on the 15th. Any invoice with a later calculated due date will be paid on the 30th.

### Preview Button

Click the preview button to test a term code using a sample invoice date and amount.

Figure 12. Form clip: Maintenance (TE01.2), Fixed Days tab, Defining a fixed days term with four equal payments to come due on the 15th or the 30th



# Defining Prox Terms

Use prox terms to establish a net due date for all invoices generated during a defined period. For example, paying all invoices due on or prior to the 25th of the month. The following procedure outlines the process for defining prox terms.

 **Need More Details?** Check out the following concepts:

- ["What Is a Prox Term?"](#) on page 62

## STEPS To define prox terms

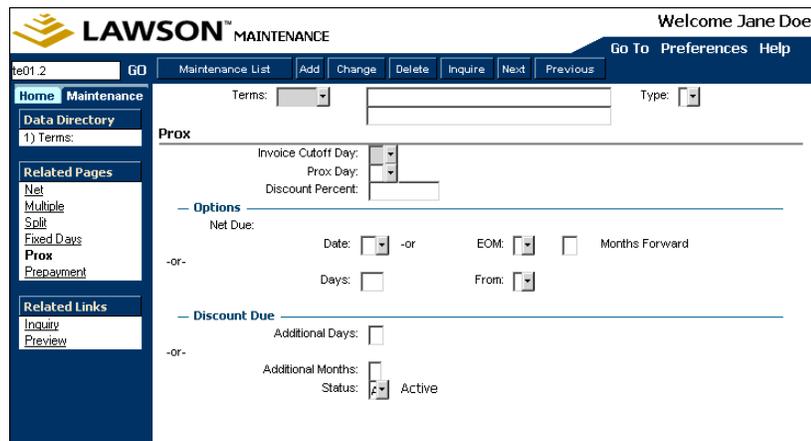
1. Access the Prox tab on Maintenance (TE01.2).
2. Type a term code and description, and define the prox terms for that code. Complete the following fields to enter a simple prox term with no special net due options or discounts.

**Invoice Cutoff Day** Enter the cutoff day that should be used to determine in which month an invoice should come due. Any invoice date equal to or prior to this day will have a net due date that is equal to the prox day in the following month. Any invoice date that falls after the cutoff day will have a net due date two months out on the prox day.

**Prox Day** Define the day of the month used to calculate the discount date and due date. If you define a Net Due Date or Days, this field is used to calculate the discount date only.

**Preview Button** Click the preview button to test a term code using a sample invoice date and amount.

Figure 13. Form clip: Maintenance (TE01.2), Prox tab, Defining a prox term with an invoice cutoff day on the 1st of the month and a prox day on the 15th of the month



The screenshot shows the Lawson Maintenance Prox tab form. The form is titled "LAWSON MAINTENANCE" and includes a "Welcome Jane Doe" message. The form is divided into several sections:

- Terms:** A dropdown menu and a text input field.
- Type:** A dropdown menu.
- Prox:** A section containing:
  - Invoice Cutoff Day:** A dropdown menu.
  - Prox Day:** A dropdown menu.
  - Discount Percent:** A text input field.
- Options:** A section containing:
  - Net Due:** A dropdown menu.
  - Date:** A dropdown menu.
  - or-** A separator.
  - EOM:** A dropdown menu.
  - Months Forward:** A checkbox.
  - Days:** A text input field.
  - From:** A dropdown menu.
- Discount Due:** A section containing:
  - Additional Days:** A checkbox.
  - or-** A separator.
  - Additional Months:** A text input field.
  - Status:** A dropdown menu set to "Active".

# Defining Prepayment Terms

Use prepayment terms when an invoice is to be prepaid or when an invoice requires cash on delivery. For prepayments, the net due date will be the same as the invoice date. The following procedure outlines the process for defining prepayment terms.

## **STEPS** To define prepayment terms

1. Access the Prepayment tab on Maintenance (TE01.2).
2. Type a term code and description, and select Active as the status for the prepayment terms code.

Figure 14. Form clip: Maintenance (TE01.2), Prepayment tab, Defining a prepayment term

The screenshot shows the Lawson Maintenance (TE01.2) interface. The top navigation bar includes the Lawson logo, the title 'MAINTENANCE', and a user greeting 'Welcome Jane Doe'. Below the navigation bar are buttons for 'Maintenance List', 'Add', 'Change', 'Delete', 'Inquire', 'Next', and 'Previous'. The main content area is titled 'Prepayment' and contains a 'Terms:' dropdown menu, a text input field, and a 'Type:' dropdown menu. Below these fields, the 'Status:' is set to 'Active'. On the left side, there is a sidebar with 'Home Maintenance' and a 'Data Directory' section listing '1) Terms:'. Below this are 'Related Pages' (Net, Multiple, Split, Fixed Days, Prox, Prepayment) and 'Related Links' (Inquiry, Preview).

## Chapter 7

# Tax Setup

---

You must define a tax company in the Lawson® Tax application. If you will be processing taxed invoices, you need to perform some further setup procedures. You can also integrate the Tax application with a third-party tax system to minimize the amount of time you spend tracking tax regulations and maintaining tax rates. This chapter provides an overview of the required setup. Find more details in the *Tax User Guide*.

---

**STOP** Before you perform any Tax setup, your organization will want to analyze its tax needs and determine which tax system (Lawson or Vertex) best meets those needs.

---

# Procedures in this Chapter

---

The following section describes setup requirements for users of the Lawson Tax application. If you are using a third party system, see the *Tax User Guide* for details on your required setup.

- ["Completing Tax Setup" on page 72](#)

After you analyze the tax needs of your organization and determine which tax system best meets those needs, perform the following steps to complete your tax setup.

1. Define a tax company. At the company level, you indicate which tax system you will be using and whether you will define tax accounts for the entire company or for each tax code.
2. Define as many tax codes as your organization requires. A tax code is assigned to a taxed invoice. It identifies the tax authority you will pay.
3. Conditional. To apply multiple tax codes to a transaction, define a tax table that includes all of the applicable tax codes. This step is required only if you have codes with a type of Tax Table Codes.
4. Define tax codes in greater detail by assigning tax accounts, controls, tolerances, and more to each tax code.
5. Assign tax rates to tax codes so that the system can calculate tax automatically. Tax rates indicate what percentage to apply to taxable transaction amounts.

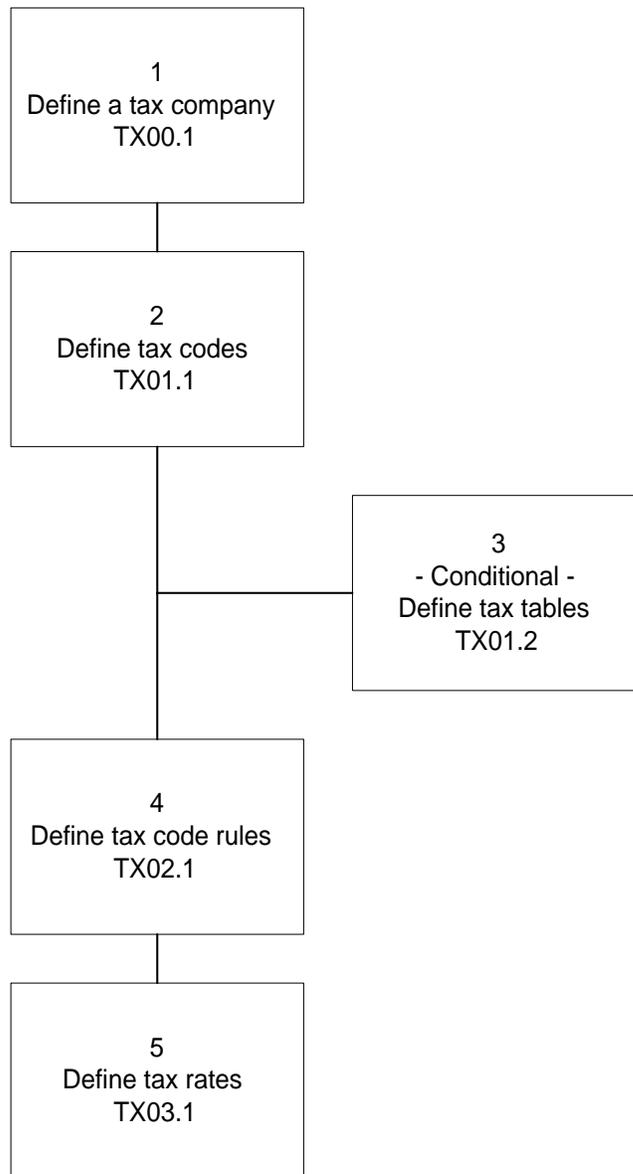
See ["Completing Tax Setup" on page 72](#).

## Completing Tax Setup

---

To use the Tax application, you first define a tax company and indicate how you want to track taxes. You define how much detail you want to see, which tax authorities you will need to pay, and what tax rates you will apply to transactions. This procedure describes the process of completing required and conditional tax setup.

Figure 15. Procedure flow: Completing tax setup



---

**STOP** Before you define your tax company in the Tax application, you must define a company in the General Ledger application. For more information, see *Getting Started with Lawson Applications*.

---

**STEPS To complete tax setup**

1. Define a tax company using Company (TX00.1). Consider the following fields.

|                              |  |
|------------------------------|--|
| <b>Tax System</b>            | Indicate which tax system is being used. You can select the Lawson Tax application, or interface to the third-party Vertex system.   |
| <b>Use Tax Code Accounts</b> | To define general ledger posting accounts at the company level, select No and define the accounts you want to use in the remaining fields. To define the accounts at the tax code level, select Yes. Defining accounts at the tax code level provides more detailed posting information. |
| <b>Taxable Amount Edit</b>   | If the Taxable Amount Edit field is set to yes, then the total taxable amounts on the lines will be edited against the total taxable amount on the invoice header.   |

- Define the tax codes your company requires using Tax Code Master (TX01.1). Consider the following field.

|                 |   |
|-----------------|---|
| <b>Tax Type</b> | <p>You indicate what type of tax code you are defining. A tax code can be used in one of three ways:</p> <ul style="list-style-type: none"> <li><b>Tax Table Code:</b> No rates are assigned to this type of code. It represents multiple tax codes and requires a tax table.</li> <li><b>Stand-alone Tax Code:</b> These codes have rates assigned to them and can be used as either a stand-alone code or as a member of a table.</li> <li><b>Table Member:</b> These codes have rates assigned to them and can only be used in a tax table.</li> </ul> |
|-----------------|---|

**TIP** If you only define one tax code on a tax table, consider defining the tax code as a stand-alone code.

- If you defined any tax codes with a type of Tax Table Code, set up a tax table using Tax Tables (TX01.2). Consider the following fields.

|                       |  |
|-----------------------|--|
| <b>Effective Date</b> | Assign an effective date to the tax table. The Tax application uses the most recent effective date on or before the transaction date to determine which tax table to apply to a transaction. |
| <b>Tax Code</b>       | A tax table lets you apply multiple tax codes to a transaction. Select all of the tax codes you want include. For example, you can include both a city and state tax.                        |

---

**Taxable Effect**

Indicate what the effect will be on taxable amounts for the next code in the table. You can select Add to Taxable, Subtract from Taxable, or No Effect. For example, if the original taxable amount was \$100 and the first tax code in the table was 10%, the next tax code would be applied to an amount of

- \$110, if you selected Add to Taxable
- \$90, if you selected Subtract from Taxable
- \$100, if you selected No Effect

Figure 16. Form clip: Tax Tables (TX01.2)

The screenshot shows the Lawson Tax Tables (TX01.2) form. The header includes the Lawson logo and 'TAX TABLES'. The user is logged in as 'Jane Doe'. The form has a navigation bar with 'Go To Preferences Help'. The main area contains a 'Tax Table' dropdown, 'Effect Date' and 'Description' fields, and a table with 'Tax Code' and 'Taxable Effect' columns. The 'Taxable Effect' column contains a dropdown menu with 'No Effect On Taxable' selected for all rows. A left sidebar contains 'Home Tax Tables', 'Data Directory', and 'Related Links'.

4. Define rules for your tax codes using Tax Code Maintenance (TX02.1). Consider the following fields.

**Invoice, Accrued Tax**

Select a value indicating how the tax code will affect a taxable transaction. An accrued tax has no effect on the transaction's amount. An invoiced tax is already imbedded in the transaction amount.

---

**Tax Point**

Select the date at which you want the system to calculate sales tax.

- If you select Invoice Date, tax is calculated when you release an invoice.
- If you select Shipping Date, tax is calculated when you perform shipping feedback.
- If you select Payment Date, tax is calculated on the date of payment.

---

**Input**

The Input Account is a GL account to post the tax expense to. For example, sales tax expense.

---

**Input Due Account** The Input Due Account is a temporary general ledger account to post the tax amount to when invoicing and when the tax point date is set to Payment Date.

When the company pays the vendor, the tax posting is moved from this account to the Input Account. Input taxes are paid by the company through the Accounts Payable application.

**AP Accrual Code** A user-defined code representing an accounts payable accrual account.

Figure 17. Form clip: Tax Code Maintenance (TX02.1)

- Assign tax rates to the tax codes using Tax Rate (TX03.1). You can define several tax rates for the same code with different effective dates.

## Related Reports and Inquiries

| To  | Use                             |
|---|---------------------------------|
| List released or historical tax information   | Tax Analysis Report (TX100)     |
| List tax transactions that will be entered on a VAT Return                              | VAT Returns Report (TX120)      |
| List all intra-EEC sales transactions reported on your company's VAT returns reports    | EC Sales Report (TX130)         |
| List tax companies and their details, such as tax systems and general ledger accounts.  | Tax Company Listing (TX200)     |
| List tax codes you have defined   | Tax Code Master Listing (TX201) |
| List the tax code and company combinations you defined in Tax Code Maintenance (TX02.1) | Tax Code Listing (TX202)        |

| <b>To</b>  | <b>Use</b>                        |
|--|-----------------------------------|
| List tax rates and their descriptions                                | Tax Rate Listing (TX203)          |
| List tax transactions that you created manually                      | Tax Transaction Listing (TX204)   |
| List an audit report of tax transactions in vendor-customer sequence | Vendor-Customer Tax Audit (TX220) |
| List an audit report of tax transactions in numerical sequence       | Tax Transaction Audit (TX221)     |
| Delete all historical, fully processed tax transactions              | Tax History Purge (TX300)         |



## Chapter 8

# Vendor Structure Setup

---

An important part of managing accounts payable is efficiently and accurately maintaining your vendor records. This chapter covers different options for organizing and categorizing your vendor records. The choices you make when setting up your vendor structure impact reporting options, payment options, defaulting, and the total number of records you need to maintain.

---

**STOP** Before you define your vendor structure in the Lawson Accounts Payable application, determine which structure best meets your needs. See "[Concepts in this Chapter](#)" on page 80 for alternative structures.

---

# Concepts in this Chapter

---

The following concepts provide background and conceptual information for the procedures within this chapter.

- ["What Are My Options for Vendor Group Setup?" on page 80](#)
- ["What Are My Options for Vendor Class Setup?" on page 82](#)

## What Are My Options for Vendor Group Setup?

---

A vendor group is simply the set of vendors you do business with. Vendor groups let more than one company make purchases from and payments to the same vendors. A company can access only one vendor group.

Before defining your vendor group structure in the application, you will want to select the structure that will work best for your organization. Consider the reporting options you need and the number of vendor records you want to store and maintain. You can structure your vendor groups in one of three ways:

1. Define one shared vendor group for all companies
2. Define a separate vendor group for each company
3. Define a shared vendor group for select companies and separate vendor groups for others (a combination of the first two options).

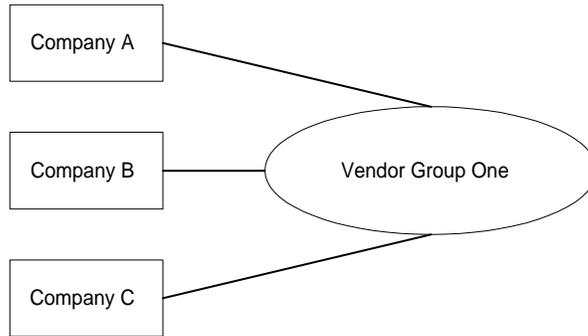
For each vendor group, you can only associate one item group and one procurement group.

### Shared Vendor Group Advantages

When you define one shared vendor group for all companies, you realize the following benefits:

- You need to create and maintain only one vendor record for each vendor, minimizing data entry and improving data integrity.
- You can view vendor balances by company or by vendor group.
- You can generate one consolidated vendor list.
- You can take advantage of pay groups, which allow you to consolidate payments from multiple companies and send a single payment to a vendor.
- You can produce just one 1099 for each vendor.
- You can still set select defaults at the company level; the defaults do not need to be the same for all companies sharing the vendor group. For example, you can assign a unique cash code or invoice accrual code to each company that shares a vendor group.

Figure 18. Illustration: A vendor structure where all companies share a vendor group

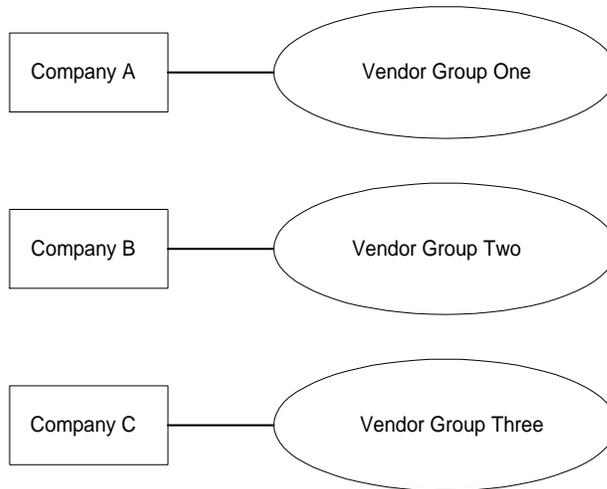


## Separate Vendor Group Advantages

When you define separate vendor groups for each company, you realize the following benefits:

- There are fewer vendors in each vendor group, which can simplify searching, inquiring, and reporting.
- Each company can retain control over its own vendor records.

Figure 19. Illustration: A vendor structure where each company has its own vendor group



# What Are My Options for Vendor Class Setup?

A vendor class represents a subset of vendors in a vendor group. Vendor classes let you categorize vendors that share common characteristics. They are used for reporting and payment processing. You can also set a number of defaults at the vendor class level and perform inquiries by vendor class.

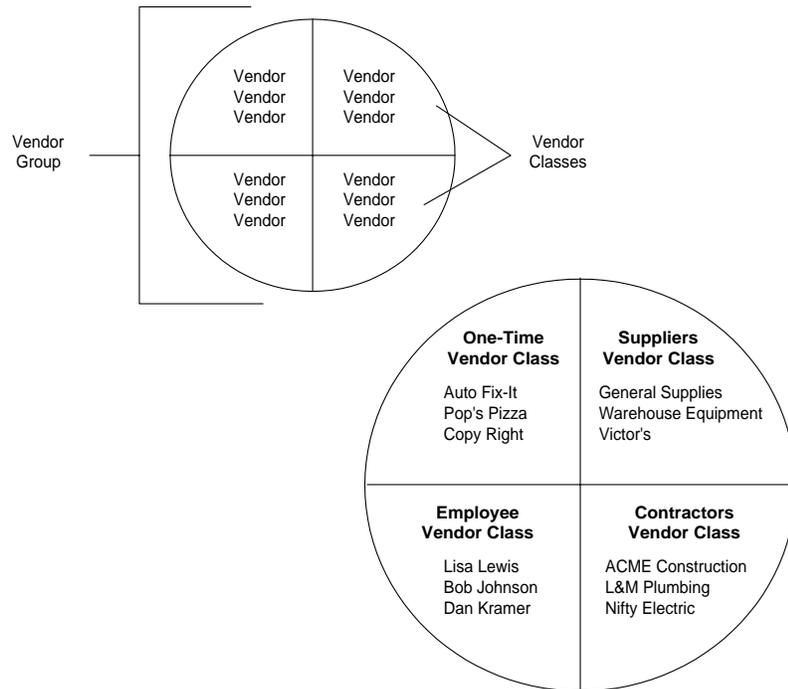
For example, you may want to group vendors in a class for reporting purposes, such as:

- Transportation vendors
- Suppliers
- Associations to which you pay professional fees
- Recurring vendors

You may also want to group vendors in a class to reflect your payment processing because you can run a pay cycle for just the vendor classes you select. For example, you might create a vendor class for

- Vendors who are paid out of a special bank account
- Vendors that you pay on a separate or unique schedule

Figure 20. Illustration: Categorizing vendors into vendor classes



You must assign a vendor to a vendor class. Each vendor can belong to only one vendor class. You assign a vendor to a vendor class when you define the vendor using Vendor (AP10.1).

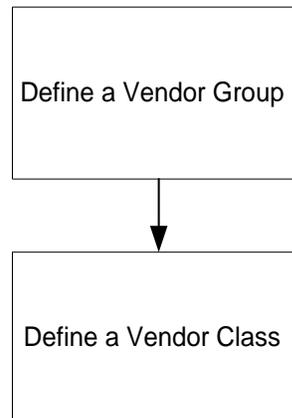
# Procedures in this Chapter

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You define a vendor structure that meets your business needs. At a minimum, you must define at least one vendor group and one vendor class.

- ["Defining a Vendor Group" on page 83](#)
- ["Defining a Vendor Class" on page 85](#)

Figure 21. Procedure relationship: Vendor structure setup



## Defining a Vendor Group

---

A vendor group is simply the set of vendors you do business with. Vendor groups let more than one company share a group of vendor records, making purchases from and payments to the same vendors without creating duplicate records. This procedure describes the process for defining a vendor group.

 **Need More Details?** Check out the following concepts:

- ["What Are My Options for Vendor Group Setup?" on page 80](#)

### **STEPS** To define a vendor group

1. Access Vendor Group (AP00.1).
2. Define a vendor group code. Consider the following fields.

|                      |   |
|----------------------|---|
| <b>Vendor Number</b> | Indicate whether you will be assigning alphanumeric or numeric vendor IDs to vendors in the vendor group. |
|----------------------|---|

|                                   |   |
|-----------------------------------|---|
| <b>Automatic Vendor Numbering</b> | Indicate whether the application is to automatically assign vendor numbers in sequential order. This option can only be used with numeric vendor numbers. |
|-----------------------------------|---|

---

**Audit Vendor Changes**

To have the application create audit records when you add a vendor or make a change to a vendor, select Yes. You may want to set this value to No until after you convert your existing vendor records to avoid recording those changes. Run Vendor-Invoice Audit Report (AP135) to view the audit report.

**Hold Codes**

If you leave these fields blank, the application will automatically assign the five application hold codes. (These defaults appear when you add the record.) See "[What Are System Hold Codes?](#)" on page 119 for a description of the application hold codes.

You can also define your own hold codes and assign them here. See "[Defining Hold Codes](#)" on page 126 for information on defining hold codes.

**Period Ending Dates**

Define at least one period ending date. Period ending dates are used to track vendor balances by period; they do not have to correlate to the general ledger period ending dates and do not have an impact on posting. The dates you define here impact only the balances you see in two inquiry forms: Company Vendor Balances (AP90.6) and Vendor Group Vendor Balances (AP90.7).

**NOTE** You run Vendor Balance Year End (AP199) to set the vendor balance periods for the next year.

Figure 22. Form clip: Vendor Group (AP00.1)

The screenshot shows the Lawson Vendor Group form (AP00.1). The interface includes a top navigation bar with 'Welcome Jane Doe' and 'Go To Preferences Help'. Below this is a menu with 'Home', 'Vendor Group', 'Data Directory', and '1) Vendor Group:'. A 'Related Links' section lists 'Vendor Class', 'Pay Group', 'Company', 'Process Level', 'Reportable Income Group', 'Vendor Group-Company', and 'Pay Group Listing'. The main form area contains several sections: 'Vendor Group' with dropdowns for 'Vendor Group' and 'Vendor Number', and checkboxes for 'Auto Vendor Numbering' (set to 'No') and 'Audit Vendor Changes' (set to 'No'). Below this is the 'Hold Codes' section with dropdowns for 'Manual Payment', 'Credit Balance', 'Prepayment', 'Return on Investment', and 'Maximum Payment'. The 'Period Ending Dates' section features a grid of 13 numbered dropdown boxes. A 'User Fields' link is visible at the bottom right of the form area.

**Options for Vendor Groups**

The following vendor group options are available.

| To   | Use  |
|--|--|
| Define additional fields to store vendor information | Vendor Group User Fields (AP00.2) to define up to six additional fields to store vendor information. These fields are available to you when you define your vendors. You can use the first field to perform inquiries and run reports. As an example, you might want to track old vendor numbers, or vendors that are W9 compliant or minority-owned.  |
| Copy a vendor group                                  | Vendor Group Copy (AP100) to copy hold codes, vendors, vendor classes, and more from one vendor group to another. You might want to use this feature during initial setup if you have more than one company and more than one vendor group. Set up all of the vendors that those companies have in common. Then copy the vendor group and use it as a starting point, adding on the unique vendors required by each company. |

## Related Reports and Inquiries

| To   | Run                                  |
|--|--------------------------------------|
| List vendor groups   | Vendor Group-Company Listing (AP200) |
| List changes to vendor records (only if the Vendor Group uses the audit feature) | Vendor-Invoice Audit Report (AP135)  |

## Defining a Vendor Class

A vendor class represents a subset of vendors in a vendor group. Use vendor classes to categorize vendors that share common characteristics for reporting and payment processing. You can also set a number of defaults at the vendor class level. This procedure describes the process for defining a vendor class.



**Need More Details?** Check out the following concepts:

- ["What Are My Options for Vendor Class Setup?"](#) on page 82

### **STEPS** To define a vendor class

1. Access Vendor Class (AP00.3).

Figure 23. Form clip: Vendor Class (AP00.3)

2. Define a vendor class on the Main form tab. Consider the following fields.

**Posting Option** Indicate whether you want to post transactions for this vendor class to General Ledger in summary or detail. To post in summary, you must also select summary as your general ledger account posting option. For more details on defining posting options, see Appendix A, "[Posting in Summary Versus Posting in Detail](#)" on page 387.

**Income Code** To have an income code default on vendors assigned to this vendor class, select a valid code. You might want to assign an income code to a vendor class in special cases, such as if you have grouped all contractors in the same class and you want to track their reportable income under one code.

**Validate Purchase Order** If you select Yes, the application will verify that the purchase order entered exists.

**Require Purchase Order** If you select Yes, the application will only verify that the form field is populated.

3. Define vendor class options on the Options form tab. Consider the following fields.

Figure 24. Form clip: Vendor Class (AP00.3), Options tab

The screenshot shows the Lawson Vendor Class Options tab. The top navigation bar includes 'Go To Preferences Help'. The left sidebar contains 'Home Vendor Class', 'Data Directory', 'Related Pages', and 'Related Links'. The main content area is titled 'Options' and contains the following fields:

- Vendor Group: [Dropdown]
- Vendor Class: [Dropdown]
- Cash Code: [Dropdown]
- Payment Code: [Dropdown]
- Payment Priority: [Dropdown]
- Zero Payments Allowed: [Dropdown] (set to 'No')
- Zero Payment Code: [Dropdown]
- Maximum Payment Amount: [Text Input]
- Maximum Hold Code: [Dropdown]
- Enclosure: [Dropdown]

**Zero Payments Allowed**

To have zero payments automatically created for vendors in this vendor class, select Yes. A zero payment will be created if the vendor's invoices net to zero, such as when a vendor has a \$100 debit and a \$100 credit.

If you select No, Cash Requirements (AP150) will not select a vendor's invoices for payment if the invoices net to zero. The invoices remain open items until a debit balance exists for the vendor.

**Zero Payment Code**

If the vendor class allows zero payments, select the payment code that represents a zero payment. (This field is not required, but is suggested if you use zero payments.)

**TIP** For a cost savings, you can define a payment code that does not print on your standard check stock.

**Maximum Payment Amount**

To set a maximum single payment amount that can be created for any vendor in this class, enter that amount.

**Maximum Hold Code**

If you defined a maximum payment amount, select the hold code that should be applied to invoices exceeding that amount. For more information about hold codes, see "[Defining Hold Codes](#)" on page 126.

**Match Prepay**

Indicate if the invoice is to be prepaid (for match invoices).

**Match Prepay Method**

Indicate the method of match prepayment (none, prepay from invoice, or eligible for prepayment).

4. Define match options on the Match form tab. Consider the following fields.

**Match Table**

Associate a match table with the vendor class. You define match tables using Match Table (MA00.1).

**NOTE** If you are using a match table on a vendor class, the match table must be defined as either Both or Vendor.

---

**Rule Group**

Associate a rule group with the vendor class. You define rule groups using Match Rule Groups (MA00.4).

## Related Reports and Inquiries

**To****Run**

---

List vendor classesVendor Group, Company Listing  
(AP200)

## Chapter 9

# Payment Structure Setup

---

In Lawson Accounts Payable setup, you define how to group your vendors for payment processing. For example, if several of your companies use the same office supply vendor, do you want to generate a payment from each company or generate a single payment? This chapter describes required and optional payment structure setup.

---

**STOP** Before you define pay groups or process groups in the Accounts Payable application, determine which payment structure best meets your needs. Various structures are presented in "[Concepts in this Chapter](#)" on page 90.

---

# Concepts in this Chapter

---

The following concepts provide background and conceptual information for the procedures within this chapter.

- ["What Is a Pay Group?" on page 90](#)
- ["What Are Posting and Invoice Companies?" on page 93](#)
- ["What Is Pay Group Security?" on page 94](#)
- ["What Is a Process Group?" on page 95](#)

## What Is a Pay Group?

---

**Pay groups** are *portions of your organization that you group together for the purpose of payment processing*. A pay group is made up of one general ledger posting company and any number of invoice companies and process levels. You must define at least one pay group. Pay groups are used for two key purposes:

**Joining two or more companies for combined payment processing**

A pay group lets you process payments at a higher level than the company level. This means that you can create one payment for a vendor to pay invoices for multiple companies and process levels.

---

**Splitting a single company for autonomous payment processing**

Pay groups also let you process payments by process level, giving autonomy to each process level for payment processing. This means that processing can be done on different schedules, and payments can be produced in smaller batches and in different locations.

For information about how pay groups impact the payment cycle, see ["How Do Groups Impact Pay Cycles?" on page 220](#).

### Joining Two or More Companies

Pay groups are most often used to join two or more companies for payment processing. The benefit is that you can create a single payment to a vendor that covers invoices for multiple companies.

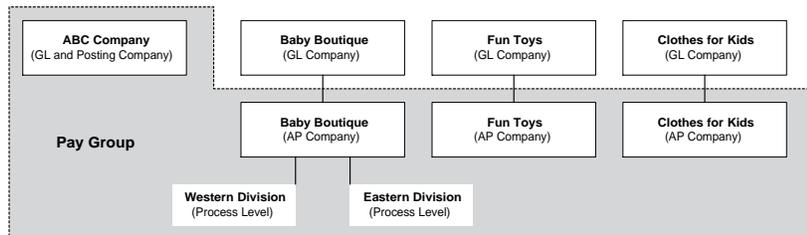
For example, ABC Company operates three chains of retail stores. Each chain is set up as a company, and each receives a monthly phone bill from the same phone services vendor. A pay groups lets them join those three chains (companies) together for payment processing. As a result, they can generate and mail one check each month for the phone bill, instead of three.

## Company Considerations

If you are using a pay group to join companies for payment processing, the following must be true:

- All companies in a pay group must use the same vendor group.
- All companies in a pay group must use the same base currency.
- Each company or combined company and process level combination can belong to only one pay group. \*\* Each pay group must be assigned to one posting company. (The posting company must be a general ledger company.)

Figure 25. Illustration: Using a pay group to join multiple companies



## Splitting a Single Company

You can also use pay groups to split a company into smaller groups for payment processing by assigning one or more process levels to a pay group. The benefit of using multiple pay groups for a single company is that you can create autonomous units for payment processing.

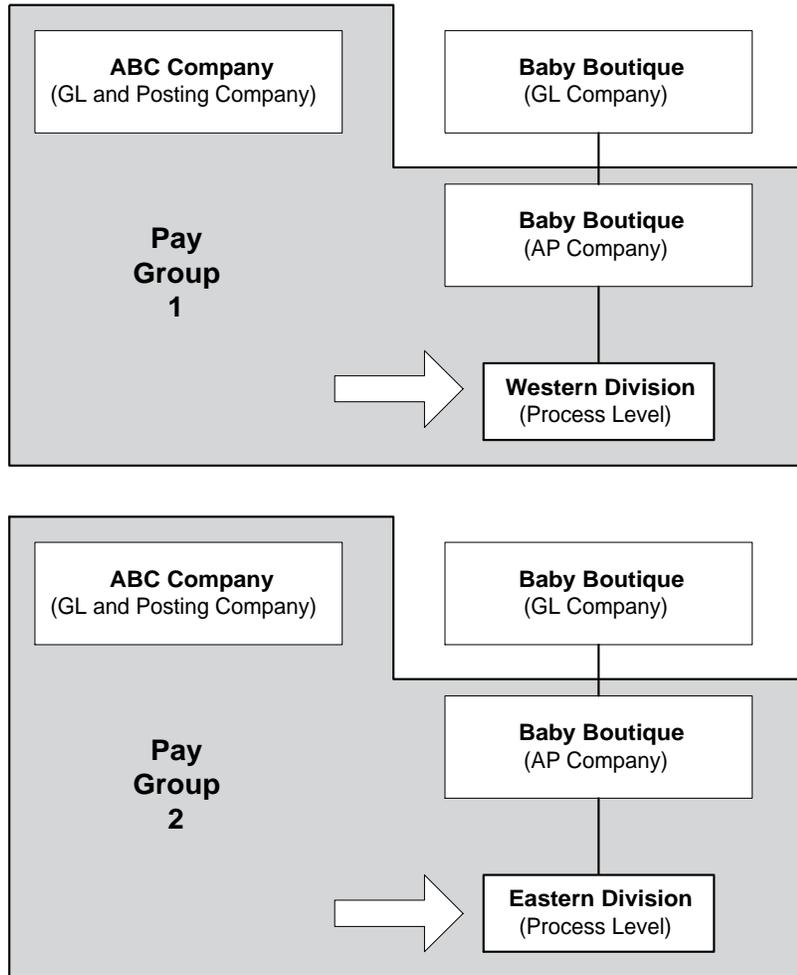
For example, the Baby Boutique chain has two division, one with a western location and the other with an eastern location. To allow each division to process pay cycles completely independently of the other, ABC Company could define a pay group for each division.

## Process Level Considerations

If you use process levels, you can assign them to pay groups in three ways:

- You can assign a company and all of its process levels to the same pay group. Do this if you have no need to create any autonomous units.
- You can assign each process level to a different pay group. Do this if each process level needs to process payments autonomously.
- You can group process levels under pay groups according to the way you process payments. For example, you may have one process level that produces employee expense payments on a unique schedule. Assign that process level to its own pay group and assign all remaining process levels to a second pay group.

Figure 26. Illustration: Assigning process levels to different pay groups for autonomous processing



## What Are Posting and Invoice Companies?

---

A pay group is made up of one posting company and any number of invoice companies and process levels.

- A **posting company** is a *general ledger company to which your accounts payable transactions post*. Think of this as your cash company.
- An **invoice company** is an *accounts payable company that is invoiced*. Think of this as your expense and liability company.

### Posting Considerations

\*\* The general ledger company (posting or invoice) to which transactions post depends on the type of transaction. This table shows how general ledger transactions are posted.

| Transaction type      | Company used for posting   |
|-----------------------|--|
| Cash                  | Posting company  |
| Invoice Accrual       | Invoice company  |
| Invoice Distributions | Invoice company  |
| Gain or Loss          | Invoice company  |
| Discount Accrual      | Invoice company  |
| Discount              | Company (posting or invoice) assigned to the discount code           |
| Income Withholding    | Company (posting or invoice) assigned to the income withholding code |

### Relationship Considerations

\*\* When you define pay groups, make sure you also define the following relationships in other Lawson applications.

- If your posting company and invoice company are different, define intercompany relationships between the pay group posting company (“from” company) and each invoice company (“to” company) in General Ledger. For more information, see the *General Ledger User Guide*.
- In the Cash Ledger application, define company-cash code relationships between the pay group posting company and each cash code that the pay group processes payments for. For more information, see the *Cash Ledger User Guide*.

# What Is Pay Group Security?

---

If you define pay group security, you restrict access to a select group of forms that inquire on and update pay group information. Using pay group security can be an important part of your company's efforts to protect against fraud and to limit the number of people who have clearance to release company funds. Pay group security applies only to the following programs.

## What Access is restricted?

Pay group security restricts access to the following forms.

|  | <b>Cash Payment Programs</b>  | <b>Bill of Exchange Programs</b>  |
|--|---|---|
| <b>Inquiry and update restrictions</b> | <ul style="list-style-type: none"><li>• Cash Payment Entry (AP55)</li><li>• Manual Forms Reservation (AP81.1)</li></ul>   | <ul style="list-style-type: none"><li>• Bill of Exchange Acceptance by Vendor (AP28)</li><li>• Bill of Exchange Entry (AP56)</li></ul>  |
| <b>Update restrictions only</b>        | <ul style="list-style-type: none"><li>• Cash Requirements (AP150)</li><li>• Payment Forms Creation (AP155)</li><li>• Payment Tape Creation (AP160)</li><li>• Electronic Payment File Creation (AP161)</li><li>• Payment Closing (AP170)</li><li>• Invoice Reinstatement (AP190)</li></ul> | <ul style="list-style-type: none"><li>• Bill of Exchange Generation (AP151)</li><li>• Bill of Exchange Creation (AP156)</li><li>• Bill of Exchange Bank Statement (AP166)</li><li>• Bill of Exchange Cashing Update (AP180)</li><li>• Bill of Exchange Distribution Posting (AP185)</li></ul> |

---

**IMPORTANT** Pay group security does not restrict access to Pay Group (AP01.1). You can restrict access to this and other forms using Lawson environment security. For more information on defining security, see *Lawson Administration: User Setup and Security*.

---

## What Is a Process Group?

---

A process group is an optional cash payment processing entity that lets you break a payment cycle into concurrent pay runs. Each process group represents one or more vendors. The overall effect of concurrent processing is reduced run time. Large organizations with high volume pay cycles will see the most benefit from process groups.

The number of process groups you define depends on the volume of invoices you process for each vendor, the number of machine processors you have available, and the approximate time you want each cash payment program (such as AP150 or AP170) to run. Group your vendors in a way that evenly distributes the invoice processing.

### Example

If you have one vendor that represents 50% of all your invoices, you could put that vendor in its own process group. Lump other vendors together in additional process groups as needed. Experiment with different options over several pay runs to find an effective distribution.

| Process group | Vendor numbers                 | Percentage of all invoices |
|---------------|--------------------------------|----------------------------|
| 1             | Vendor 100                     | 50                         |
| 2             | Vendors 102 to 103             | 10                         |
| 3             | Vendors 999000001 to 999000020 | 10                         |
| 3             | Vendors 1 to 99                | 10                         |
| 3             | Vendors 104 to 200             | 20                         |

For a review of vendor classes, see "[Defining a Vendor Class](#)" on page 85.

# Procedures in this Chapter

---

You can use pay groups and process groups to create a pay structure that meets your specific business requirements. At a minimum, you must define one pay group.

- ["Defining a Pay Group" on page 96](#)
- ["Defining Pay Group Security" on page 98](#)
- ["Defining Process Groups" on page 99](#)

## Defining a Pay Group

---

Pay groups are portions of your organization that you group together for the purpose of payment processing. Use pay groups to join two or more companies for combined payment processing or to split a single company by process level for autonomous payment processing. This procedure describes the process for defining a pay group.

---

**STOP** Before you set up a pay group, confirm that all companies you plan to put in the pay group share the same vendor group.

---



**Need More Details?** Check out the following concepts:

- ["What Is a Pay Group?" on page 90](#)
- ["What Are Posting and Invoice Companies?" on page 93](#)
- ["What Is Pay Group Security?" on page 94](#)

### **STEPS** To define a pay group

1. Access Pay Group (AP01.1).
2. Assign a general ledger posting company, vendor group, cash code, default payment code, and status on the Main form tab.

Figure 27. Form clip: Pay Group (AP01.1)

## Options for Defining a Pay Group

| To   | Use  |
|--|--|
| Process bills of exchange for the pay group                            | The Options form tab to define bill of exchange processing options.  |
| Create payment tapes in an electronic payment format for the pay group | The Pmt ID button to open the Electronic Transfer Identification subform. Use the subform to define electronic payment processing information. |

## Related Reports and Inquiries

| To  | Use                                     |
|---|---|
| List pay groups   | Pay Group Update (AP101)                |
| Display relationships between a pay group and accounts payable companies and process levels | Pay Group Company Relationship (AP01.4) |

## Defining Pay Group Security

---

You can define the group of users who can update or inquire on pay group information, restricting access for all other users. The restriction applies only to the forms that update or inquire on pay group information. This procedure describes the process for defining pay group security.

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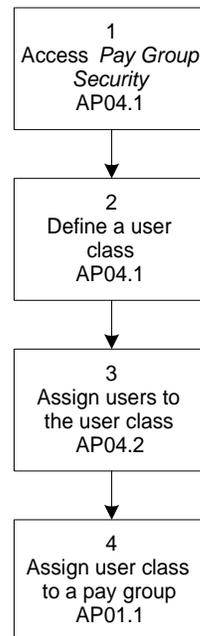
**STOP** Define your pay groups before assigning security to them. For more information, see "[Defining a Pay Group](#)" on page 96.

---

 **Need More Details?** Check out the following concepts:

- "[What Is Pay Group Security?](#)" on page 94

Figure 28. Procedure flow: Defining pay group security



**STEPS** **To define pay group security:**

1. Access Pay Group Security (AP04.1).
2. Define a user class. A user class represents a group of users to which you want to grant access.
3. Choose the Users button to access the Pay Group Users subform (AP04.2). Use this subform to assign users to the user class.
4. Choose the Security button on Pay Group (AP01.1) to access the Pay Group Security subform (AP01.5). Use this subform to assign the user class to the pay group.

# Defining Process Groups

---

A process group is an optional cash payment processing entity that lets you break a payment cycle into concurrent pay runs, which reduces run time. Large organizations with high volume pay cycles will see the most benefit from process groups. This procedure describes the process for defining a process group.



**Need More Details?** Check out the following concepts:

- ["What Is a Process Group?"](#) on page 95

## **STEPS** To define a process group

1. Access Process Group (AP02.3).
2. Define a process group code and name.
3. Assign vendors to the process group.

| <b>To</b>   | <b>Use</b>   |
|---|--|
| Assign an entire vendor group, vendor class, or range of vendors to the process group | Process Group Update (AP102)   |
| Assign vendors to the process group one at a time                                     | Vendor (AP10.1) and select the process group in the Process Group field on the Main form tab |

## **Related Reports and Inquiries**

| <b>To</b>  | <b>Use</b>                    |
|--|-------------------------------|
| List process groups and assigned vendors, or to list vendors that do not have a process group assigned                             | Process Group Listing (AP202) |
| Display the vendors that are assigned to a specific process group, or to display vendors that do not have a process group assigned | Process Group (AP02.3)        |



## Chapter 10

# Company Structure Setup

---

Your accounts payable company structure is made up of companies and process levels. This structure provides a framework for reporting and processing. You can use a combination of companies and process levels to reflect how your organization is structured: such as by physical location, division, department, or cost center. This chapter is focused on helping you plan and define your company structure.

---

**STOP** Before you set up a company in Lawson Accounts Payable, you need to define that company in Lawson General Ledger. For details, see the *General Ledger User Guide*. To identify the best structure for your needs, see "[Concepts in this Chapter](#)" on page 102.

---

# Concepts in this Chapter

---

The following concepts provide background and conceptual information for the procedures within this chapter.

- ["What Are My Options for Company Setup?" on page 103](#)
- ["What Are My Options for Process Level Setup?" on page 104](#)
- ["What Are My Invoice Release and Approval Options?" on page 104](#)
- ["What Is System Control?" on page 105](#)

## What Are My Options for Company Setup?

---

\*\* Much of your accounts payable company structure is dictated by your general ledger company structure. Here are important guidelines to keep in mind:

- Each accounts payable company must have a corresponding general ledger company.
- You can have multiple general ledger companies, and only one accounts payable company, but you will never have more accounts payable companies than you have general ledger companies.
- If you have only one general ledger company, use process levels to further organize your structure.

When you define an accounts payable company, you assign the company to a pay group and a vendor group, select invoice release options, and define company defaulting, posting, processing, and reporting options. When you are determining how many companies you want to define, take into consideration that each company can have only one:

- base currency
- vendor group
- invoice release option

The matching process from Invoice Matching puts invoices in a released status

### Pay Group Considerations

Pay groups, which were introduced in the previous chapter, provide additional options for your company structure. Pay groups are above company in the company structure; you can use them to join one or more companies together for payment processing. For more information, see ["Defining a Pay Group"](#) on page 96.

### Intercompany Relationships

If you have two or more Accounts Payable companies, you can define relationships between them and process intercompany invoices. For example, you can expense an invoice to multiple companies even though only one company is responsible for the payment. The system keeps all companies in balance by using intercompany receivable and payable accounts defined for each company.

\*\* You define a relationship between two companies in General Ledger, using Intercompany Relationships (GL25.1). For more information on intercompany relationships, see the *General Ledger User Guide*. For an example of how Accounts Payable handles intercompany transactions, see Appendix A, ["Intercompany Transaction"](#) on page 381.

## What Are My Options for Process Level Setup?

---

A process level is part of a company, such as a division, department, or cost center. You can use process levels to

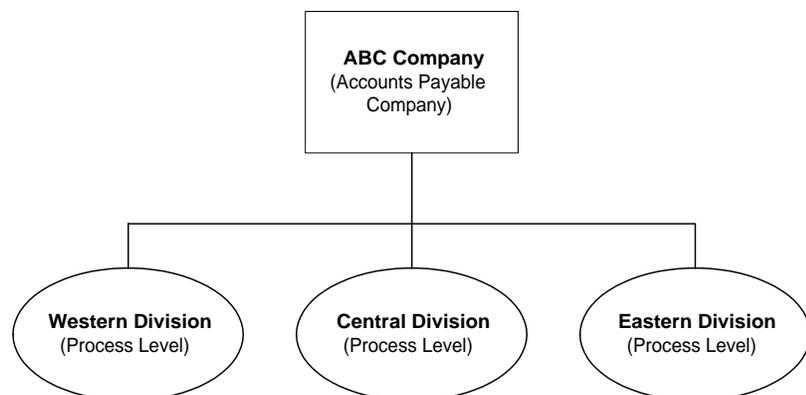
- define default accounts used to post invoices,
- break and subtotal reports, and
- schedule and pay invoices.

Define at least one process level for each accounts payable company. You might need to define additional process levels depending on your company structure. If different parts of your company use different bank accounts or general ledger cash accounts, you can define each part as a unique process level and assign each unique bank information.

Also, if different parts of your company post accrued liability or reportable income withholding liability distributions to different process levels, you can define these parts as different process levels, assigning each a unique invoice accrual code, or income withholding code.

You can designate one process level as the default process level for a company. If selected, the process level defaults on all invoices for the company unless you override it during invoice entry. If you do not designate a default process level for a company, you must assign a process level to each invoice during invoice entry.

*Figure 29. Illustration: Using process levels to further define the structure of your company*



## What Are My Invoice Release and Approval Options?

---

As part of your accounts payable company setup, you must select invoice release and approval options. The options you select determine what type of controls your company will use for invoice processing. Your options include:

- batch release
- invoice approval
- payment approval

| Option           | Select to  | Effect of this selection  | To release, use  |
|------------------|--|---|--|
| Batch release    | <ul style="list-style-type: none"> <li>Assign work in batches, such as having Ann process one batch and Tim process another.</li> <li>Use batch control to ensure that the total number of invoices and individual invoice amounts match a control total for the batch.</li> </ul> | <ul style="list-style-type: none"> <li>If you use batch release, you release all invoices in the batch for payment.</li> <li>You cannot release an individual invoice from a batch. To release a single invoice, you need to put the invoice in its own batch.</li> <li>If you use batch control, you can only release a batch of invoices for payment if the batch total matches the control total.</li> </ul> | <ul style="list-style-type: none"> <li>Batch Control (AP25.1)</li> <li>Batch Review (AP25.2)</li> <li>Batch Release (AP125)</li> </ul> |
| Invoice approval | <ul style="list-style-type: none"> <li>Require an approval for invoices before they can be paid.</li> </ul>  | <ul style="list-style-type: none"> <li>All invoices must be individually approved and released.</li> </ul>  | <ul style="list-style-type: none"> <li>Invoice Release (AP26.1)</li> <li>Mass Invoice Release (AP126)</li> </ul>                       |
| Payment approval | <ul style="list-style-type: none"> <li>Require a secondary approval for invoices before they can be paid. For example, you may require that your CEO approve all invoices greater than \$10,000.</li> </ul>  | <ul style="list-style-type: none"> <li>Any invoice that exceeds your criteria must be approved before it can be selected for payment.</li> <li>Setting low limits will require frequent approvals and may cause delays in the payment process.</li> </ul>   | <ul style="list-style-type: none"> <li>Invoice Payment Approval (AP36.1)</li> </ul>  |

The impact of your release and approval options is seen most prominently at the time of invoice release. For more information, see "[Releasing Invoices](#)" on page 203.

## What Is System Control?

You can define closing options that provide an added measure of security for users. Closing control is an optional feature of System Control (GL01.1) that controls certain data parameters within Accounts Payable. Closing controls can also determine whether you must close a subsystem period, such as the accounts payable period, before you can close the general ledger period.

## Benefits of Using System Control

When you use system control, you define valid entry dates for each period. You also indicate the number of period that can be open at one time. These safeguards prevent invoices from accidentally being posted to prior or future periods.

You can detect errors at the source (during invoice entry, processing of payments, or voiding payments) rather than after transactions have been transferred to General Ledger. By making all postings to the appropriate period and by limiting the number of open periods, you simplify the reconciliation process at period end.

## Where is System Control Used?

Use system control options to control the following dates:

|                            |  |
|----------------------------|--|
| <b>Post Date</b>           | The post date on invoice entry forms (AP20.x) and on Invoice Adjustment (AP30) is validated against the invoice company.   |
| <b>Payment Date</b>        | The payment date on Payment Forms Creation (AP155), Payment Tape Creation (AP160), and Electronic Payment File Creation (AP161) is validated against the post company for a pay group.               |
| <b>Manual Payment Date</b> | The manual payment date on Basic Invoice (AP20.1), Cash Payment Entry (AP55.1), and Bill of Exchange Entry (AP56.1)  |
| <b>Cancel Date</b>         | The cancel date on Invoice Cancel (AP30.4) is used to post reversing entries to the expense and liability accounts in the general ledger the next time you run Invoice Distribution Closing (AP175). |
| <b>Void Date</b>           | The void date on Bank Transaction Adjustment (CB80.1) and Bank Tape Mass Reconciliation (CB185) is controlled by Cash Ledger.  |

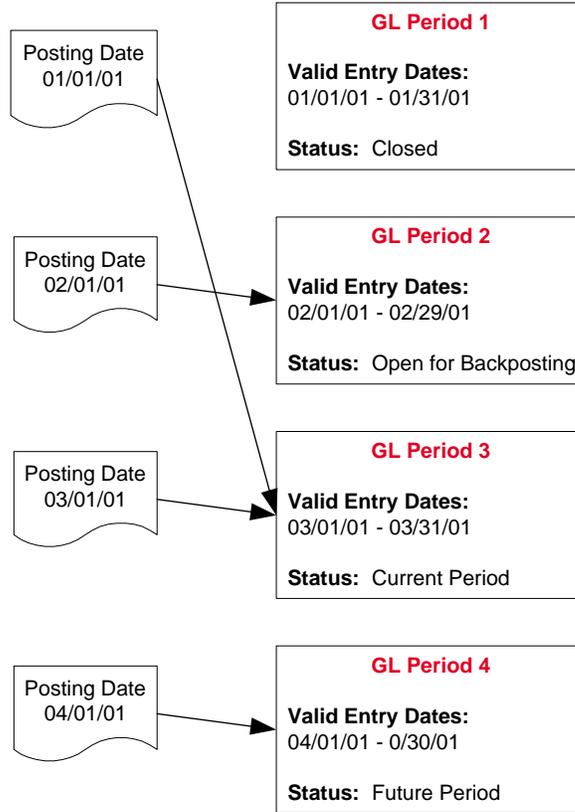
## Example

The post date on an accounts payable transaction is used to determine which general ledger fiscal period receives the transaction.

- If the post date is in a prior period that has been closed, the journal is created in the current period.
- If the post date is in a prior period that has been opened for backposting, the journal is created in that period.

- If the post date is in the current period, the journal is created in the current period.
- If the post date is in a future period, the journal is created in the future period and stored until it is eligible for posting.

Figure 30. Illustration: Using system control to edit posting dates



# Procedures in this Chapter

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You define a company structure that reflects your company's organizational structure. Use companies and process levels to construct a structure that meets your needs.

- ["Defining an Accounts Payable Company" on page 108](#)
- ["Defining a Process Level" on page 113](#)
- ["Defining Accounts Payable System Control" on page 116](#)

## Defining an Accounts Payable Company

---

An Accounts Payable company can represent a physical location, processing center, or other entity for your business. You define invoice entry options, default codes, and other default invoice and payment processing options at the company level. This procedure describes the process for defining an Accounts Payable company.

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**STOP** Before defining an Accounts Payable company, you must have set up a tax company, tax code, and tax rate in the Tax application.

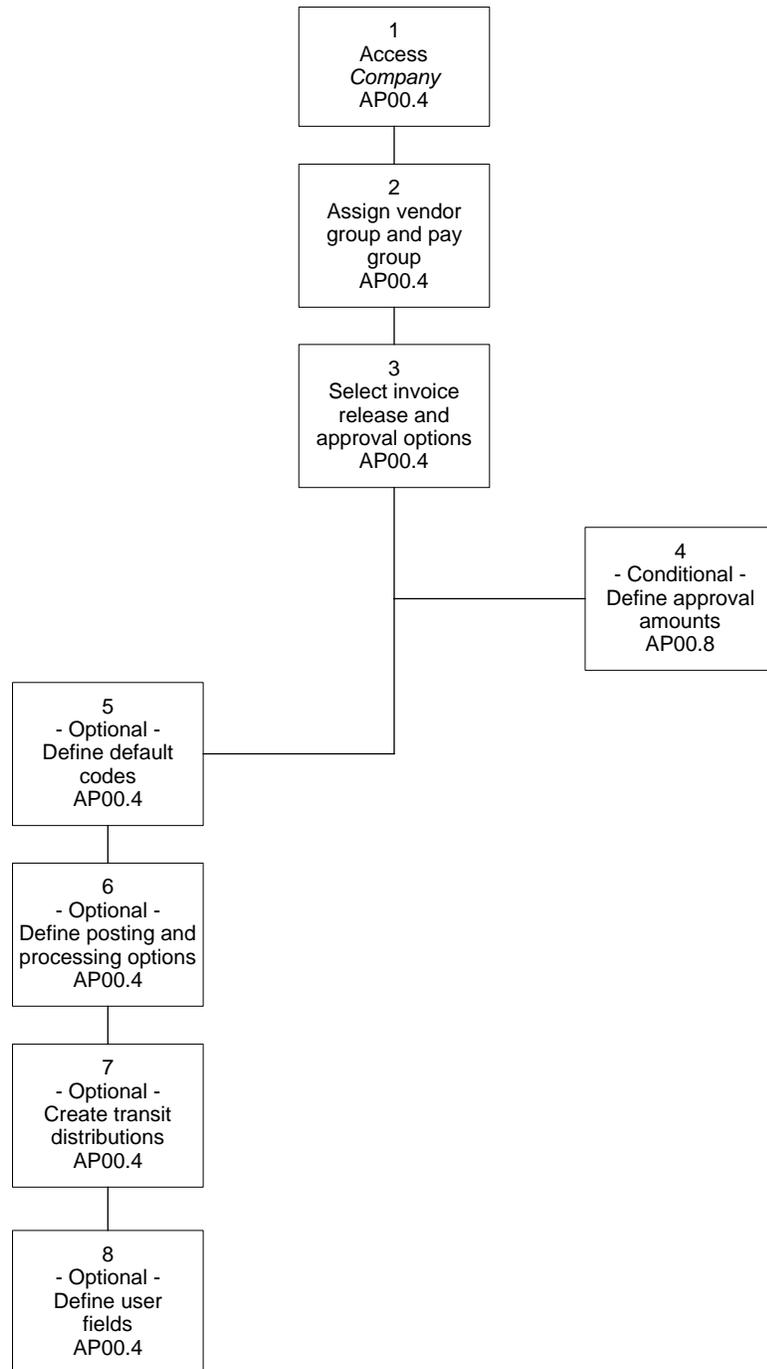
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**Need More Details?** Check out the following concepts:

- ["What Are My Options for Company Setup?" on page 103](#)
- ["What Are My Options for Process Level Setup?" on page 104](#)

Figure 31. Procedure flow: Defining an accounts payable company



**STEPS To define an accounts payable company**

1. Access Company (AP00.4).
2. Assign the company to a vendor group and a pay group. The company number must already be defined in General Ledger.

Figure 32. Form clip: Company (AP00.4), Main tab

3. Select invoice release and approval options on the Main form tab. Consider the following fields.

**Batch Release** Select Yes in the Batch Release field to assign work in batches or to use batch control. If you select No, you must select Yes in the Invoice Approval field.

**Voucher Required** If your company requires an internal approval record for each invoice, select Yes. You can further define your use of vouchers in the fields that follow, indicating whether you will use numeric vouchers, allow duplicate vouchers, or use auto numbering.

**Invoice Approval** To control the release of invoices by requiring individual approval, select Yes. If you select No, you must select Yes in the Batch Release field.

4. If you would like to enable the Distribution Approvals form (AP36.2), you must select the ProcessFlow form and select both ProcessFlow and Distribution Adjustments.
5. If you use payment approval, choose the Approval Button to access Company Approval (AP00.6) and define amounts that require approval. Consider the following field.

**Amount**

Indicate transaction amounts that require approval. For example, you may only want to require approvals on invoices greater than \$10,000. If you require approvals and you do not define a minimum approval amount, you are essentially requiring approval for all transactions greater than \$0 and must approve all released invoices.

6. To define accounts payable processing codes or select a default cash code at the company level, use the Codes form tab.
7. To define posting and processing options at the company level, choose the Options form tab. Consider the following fields.

**Posting Option**

You can indicate if you post distribution information to the general ledger in summary or detail. Regardless of the posting option you select, you can open detailed invoice distribution information in the Accounts Payable application. For more information, see Appendix A "[Posting in Summary Versus Posting in Detail](#)" on page 387.

**Employee Expense Reconciliation**

\*\* If you use the Employee Expense application, select an employee expense reconciliation option.

- Select Open to reconcile employee advances and expenses against the employee's open balance. With this option you do not have to apply advances to specific expenses.
- Select Matching to match employee advances to expenses. All credit memos that are generated when an employee advance is paid are assigned the prepayment hold code. That hold code is automatically removed when the advance is matched to an expense and the expense is released.

For more information, see "[How Does Accounts Payable Setup Affect Employee Expense?](#)" on page 265.

**Terms Calculation**

Select which date to use in calculating the best terms: Invoice Date, Receipt of Invoice Date, Earliest Receipt Date, Latest Receipt Date, or Ship to Arrive Date.

---

|                   |  |
|-------------------|--|
| <b>Float Days</b> | Enter the number of days to add to the best terms calculation if the vendor allows a specific number of days for payment to reach them and still receive the discount. |
|-------------------|--|

---

|                   |  |
|-------------------|--|
| <b>Best Terms</b> | Select whether or not to recalculate the terms during matching.<br><br><b>NOTE</b> Terms calculation, float days, and best terms are used primarily in Invoice Matching. |
|-------------------|--|

8. To create transit distributions when adding invoices, use the Options 2 tab. Select Yes to create transit distributions. This option lets you enter transit invoices and record the company's tax liability quickly. If you choose this option, you must also specify a default distribution code that is used to assign invoice expense to a transit expense account.
9. To set up accounting unit structures for a company select the Distribution Reporting link to access Distribution Reporting Set Up (AP00.7). The benefit of setting up accounting unit structures is to allow the user to run distributions at a location or business unit level during Invoice Distribution Closing (AP175). For more information, see "[Closing Invoice Distributions](#)" on page 244. Consider the following fields.

|                   |  |
|-------------------|--|
| <b>AP Company</b> | Select an Accounts Payable company that you want to set up accounting unit structures for. An Accounts Payable company can have multiple account structures. |
|-------------------|--|

---

|                          |  |
|--------------------------|--|
| <b>Account Structure</b> | Define an account structure for the Accounts Payable company. An account structure can have multiple General Ledger company, accounting units, and accounts. |
|--------------------------|--|

---

|                   |  |
|-------------------|--|
| <b>GL Company</b> | Required. Select the General Ledger company you want to create an account structure for. |
|-------------------|--|

---

|                        |   |
|------------------------|---|
| <b>Accounting Unit</b> | Required. Select the accounting unit you want to create an account structure for. |
|------------------------|---|

---

|                |  |
|----------------|--|
| <b>Account</b> | Required. Select the account, and optionally, the subaccount, you want to create an account structure for. |
|----------------|--|

10. To store additional information about invoices or distributions use the User Fields tab to define user fields.
11. Use the Tax Tolerance tab to select a tax tolerance amount, tax code, and tax rounding account.

The tax tolerance amount is used to compare tax on PO invoices. You cannot release or match an invoice if the tax difference is greater than the tax tolerance amount entered here.

The Tax Code and Tax Rounding Account fields are used to create tax distributions for tax out of balance amounts. For more information on the "tax out of balance" condition, see the *Invoice Matching User Guide*.

**NOTE** You must set up a tax company and tax code before setting up an Accounts Payable company.

## Related Reports and Inquiries

| To  | Run or Access                           |
|---|---|
| List Accounts Payable companies   | Vendor Group, Company Listing (AP200)   |
| Display relationships between a pay group, Accounts Payable companies, and process levels | Pay Group Company Relationship (AP01.4) |

## Defining a Process Level

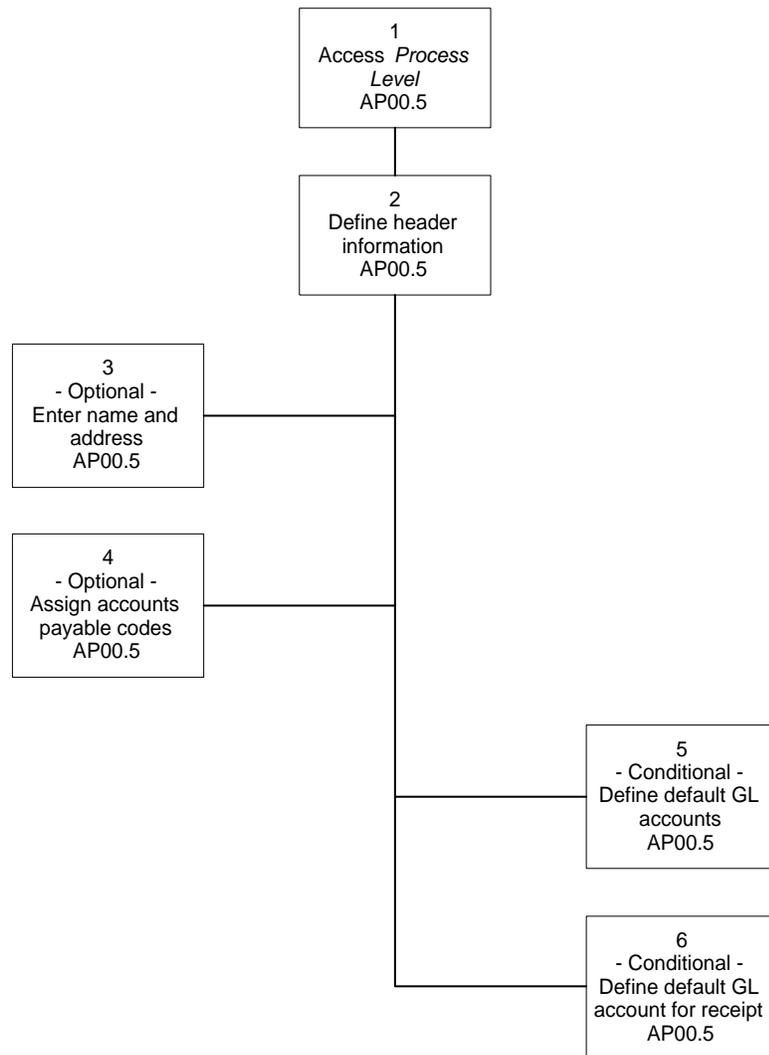
A process level is a part of a company, such as a division, department, or cost center. You define at least one process level for each accounts payable company. You might want to define more than one process level based on your organizational structure and processing needs. Use this procedure to define a process level.



**Need More Details?** Check out the following concepts:

- ["What Are My Options for Process Level Setup?"](#) on page 104

Figure 33. Procedure flow: Defining a process level



**STEPS To define a process level**

1. Access Process Level (AP00.5).
2. Define header information for the process level. Consider the following fields.

**Pay Group**

The pay group assigned to the company defaults. You can assign a different pay group if this process level will be processed in a separate payment cycle.

---

---

|                |   |
|----------------|---|
| <b>Default</b> | You can designate one process level as the default for a company. If you select Yes, the process level defaults on all invoices for the company unless you override it during invoice entry. If your company has only one process level, you will definitely want to set it as the default. |
|----------------|---|

3. To enter name and address information for the process level, use the Address form tab. Consider the following fields.

|             |   |
|-------------|---|
| <b>Name</b> | Enter a descriptive name for the process level in the Name field. This name <b>will</b> display on forms, reports, and inquiries. |
|-------------|---|

---

|                |   |
|----------------|---|
| <b>Address</b> | To store address information for the process level, you can enter it here. This information does <b>not</b> display on forms, reports, and inquiries. |
|----------------|---|

4. To assign accounts payable codes to the process level, use the Codes form tab. The process level uses the accounts payable codes you assigned to the company unless you override them here.
5. If you will be matching invoices to purchase orders, choose the Invoice form tab to define default general ledger accounts at the process level. Consider the following fields.

|                                   |   |
|-----------------------------------|---|
| <b>Inventory Receipt Archival</b> | This is the posting account used to post amounts for inventory that you have received but do not expect to pay for. |
|-----------------------------------|---|

---

|                        |   |
|------------------------|---|
| <b>AOC Differences</b> | Enter or select the AOC Differences account. This account is used when the invoice add-on charge is greater than the receipt add-on charge (for both landed and non-landed add-on charges). |
|------------------------|---|

---

|                            |  |
|----------------------------|--|
| <b>Underbill Write-Off</b> | Enter or select the Underbill account. This account is used when the invoice amount is less than the receipt amount. |
|----------------------------|--|

6. If you will be matching invoices to purchase orders, use the Receipt form tab to define default general ledger accounts for purchase order receipt.

# Defining Accounts Payable System Control

---

You can define system control options that provide an added measure of security for users. You can define valid entry dates for a period and define the number of periods that can be open at one time. This prevents posting into incorrect periods and helps you catch data entry errors at the time of entry. You can also require that Account Payable be closed before General Ledger. This optional procedure describes the process of defining system control for Accounts Payable.



**Need More Details?** Check out the following concepts:

- ["What Is System Control?"](#) on page 105

## **STEPS** To define accounts payable system control

1. Access System Control (GL01.1).
2. Define system closing control options. Consider the following fields.

|                          |  |
|--------------------------|--|
| <b>Control</b>           | To require that the Accounts Payable period be closed before you can close the General Ledger period, select Yes. You must run Period Closing (AP195) before you can close General Ledger.   |
| <b>Valid Entry Dates</b> | Enter a date range to indicate the valid posting dates you can assign to a transaction during entry. This date range reflects the current open period or periods. If you leave these fields blank, you can assign any valid date to a transaction for posting. |
| <b>Open Periods</b>      | Type the number of periods that you want open for transaction entry. The closing program for the system uses this value to automatically update the Valid Entry Date range by advancing the range forward by the number of periods specified.                  |

## Chapter 11

# Defining Accounts Payable Codes

---

You can define a variety of codes to use when processing accounts payable. You assign these codes throughout Lawson Accounts Payable, such as when you define your company or enter invoices. These codes eliminate repetitive data entry, resulting in streamlined processing and fewer data entry errors. This chapter introduces the codes that are available to you and provides procedures for defining those codes.

# Concepts in this Chapter

---

The following concepts provide background and conceptual information for the procedures within this chapter.

- ["What Are System Hold Codes?" on page 119](#)
- ["How Do Accounts Payable Codes Default?" on page 119](#)

## What Are System Hold Codes?

---

You can define custom hold codes for your company, but the system includes five pre-defined hold codes. Three hold codes are temporary and two are permanent.

### Temporary Hold Codes

Temporary hold codes remain in effect for one payment cycle and are automatically removed when you close the payment cycle. These codes are assigned when you run Cash Requirements (AP150) and removed after closing your payment cycle with Payment Closing (AP170).

- **ROI (Return On Investment):** This code is used to hold an invoice when it is more advantageous to bypass a discount in favor of earned interest. This code is applicable only if you entered a return on investment rate in Cash Code (CB00.2) for the bank codes being processed in Cash Requirements (AP150).
- **CRED (Credit Balance Hold):** This code is applied to open invoices and credit memos when the vendor has a credit balance (the vendor owes you money). It prevents the creation of a negative payment.
- **MAX (Maximum Payment Hold):** This code is applied to invoices that, if paid, would exceed the Maximum Cash Outlay for the company. The system assigns this hold to the appropriate invoices when the Maximum Cash Outlay option is selected on Cash Requirements (AP150).

### Permanent Hold Codes

Permanent hold codes remain in effect until you remove them.

- **MPAY (Manual Payment Hold):** You can assign this hold code to invoices that have been paid manually. This prevents the system from producing a check for the invoice. This hold will not be removed until the invoice is applied to the manual payment number or until you remove the hold. If you enter the manual payment number on the invoice, you do not need to apply this code.
- **PREP (Prepayment Hold):** This code is used for prepayments and employee advances. This hold code is applied to system-generated credit memos until the credit memo is applied to the prepaid invoice or the employee expense. This hold code will only be placed on an employee advance if you have selected matching for your employee expense reconciliation option on Company (AP00.4). The prepayment hold code is assigned when you run Payment Close (AP170).

## How Do Accounts Payable Codes Default?

---

The primary purpose of accounts payable codes is to streamline processing and eliminate data entry errors during invoice entry. You assign these codes as defaults at the most appropriate level in your accounts payable structure,

and override the defaults at lower levels in the structure to accommodate special processing needs.

## Example

The following figures display the cascading default scheme used for accounts payable codes. For example, when you define a pay group you must assign a default payment code, such as a system check payment code. That code is automatically assigned to all vendor classes, vendors, and invoices associated with that pay group.

If you have one vendor class, such as employees, that you pay electronically, you can override the default for your employee vendor class. As a result, employee expenses are paid electronically and all other invoices are paid with a system check. You don't need to select the right payment code during invoice entry because the payment code defaults automatically.

---

**IMPORTANT** Default codes display only in the invoice entry forms, and then, only after you add the invoice record. You must leave the accounts payable code fields blank to accept the default values. Selecting a value in one of these fields, even if it is the default value, is considered an override and can make it more difficult for you to change multiple records at once in the future.

---

Figure 34. Defaulting hierarchy: Accounts payable codes

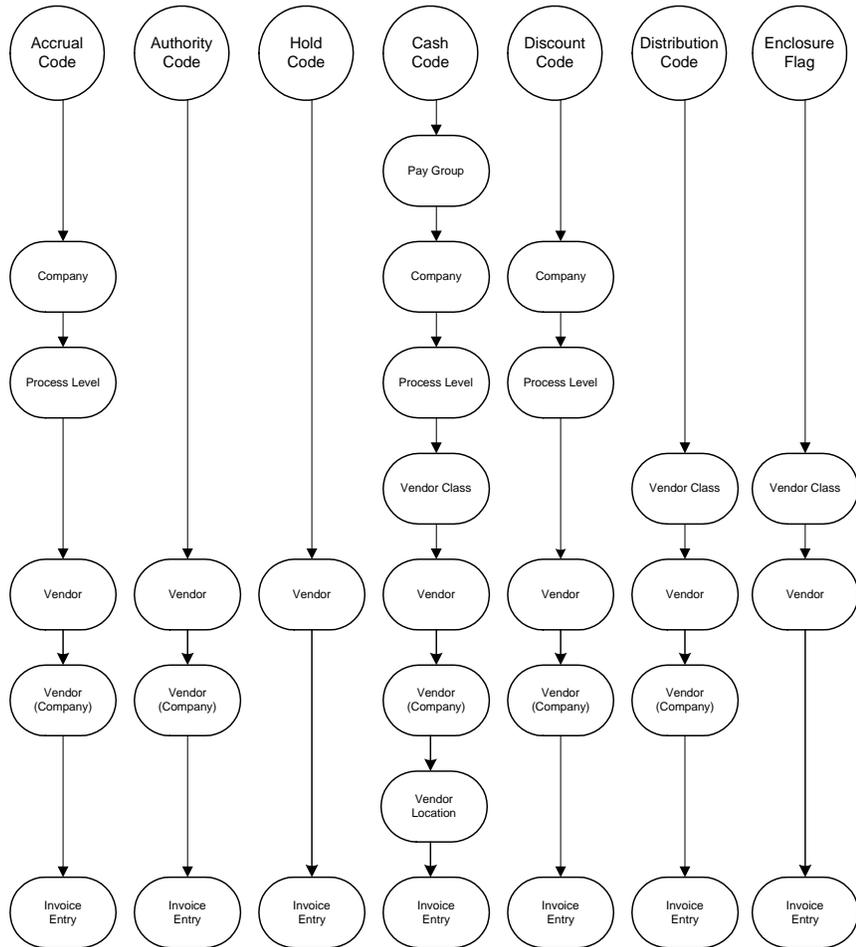
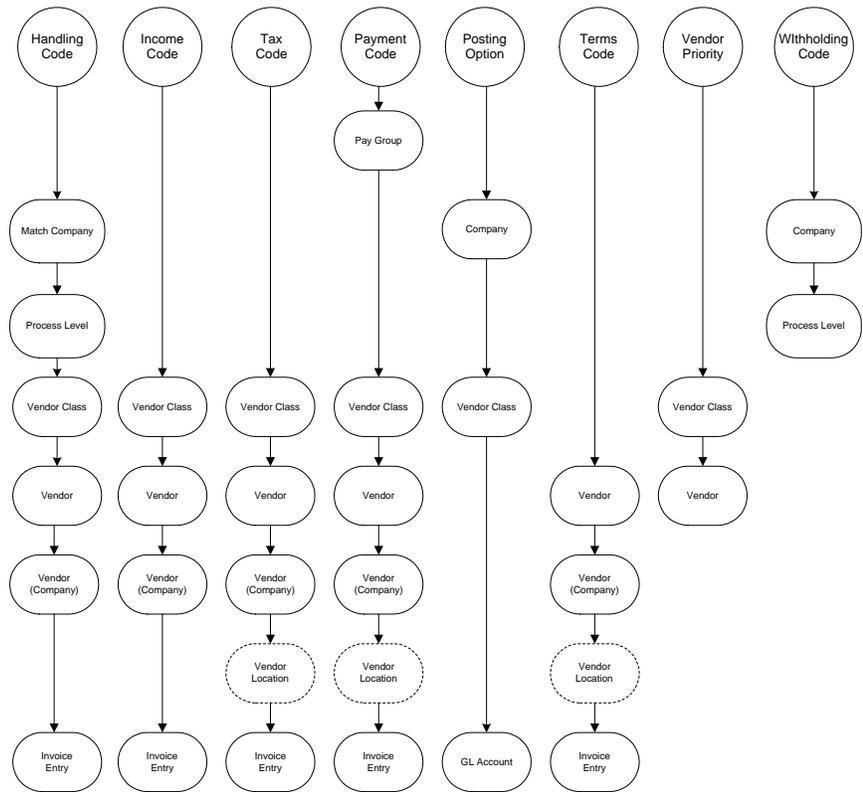


Figure 35. Defaulting hierarchy: Accounts payable codes



# Procedures in this Chapter

---

This section covers 11 types of accounts payable codes available to you. Only two of the codes are required. You can define additional codes that are applicable to your company, based on the way you do business.

- ["Defining Invoice Accrual Codes" on page 123](#)
- ["Defining Discount Codes" on page 124](#)
- ["Defining Distribution Codes" on page 125](#)
- ["Defining Hold Codes" on page 126](#)
- ["Defining Income Codes" on page 127](#)
- ["Defining Authority Codes" on page 128](#)
- ["Defining Income Withholding Codes" on page 128](#)
- ["Defining Bill of Exchange Accrual Codes" on page 128](#)
- ["Defining Handling Codes" on page 129](#)
- ["Defining Reason Codes" on page 129](#)
- ["Defining Add-On Cost Codes" on page 130](#)
- ["Defining Contact Codes" on page 130](#)
- ["Defining Diversity Codes" on page 130](#)
- ["Defining Certification Codes" on page 131](#)
- ["Listing Accounts Payable Codes" on page 131](#)

## Defining Invoice Accrual Codes

---

Invoice accrual codes are used to link a general ledger accrual account to an invoice. You must define at least one accrual code that indicates which account will be used to offset general ledger entries made between the payment of an invoice and the distribution of an invoice. This procedure describes the process for defining an invoice accrual code.

### **STEPS** To define an invoice accrual code

1. Access Invoice Accrual Code (AP05.2).
2. Define the accounts payable company, general ledger accrual account, and a status for the invoice accrual code.

## Defining Discount Codes

---

Discount codes are used to link a general ledger discount account to an invoice. The discount code determines where a payment discount will be posted if a discount is taken on the invoice. Payment discounts are based on the timing of your payment. For example, a vendor may offer a 3% discount on invoices paid 30 days prior to the due date. This procedure describes the process for defining a discount code.

### **STEPS** To define a discount code

1. Access Discount Code (AP05.7).
2. Optional. Choose the Filter button to limit the codes that display.
3. Consider the following fields.

|                        |  |
|------------------------|--|
| <b>Code</b>            | Enter a discount code to default a general ledger discount account to an invoice.  |
| <b>Company</b>         | Select a valid General Ledger company.   |
| <b>Accounting Unit</b> | Select a general ledger discount accounting unit for the discount code.  |
| <b>Account</b>         | Select a general ledger discount account for the discount code.  |
| <b>Status</b>          | Indicate the status of the discount code (active or inactive).   |
| <b>Discount Point</b>  | Decide whether you want the discount applied to the Cost of Goods only (Cost), or the Cost of Goods plus the AOC amount on the Accounts Payable invoice (Total). |

# Defining Distribution Codes

Distribution codes are used to automatically default general ledger expense distributions to an invoice. Use them to eliminate the entry of expense distribution lines during invoice entry. Define distribution code lines with flat amounts, percentages, or blank amounts to be filled in during invoice entry. This procedure describes the process for defining a distribution code.

## STEPS To define a distribution code

1. Access Distribution Code (AP05.3).
2. Define a code and description for the distribution and complete the remaining fields. Consider the following field.

### Edit Accounts

Indicate when you want to verify that the accounting units and account numbers you selected are valid. You can do this at the time you define the distribution code and during invoice entry, or only at invoice entry. To leave the accounting unit or account number blank to be filled in during invoice entry, select Invoice Entry Only.

Figure 36. Form clip: Distribution Code (AP05.3)

## Defining Hold Codes

---

You can assign permanent or temporary hold codes to vendors and invoices to prevent invoices from being selected for payment. Five default hold codes are automatically supplied in the Accounts Payable application, but you can also define your own custom hold codes. This procedure describes the process for defining hold codes. For more information on maintaining invoices and vendors with hold codes, see "[Maintaining Invoice and Vendor Holds](#)" on page 214.



**Need More Details?** Check out the following concepts:

- "[What Are System Hold Codes?](#)" on page 119
- "[How Do Accounts Payable Codes Default?](#)" on page 119

### **STEPS** To define a hold code

1. Access Hold Code (AP05.4).
2. For each hold code, supply a description and make a selection in one of the following field.

#### **Vendor or Invoice**

Indicate whether the hold is temporary or permanent in either the Vendor or Invoice field, depending on the type of hold you are creating.

# Defining Income Codes

Use income codes to track vendor reportable income for reporting or withholding purposes. An income code represents a type of 1099 reportable income tax form or tape record. The following 1099 forms are supported: miscellaneous, interest, and dividend. This procedure describes the process for defining income codes.

**STEPS To define an income code**

1. Access Income Code (AP05.5).
2. Define a code and description for the income code and complete the rest of the fields. Consider the following fields.

**Form Type** Indicate the type of 1099 form you will need to produce: miscellaneous, interest, or dividend. If you leave this field blank, the system will track reportable income for unsupported form types.

**Box Number** This represents a box number on the tax form. Type the tax form box number used to print a vendor's accumulated reportable income. Each form has corresponding boxes for different types of income.

**IMPORTANT** It is your responsibility to update the income codes on Income Code (AP05.5) to print to the appropriate box number.

Figure 37. Form clip: Income Code (AP05.5)

## Defining Authority Codes

---

An authority code identifies a person or department responsible for approving or releasing invoices. If you select the invoice approval option for your company, you must define at least one authority code, and you must assign an authority code to an invoice before you can release it. This procedure describes the process for defining authority codes. For more information on assigning authority codes for approval, see "[Releasing Invoices](#)" on page 203.

**NOTE** For information on the buyer authority code used to access invoice messages, see the *Invoice Matching User Guide*.

### **STEPS** To define an authority code

1. Access Authority Code (AP05.6).
2. Define a code and a description for each code.

## Defining Income Withholding Codes

---

Income withholding codes are used to link a general ledger income withholding accrual account to an invoice. The account is used to accrue income withholding for vendors, such as when you are required to withhold a portion of the invoice payment and pay it to the IRS rather than the vendor. This procedure describes the process for identifying the account that will accrue the money you withhold.

### **STEPS** To define an income withholding code

1. Access Income Withholding Code (AP05.8).
2. Define the accounts payable company, general ledger accrual account, and a status for the withholding code.

## Defining Bill of Exchange Accrual Codes

---

A bill of exchange accrual code links a general ledger acceptance account to a bill of exchange. Define these codes only if your company uses bills of exchange and makes acceptance accounting general ledger entries. This procedure describes the process for defining a bill of exchange accrual code.

### **STEPS** To define a bill of exchange accrual code

1. Access Bill of Exchange Accrual Code (AP05.1).
2. Define the accounts payable company, general ledger acceptance account, and status for the bill of exchange accrual code.

## Defining Handling Codes

You can use handling codes to define a set of processing rules for invoices. Handling codes are required if you use the Invoice Matching application to match invoices to POs, but they can also be defined for expense invoices. This procedure describes the process for defining handling codes.

### STEPS To define a handling code

1. Access Handling Code (MA05.1).
2. Indicate any special processing rules such as whether invoices with this handling code are match invoices, detailed invoices, service only invoices, add on cost only invoices.

Figure 38. Form clip: Handling Code (MA05.1)

The screenshot shows the Lawson Handling Code form (MA05.1). The form is titled "LAWSON™ HANDLING CODE" and includes a navigation menu on the left with options like "Home", "Data Directory", and "Related Links". The main form area contains several fields and options:

- Handling Code: [Dropdown]
- Company: [Dropdown]
- Match Invoice: [Dropdown] No
- AP Detail Invoice: [Dropdown] No
- Service Only Invoice: [Dropdown] No
- AOC Only Invoice: [Dropdown] No
- Use PO Charges and Allowances: [Dropdown] No
- Voucher Nbr Required: [Dropdown]

There is also a link labeled "Account" next to the AP Detail Invoice field.

## Defining Reason Codes

You assign reason codes to chargebacks and invoices for tracking and analysis purposes. For example, a reason code can indicate why an invoice was charged back or why an invoice was processed for payment without a match. This procedure describes the process for defining a reason code.

### STEPS To define a reason code

1. Access Reason Code (MA05.5).
2. Define a reason code and description for the information you want to track.

## Defining Add-On Cost Codes

---

To track add on costs (AOC) or allowances for invoices, or to enter AOC only invoices, you will need to define an AOC code. You define the spread method and add on cost account information for the code. This procedure describes the process for defining an AOC code.

### **STEPS** To define an add on cost code

1. Access Add on Charge/Allowance (MA08.1).
2. Define information about the AOC including the spread method, the posting and difference accounts, the rate, and the tax code.

## Defining Contact Codes

---

Contact codes are assigned to an individual or group of individuals for a vendor, vendor group, or vendor group locations. You cannot delete a contact code that is currently being used by Vendor Contact (AP14.1)

### **STEPS** To define a contact code

1. Access Contact Code (AP13.1).
2. Enter the contact code and its description.

## Defining Diversity Codes

---

You can assign diversity codes to vendors and invoices, to identify vendors who are certified by a business diversity program. By assigning these codes, you meet state, local, federal, or industry-specific guidelines.

### **STEPS** To define a diversity code

1. Access Diversity Code (AP13.2).
2. Enter a diversity code and its description.

## Related Reports and Inquiries

| To  | Run                      |
|---|--------------------------|
| List vendor invoice activity for a company and a specific activity, diversity code, or date range | Vendor Invoicing (AP211) |

## Defining Certification Codes

---

Use certification codes to identify a vendor's qualifications based on certification specifications. Certification codes are used by Certification Code Assignment (AP14.3), where you assign them to a specific vendor or vendor location.

### **STEPS** To define a certification code

1. Access Certification Code (AP13.3).
2. Enter a certification code, its description, and status (Active or Inactive).

Certification codes whose status is set to Inactive cannot be added to vendors or vendor locations.

## Listing Accounts Payable Codes

---

The following optional reports are available to list the codes you have defined for your company.

| <b>To</b>  | <b>Run</b>  |
|--|---|
| List codes defined for a specific company or for all companies | Accounts Payable Codes Listing (AP205)  |
| List hold codes defined for a vendor group                     | Accounts Payable Codes Listing (AP205). Choose the By Vendor Group form tab to define the listing option. In the Hold Code field, select Yes. |
| Lists reason codes or invoice handling codes                   | Code Listing (MA205)  |
| List all add on cost codes and their attributes                | Add on Charge/Allowance Listing (MA208)   |



## Chapter 12

# Adding and Maintaining Vendors

---

Maintaining thorough records for vendors is an important part of managing the accounts payable function. You can define and store vital information about each of your vendors such as legal names, remit to addresses, payment terms, and more. This chapter details the different types of information you can maintain for your vendors. A vendor is any entity or person you make payments to, including your employees.

# Concepts in this Chapter

---

The following concepts provide background and conceptual information for the procedures within this chapter.

- ["What Is a One-Time Vendor?" on page 134](#)
- ["What Is a Vendor Location?" on page 135](#)
- ["What Files Are Updated During Vendor Conversion?" on page 136](#)
- ["What Are Options for Accessing Vendor Information?" on page 137](#)

## What Is a One-Time Vendor?

---

Before you process invoices for a vendor, you must first define that vendor in the application. The one exception to this rule is that you can create a one-time vendor as you enter the invoice. A one-time vendor is a vendor with which you will have a very temporary relationship. You can use a one-time vendor more than once, but one-time vendors are most often used for one or two transactions.

When you enter an invoice for a one-time vendor, you leave the vendor number field blank and select the One-time special form action. The application automatically assigns a vendor number beginning with 999000001. When you enter the invoice, the One-Time Vendor subform displays. Use the subform to type the one-time vendor name and address.

### Example

You might hire a caterer for a special corporate celebration. You will want to pay the catering company's invoice in the Accounts Payable application, but it's not worth defining the company as a regular vendor if you will never receive another invoice from them. The advantages of using a one-time vendor are:

- You don't invest time setting up a vendor that you won't use again.
- You can identify and purge one-time vendor records easily.

## What Is a Vendor Location?

---

If you have a vendor with multiple locations, you can define all locations for that vendor under a single vendor number. A vendor location represents an alternate physical location or address for a vendor. You define a vendor location as a remittance, a purchasing location, or both. One of the primary benefits of defining vendor locations is that you can report or inquire on payment processing and purchasing information for both an individual location and the vendor as a whole.

### Example

You use ABC Supplies as your primary office supply vendor. ABC has a corporate office in Chicago to which you send your payments. ABC also has two regional warehouses -- one in Indianapolis and another in Minneapolis --from which you order supplies.

You could define a single vendor with two alternate locations. Define both of the warehouse locations as purchasing locations and indicate that you want the location address to override the corporate address for purchases. Each would have the same vendor number, and you could inquire and report on information for just the Indianapolis location, just the Minneapolis location, or both locations combined.

## What Files Are Updated During Vendor Conversion?

---

The following tables list the vendor conversion database files and the database files that Vendor Conversion (AP510) updates.

### Vendor Conversion Database Files

One or more of the following files are updated, depending on the kind of data you are converting.

| <b>File</b>               | <b>File name</b> |
|---------------------------|------------------|
| Vendor Conversion         | APCVENMAST       |
| Vendor Balance Conversion | APCVENBAL        |
| Vendor Address            | APCVENADDR       |
| Vendor Contact            | APCCONTACT       |
| Vendor Certification      | APCVENCERT       |

### Vendor Database Files

One or more of the following files are created as a result of the conversion process. Files are created based on the kind of data you are converting.

| <b>File</b>     | <b>File name</b> |
|-----------------|------------------|
| Vendor          | APVENMAST        |
| Vendor Location | APVENLOC         |
| Vendor Balance  | APVENBAL         |
| Vendor Table    | APVENTABLE       |
| Vendor Address  | APVENADDR        |
| PO Vendor       | POVENDOR         |

## What Are Options for Accessing Vendor Information?

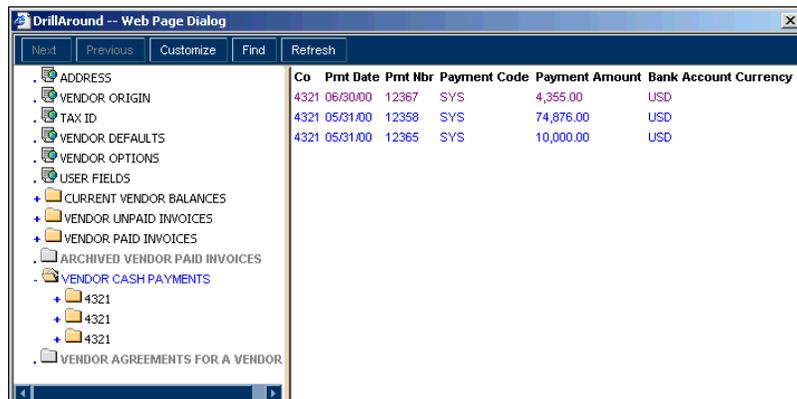
In addition to the reports and inquires described with the procedures in this chapter, you have a wide variety of vendor information available to you in the Accounts Payable application. Consider the following options.

| To  | Use   |
|---|---|
| Display vendor balances by company                              | Company Vendor Balances (AP90.6)                              |
| Display vendor balances by vendor group                         | Vendor Group Vendor Balances (AP90.7)                         |
| Display transaction information for a vendor                    | Vendor Activity (AP91.1)                                      |
| Display invoices for a vendor                                   | Vendor Invoices (AP92.1)                                      |
| List vendor record changes                                      | Vendor, Invoice Audit Report (AP135)                          |
| List vendors and vendor details                                 | Vendor Listing (AP210)  |
| List vendor comments and distribution records with their status | Comments Listing (AP212)                                      |
| List vendor payment history                                     | Vendor Payment History (AP270)                                |
| Create address labels   | Vendor Labels (AP290)   |
| Create Grand Livre reports                                      | Vendor Grand Livre (AP284) and Vendor Account Balance (AP213) |

## Drilling Around on Vendor Information

You can also view a variety of details about a vendor online by drilling around (right-click menu option) on the Vendor field of any form.

Figure 39. Illustration: Drilling on Vendor; Vendor Cash Payments



# Procedures in this Chapter

---

You can manually add vendors in the Accounts Payable application or do a mass conversion of vendor records through an interface file.

- "Defining a Vendor" on page 138
- "Defining Cross-Reference Vendors" on page 150
- "Converting Vendor Data" on page 150
- "Defining Additional Locations for a Vendor" on page 152
- "Associating a Vendor With an Accounts Receivable Customer" on page 154
- "Defining Payment Approval Amounts for a Vendor" on page 155
- "Defining a Vendor Relationship" on page 156
- "Adding Vendor Comments" on page 156
- "Adding a New Vendor Address" on page 158
- "Copying Vendors" on page 159
- "Maintaining Vendors" on page 160
- "Merging Vendors" on page 161
- "Rebuilding Vendor Balances" on page 162

## Defining a Vendor

---

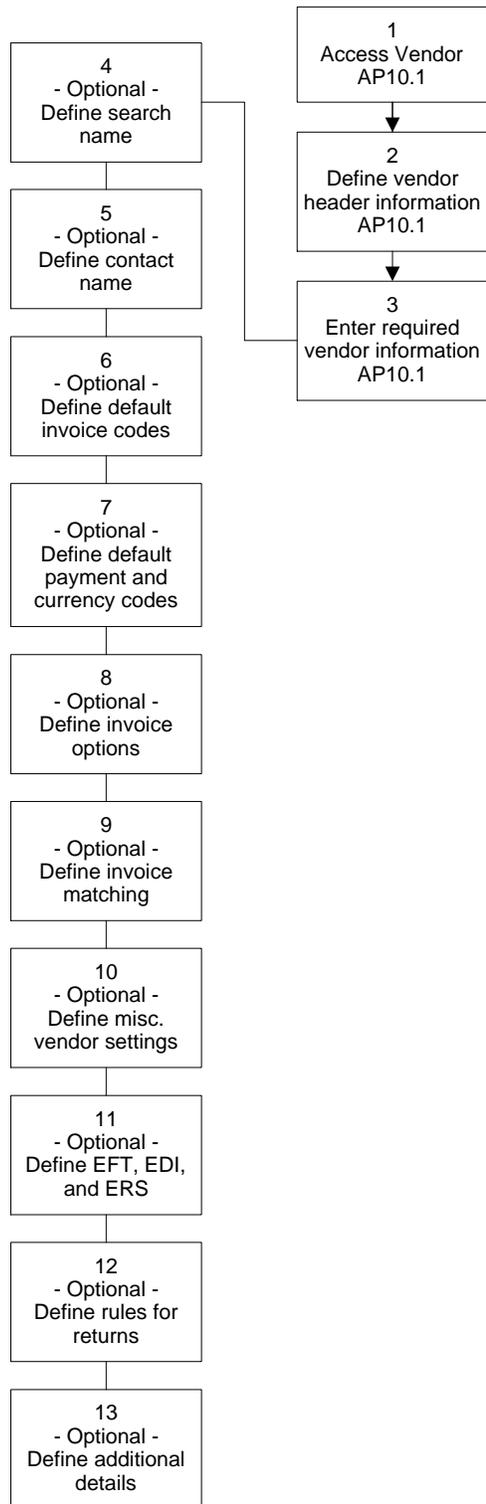
You can add vendors directly in the application as you gain new vendors. You also maintain vendor records with current address information, contact information, bank details, and more using the same form. The following procedure describes the process for defining a vendor.

---

**STOP** Before you add vendor records, you should complete all other required setup for Accounts Payable. With required setup complete, you can assign vendor groups, vendor classes, and default codes to vendors as you add them.

---

Figure 40. Procedure flow: Defining a vendor



**STEPS To define a vendor**

1. Access Vendor (AP10.1).

Figure 41. Form clip: Vendor (AP10.1)

2. Define vendor header information. Consider the following field.

**Vendor**

If you use auto numbering, leave this field blank and a number will automatically be assigned when you add the vendor. You must assign a vendor value if you do not use auto numbering. You define auto numbering in Vendor Group (AP00.1).

3. Enter required information on the Main form tab. The following fields are required for all vendors.

**Vendor Class**

You must assign the vendor to a vendor class.

**Address 1 to 5**

You must define at least one line of address information for the vendor, but can define up to five lines.

4. To define a search or legal name that is different than the vendor name, you can add that name under the Contact tab. You can also define a contact name and contact information for a vendor. Consider the following fields.

**Search Name**

Search names are more familiar names that can be used to sort reports and listings. For example, BJ Plumbing instead of Benjamin Jones Plumbing, Inc. If you leave this field blank, the vendor name defaults.

**Legal Name**

Legal names are used for reporting reportable vendor income. If you leave this field blank, the vendor name defaults. Legal names can print on the check file or on the 1099 form.

---

**Account Number** You can enter the customer or account number the vendor has assigned to you.

---

**VAT Registration Country, Number** You can enter the country and number components of the vendor's VAT Registration Number. These two fields together make up the VAT Registration Number for the company.

5. You choose the Vendor Contacts button to enter or modify details on Vendor Contact (AP14.1). You can enter and update additional contacts for a vendor. The data you enter on the Contact tab (from AP10) defaults to Vendor Contact (AP14.1) as Primary.
6. To define default invoice codes, default payment, and currency codes for a vendor, use the Defaults tab. Consider the following fields.

Figure 42. Form clip: Vendor (AP10.1), Defaults tab

The screenshot displays the Lawson Vendor Defaults tab. The top navigation bar includes 'Home', 'Vendor', and 'Data Directory' with sub-items '1) Vendor Group' and '2) Vendor'. The main content area is divided into three sections: 'Invoice', 'Payment', and 'Currency'. The 'Invoice' section contains dropdown menus for Handling Code, Accrual Code, Distribution Code, Authority Code, Income Code, Tax Code, Tax Usage Code, and Activity. The 'Payment' section contains dropdown menus for Payment Terms, Cash Code, Payment Code, Discount Code, and Invoice Group. The 'Currency' section contains dropdown menus for Vendor Balance, Invoice, and Revalue. The bottom navigation bar includes 'Company'.

---

**Handling Code** You can enter an invoice handling code that determines the processing rules that will be used during matching.

---

**Accrual Code** You can type or select a valid invoice accrual code for the vendor. This code is used to default a general ledger accrual account to the vendor's invoices during invoice entry. If left blank, the vendor uses the invoice accrual code assigned to the process level or company.

---

**Distribution Code** You can type or select a valid distribution code for the vendor. This code is used to automatically create expense distribution lines for this vendor's invoices. If left blank, the distribution code assigned to the vendor class, if assigned, defaults.

---

|                            |   |
|----------------------------|---|
| <b>Authority Code</b>      | If using the invoice approval entry option, type or select a valid authority code for the vendor. The code represents the person or department responsible for approving registered invoices for the vendor.  |
| <b>Income Code</b>         | You can type or select a valid income code for the vendor. The code is used to track reportable income for the vendor. If left blank, the income code assigned to the vendor class, if assigned, defaults.  |
| <b>Tax Code</b>            | You can type or select a valid tax code for the vendor. This code is used to automatically calculate invoice tax information. If left blank, the tax code assigned to the vendor class, if assigned, defaults.  |
| <b>Tax Usage Code</b>      | You can enter the tax usage code for the vendor. This field is required if the Accounts Payable company requires VAT reporting.   |
| <b>Activity</b>            | You can type or select a valid activity for the vendor. This identifies work being done, such as work orders, phases, or products.  |
| <b>Diversity Code</b>      | You can assign a diversity code to this vendor. This code will default onto any invoices for this vendor, but can be overridden at the invoice level. This code can be used to track vendors who meet state, local, federal, or industry-specific guidelines for procurement. |
| <b>Match Prepay</b>        | Indicate whether the match invoice is to be prepaid.  |
| <b>Match Prepay Method</b> | This field indicates the method of match prepayment (None, Prepay from Invoice, or Eligible for Prepay).  |
| <b>Company button</b>      | Select the Company button on the Defaults tab to assign default codes to a vendor at a company level. This option opens the Vendor - Company Codes subform. Use the subform to select codes for the vendor for one or more companies associated with the vendor group.        |
| <b>Payment Terms</b>       | You can type or select a valid payment terms code for the vendor. This code is used to automatically calculate invoice due date and discount information for the vendor's invoices.   |

|                                  |   |
|----------------------------------|---|
| <b>Cash Code</b>                 | You can type or select a valid cash code for the vendor. The code represents a bank account. If left blank, the cash code assigned to the vendor class, if assigned, defaults, or the vendor uses the cash code assigned to the process level, company, or pay group.   |
| <b>Payment Code</b>              | You can type or select a valid payment code for the vendor. This code represents a type of cash payment, such as a check or payment tape, or a bill of exchange payment. The code you enter must be a valid cash or bill of exchange payment transaction code in the Cash Ledger application. If left blank, the payment code assigned to the vendor class, if assigned, defaults, or the vendor uses the payment code assigned to the pay group.           |
| <b>Discount Code</b>             | You can type or select a valid discount code for the vendor. This code is used to default a general ledger discount account to the vendor's invoices during invoice entry. If left blank, the vendor uses the discount code assigned to the process level or company.   |
| <b>Invoice Group</b>             | You can assign a user-defined invoice group to the vendor. This feature can be used to select invoices for payment.   |
| <b>Pay Immediately</b>           | Select Yes to default a Pay Immediately value to invoices created for this vendor. You can override the default value for this field on any invoice.  |
| <b>Currency / vendor balance</b> | <p>You can type or select a valid currency code. The code represents the currency used for storing vendor balance information. If left blank, the company base currency is used.</p> <p><b>TIP</b> If you leave the Invoice field blank, you can accept other currencies. However, if you enter a value in the Invoice field, you can accept only invoices of that same value.</p>  |
| <b>Currency / invoice</b>        | <p>You can type or select a valid currency code. The code represents the currency used to add invoices for the vendor. This currency code defaults on the vendor's invoices during entry. If left blank, the vendor uses the invoice currency assigned to the vendor class, if assigned, or the company base currency.</p> <p>If the balance currency is not equal to the base currency, the invoice currency must be the same as the balance currency.</p> |

---

**Currency / Revalue**

If the Invoice Currency is different from the company base currency, you can select a revalue option. Indicates whether the application recalculates the invoice currency when the invoice is paid to account for exchange rate fluctuations. If you select Yes, the application compares the exchange rate in effect when the invoice was entered to the exchange rate in effect when the invoice is scheduled for payment. If a difference exists, Payment Closing (AP170) creates a currency gain or loss transaction.

7. Use the Options tab to define vendor options such as invoice matching and miscellaneous vendor settings such as language code and origin date. Consider the following fields.

Figure 43. Form clip: Vendor (AP10.1), Options tab

---

**Hold Code**

To prevent the vendor's invoices from being scheduled for payment, assign a valid vendor hold code to the vendor.

---

**Priority**

You can assign a payment priority to the vendor when selecting invoices for payment. Select 1 for the highest priority.

---

**Separate Payment**

Indicates whether to create a separate payment for each invoice entered for the vendor.

---

**Enclosure**

Indicates whether the invoice requires an enclosure with its payment.

---

**Max Invoice Amount**

You can enter the maximum single invoice amount that can be entered for the vendor.

---

|                             |   |
|-----------------------------|---|
| <b>Anticipation Rate</b>    | <p>The percentage used to calculate anticipation discount invoices; most often the prime rate plus one percent. To calculate the discount for an anticipation invoice, the application subtracts the invoice payment date from the invoice due date to calculate the number of days paid early, multiplies the number of days paid early by 365 days, multiplies the result by the anticipation discount rate, and multiplies the result by the payment amount to calculate the discount amount.</p> <p>Anticipation discount terms codes are defined in the Terms application.</p> |
| <b>Income Withholding</b>   | <p>Indicates whether the vendor's invoices are subject to reportable income withholding. If you select Yes, invoices that are assigned an income code will be subject to reportable income withholding. Locations use the income withholding option defined for the vendor.</p>   |
| <b>Validate PO</b>          | <p>If you select Yes, the application verifies that the purchase order entered exists.</p>  |
| <b>Require PO</b>           | <p>If you select Yes, the application only verifies that the form field is populated.</p>   |
| <b>Hold Until Inspected</b> | <p>Set to Yes to keep receiving lines that require inspection from being matched until after they have been inspected.</p> <p><b>NOTE</b> The Hold Until Inspected field through the Pool Option field are used by Invoice Matching.</p>  |
| <b>Auto Chargeback Min</b>  | <p>To automatically generate chargebacks in situations where you have been overcharged (invoice amount is greater than the value of the goods you received), enter the minimum amount for which a chargeback should be created. For example, you may only want to create a chargeback if there is more than a \$10.00 difference between the invoice amount and the goods you received.</p>   |
| <b>Auto Chargeback Hold</b> | <p>To have the application automatically assign a hold code to invoices with chargebacks, select the hold code to assign.</p>   |
| <b>Match Table</b>          | <p>A code representing a match table. A match table contains the processing rules that will be used during matching.</p>  |
| <b>Rule Group</b>           | <p>Select a rule group, in addition to a match table, for this vendor. You define rule groups using Match Rule Groups (MA00.4).</p>   |

|                             |   |
|-----------------------------|---|
| <b>Terms Calculation</b>    | Indicate which date to use when calculating discounts. The choices are Invoice Date, Receipt of Invoice Date, Earliest Receipt Date, Latest Receipt Date, or Ship to Arrive Date.   |
| <b>Float Days</b>           | Enter the number of days to add to the best terms calculation if the vendor allows a specific number of days for payment to reach them and still receive the discount.  |
| <b>Proof of Delivery</b>    | Indicates whether to create a proof of delivery.  |
| <b>Match Ref Processing</b> | Indicates if a match reference number is required for this vendor's invoices.   |
| <b>Pool Option</b>          | Select the combination of levels to use for matching. The more specific combination you select, the smaller the number of invoices and receipts in the matching pool.   |
| <b>Status</b>               | You can change the status of a vendor. You cannot enter invoices for an inactive vendor.  |
| <b>Locale</b>               | <p>You can enter or select a valid language code for a vendor. If the language you want is not defined, the language code must first be defined in the Universe Language Definition (langdef) program. Once the language code is defined, access Language Code Maintenance (GL19.1).</p> <p>After you define your language codes, you can assign a language code to each vendor or conversion vendor that does not use the default language at your site. You do not need to define a language or assign a language code for vendors that use the default language.</p> <p><b>NOTE</b> The locdef utility should be set up as "French", "Spanish", or "US-English."</p> |
| <b>Origin Date</b>          | You can enter the origin date for the vendor, such as the date the vendor relationship began. If left blank, the system date defaults.  |
| <b>Certification</b>        | Click the Certification button to view Certification Code Assignment (AP14.3). You can attach any valid certification code to this vendor. Certifications are assigned to vendors to indicate that they are in compliance with a specific certifying agency related to their industry.  |

8. To define rules for returns to a vendor, such as whether the goods should automatically be replaced or whether a return should automatically be handled with a chargeback or credit memo, use the Returns tab. Consider the following fields.

|                                      |   |
|--------------------------------------|---|
| <b>Replace Goods</b>                 | You can indicate whether returns to the vendor should automatically create a purchase order to replace the returned goods.  |
| <b>Ship or Hold Goods</b>            | You can select Ship or Hold to indicate whether returns to the vendor are to be physically shipped to the vendor or held at your location.  |
| <b>Minimum Claim Amount</b>          | You can enter an amount that will be used to determine whether a return to the vendor is justified. The application compares the amount you enter here to the value of an adjustment or rejection. The value of the adjustment or rejection must be equal to or greater than the minimum claim amount to create a return. This value can be defined at both vendor and Match company level. |
| <b>Vendor Claim Type</b>             | You can indicate how the return will be satisfied. Options include taking a chargeback, waiting for a credit memo, or defining it as a no charge replacement.   |
| <b>Vendor Claims Chargeback Hold</b> | If a vendor return is made with a chargeback, and you want to hold the chargeback for review, you can select a hold code to assign to the chargeback.   |

9. You can define additional details about a vendor by using the User Fields tab. The first user field is searchable. For example, you may want to track old vendor numbers for vendors that you have converted. You define the characteristics of these user fields in Vendor Group (AP00.2).
10. Choose the Attributes button to enter attribute values for a vendor. You must have already set up the attribute for an object type of vendor using Attribute (MX00.1).  

Later, you can create an attribute list to report on the vendor attributes.
11. Choose the Vendor Bank button and you are transferred to Vendor Bank (AP16.1). Enter vendor bank, BACS, Intermediary, EDI (Electronic Data Interchange), and ERS (Evaluated Receipts Settlement) information. Consider the following fields.

Figure 44. Form clip: Vendor (AP16.1), Vendor Bank

The screenshot shows the Lawson Vendor Bank (AP16.1) form. The interface includes a top navigation bar with 'Welcome, Lawson User', 'Go To', 'Preferences', and 'Help'. Below this is a menu bar with 'Change', 'Inquire', 'Next', and 'Previous'. The main form area contains several fields: 'Vendor Group' (dropdown), 'Vendor' (dropdown), 'Main Bank' (dropdown), 'Vendor Bank Identification' (dropdown with a 'Cross Border' link), 'Vendor Bank Account' (text input), 'Vendor Prenotification Status' (dropdown), 'Vendor Bank Account Type' (dropdown), 'Bank Currency' (dropdown), 'Bank Name' (text input), 'Branch Name' (text input), 'Address 1' through 'Address 4' (text inputs), 'City or Address 5' (text input), 'State or Province' (text input), 'Postal Code' (text input), and 'Country' (dropdown). A left sidebar contains navigation links for 'Home', 'Vendor...', 'Data Directory', 'Main Bank', 'Intermediary Bank', 'Other Accounts', 'Bank Instructions', and 'EDI'.

|   |  |
|---|--|
| <b>Vendor Bank Identification</b>       | If using EFT, type the bank identification used to deposit electronic payments for the vendor. This field is required for ACH or BACS payment types.   |
| <b>Vendor Bank Account</b>              | If using EFT, type the bank account number used to deposit electronic payments for the vendor. This field is required for ACH or BACS payment types.   |
| <b>RIB key</b><br>(not labeled)         | If your EFT involves a French bank, enter a bank-provided number used by French banks to validate a bank account number in electronic transfers. The RIB key field is located to the right of the Vendor Bank Account field. |
| <b>Vendor Prenotification Status</b>    | If you create ACH payments for the vendor, you can select the prenotification status. Indicates the status of the electronic payment between the vendor and the processing bank.   |
| <b>Vendor Bank Account Type</b>         | If you create electronic payments for the vendor, select the type of bank account used to deposit electronic payments for the vendor.  |
| <b>BACS Reference</b>                   | If you want to track Building Society account information, enter the account number for the Building Society account.  |
| <b>BACS Name</b>                        | If you want to track Building Society account information, enter a Building Society name or account name.  |
| <b>Intermediary Bank Identification</b> | If using an intermediary bank, type the bank identification used to manage intermediary payments for the vendor.   |
| <b>Intermediary Bank Account</b>        | If using an intermediary bank, type the bank account number used to deposit intermediary payments for the vendor.  |

|  |   |
|--|---|
| <b>Intermediary Prenotification Status</b> | If you create payments to an intermediary account for the vendor, you can select the prenotification status. Indicates the status of the payment between the vendor and the intermediary processing bank.   |
| <b>EDI Number</b>                          | You can enter a vendor's Electronic Data Interchange (EDI) number.  |
| <b>ERS Capable</b>                         | You can indicate whether the vendor has the capability to process receipts for evaluated receipts settlements.  |
| <b>ERS Handling Code</b>                   | <p>If you selected Yes in the ERS Capable field, you must enter an ERS Handling Code in the field to the right of ERS capable. The handling code determines the rules that will be used when creating the ERS invoice.</p> <p>The code you select must be defined as a Match Invoice handling code and should not be assigned to a specific company. You define handling codes in Handling Code (MA05.1).</p> |
| <b>ERS Invoice Reference</b>               | If you set up a vendor to process using ERS, select the ERS invoice reference number to be used. The ERS invoice reference number is the number the vendor provides to reference the invoice.   |
| <b>EDI Invoice Automatic Release</b>       | If the vendor interfaces invoices using EDI, select an automatic release option. You can define whether to automatically release EDI invoices.  |

12. Choose the Customer button to associate a vendor to the appropriate Accounts Receivable customer (if the vendor is also an Accounts Receivable customer).
13. Choose the Approval button to set up vendor-specific approval criteria to override criteria (for associated companies) if you use the invoice approval option or use the ProcessFlow application for approving released invoices.

Decide whether the approval criteria applies to invoices, prepayments, employee advances, employee expenses, debit memos, and credit memos.

14. Choose the Locations button to set up alternate locations for a vendor. For more information, see "[Defining Additional Locations for a Vendor](#)" on page 152.

## Defining Cross-Reference Vendors

---

You can define relationships between Lawson vendor numbers and non-Lawson vendor numbers. The Lawson vendor group and vendor must already exist before you perform cross-reference vendor setup.

**NOTE** The application lets you delete a cross-reference vendor, regardless of whether records exist for that cross-reference vendor.

### **STEPS** To set up cross-reference vendors

1. Access Cross Reference Vendor Setup (AP15.1).
2. Enter the vendor group, Lawson vendor, and non-Lawson vendor.

A cross-reference vendor cannot be used for more than one Accounts Payable vendor.

3. Select the Add line action and the Change form action.

## Converting Vendor Data

---

You can convert vendors, alternate locations, vendor address changes, and vendor balances from a non-Lawson system into the Accounts Payable application. For complete information on the conversion process see the *Procurement Conversion Guide*. This guide is part of the services offered by your Regional Service Center. This procedure describes the basic process for converting vendor data.



**Need More Details?** Check out the following concepts:

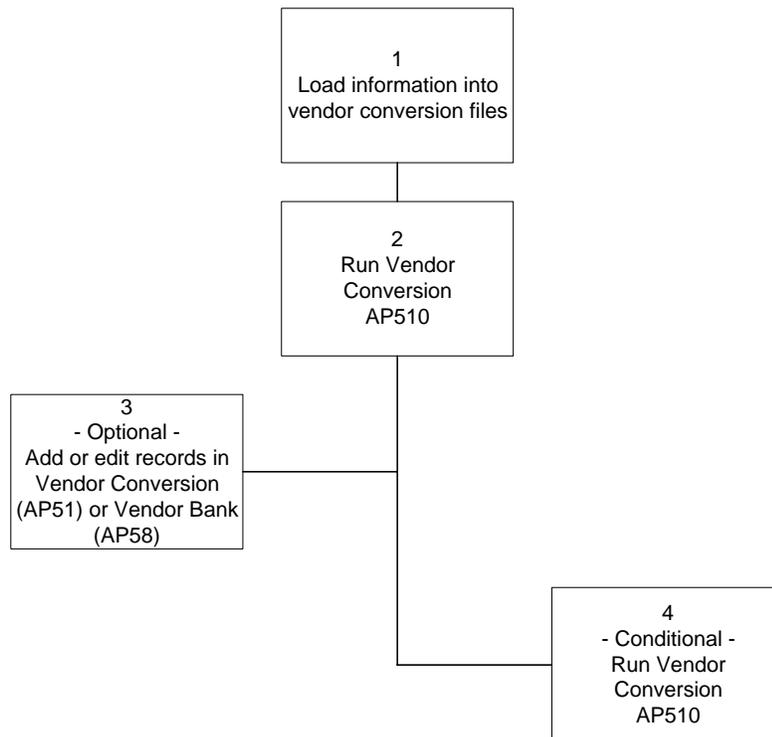
- ["What Files Are Updated During Vendor Conversion?"](#) on page 136

---

**STOP** The vendor groups and vendor classes to which the converted vendors are to be assigned must be valid records before you complete this process.

---

Figure 45. Procedure flow: Converting vendor data



### STEPS To convert vendor records

**TIP** You can use this program to interface vendor address changes on a regular basis.

1. Load the appropriate vendor information into the vendor conversion file.
2. Run Vendor Conversion (AP510) to edit the information in the vendor conversion file for completeness and accuracy. If the information passes all edits, new vendor records, alternate vendor location records, and vendor balance records are created. The corresponding records are purged from the conversion file.

**TIP** You can use Vendor Conversions (AP51.1, AP510) to interface vendor address changes.

Figure 46. Form clip: Vendor Conversion (AP510)

3. To add information to the conversion files or to maintain information already loaded into these files, use Vendor Conversion (AP51.1) to make the desired changes.
4. If you made changes, run AP510 again to edit the information you added in AP51.1, update the Accounts Payable files with this new information, and delete updated records from the conversion files.

## Defining Additional Locations for a Vendor

If you have a vendor with multiple locations, you can define all locations for that vendor under a single vendor number. This procedure describes the process for defining a vendor location.



**Need More Details?** Check out the following concepts:

- ["What Is a Vendor Location?"](#) on page 135

### **STEPS** To define a vendor location

1. Access Vendor Location (AP10.2). Use Vendor (AP10.1) to inquire on the vendor you want to add a location for and choose the Locations button.

Figure 47. Form clip: Vendor Location (AP10.2)

2. Define information for the location. Consider the following fields.

**Address 1 to 5** You must define at least one line of address information for the vendor, but can define up to five lines.

**Location Type** You can identify the location as an alternate remittance address, an alternate purchasing location, or both.

**Normal Remit To and Normal Purchase From** Indicate in these two fields whether the location address should override the address defined for the vendor for remittances or purchases.

**Remit Payment To** If this is the location that you will normally make purchases from, indicate where remittances should be sent for purchases from the alternate location. If left blank, the address defined for the vendor will be used.

3. Add the vendor location. A red asterisk appears next to the Locations button on AP10.1 to indicate that a location exists for the vendor.

## Related Reports and Inquiries

| To                      | Run                    |
|-------------------------|------------------------|
| List vendor information | Vendor Listing (AP210) |

# Associating a Vendor With an Accounts Receivable Customer

---

If the vendor is also a customer in Accounts Receivable , use the Customer subform to associate the vendor to the corresponding accounts receivable customer. This association lets you display summary information reflecting both accounts payable and accounts receivable balances in Vendor Group Vendor Balances (AP90.7).

## **STEPS** To associate a vendor with a customer

1. Use Vendor (AP10.1) to inquire on the vendor you want to associate with an Accounts Receivable customer.
2. Choose the Customer button to access Customer (AP10.4).
3. Select the customer group and the corresponding customer you want to associate with a vendor.

## Related Reports and Inquiries

| To  | Run  |
|---|--|
| Display vendor balance information by vendor group for a vendor associated with an accounts receivable customer | Vendor Group Vendor Balances (AP90.7). Choose the Net Balance button to open the Vendor Customer Net Balances subform, which displays the net balance between the vendor and the customer. |
| Interface Accounts Receivable balances to Accounts Payable  | AR to AP Interface (AR48.1)  |

## Defining Payment Approval Amounts for a Vendor

---

If you defined payment approval amounts for your company, you can override those amounts for individual vendors. Use this option if your company requires approvals for invoices over \$10,000 for the majority of vendors, but wants to set a lower approval amount, such as \$1,000 for a few select vendors. This procedure describes the process for defining a payment approval amount at the vendor level.

---

**STOP** You define payment approval amounts for a vendor only if you want to override a payment approval you have defined at the company level. For more information about defining payment approvals amounts at the company level, see "[Defining an Accounts Payable Company](#)" on page 108.

---

### **STEPS** To define payment approval amounts for a vendor

1. Use Vendor (AP10.1) to inquire on the vendor for which you want to define payment approval amounts.
2. Choose the Approval button to access Vendor Approval (AP10.7).
3. Define amounts that require approval.

## Defining a Vendor Relationship

The vendor you have identified on an invoice may have several vendors with whom they are associated. Any one of those vendors may be a pay to vendor or a factor vendor. You can define a vendor relationship that will let you add multiple pay to and factor vendors to an existing invoice vendor.

### STEPS To define a vendor relationship

1. Use Vendor (AP10.1) to inquire on the vendor for which you want to define a vendor relationship.
2. Choose Multiple Pay Vendors to access Pay Vendor Maintenance (AP11.1).

Figure 48. Form clip: Pay Vendor Maintenance (AP11.1)

| FC | Pay Vendor | Description | Pay Type | Default |
|----|------------|-------------|----------|---------|
| ▼  | ▼          |             | ▼        | ▼       |
| ▼  | ▼          |             | ▼        | ▼       |
| ▼  | ▼          |             | ▼        | ▼       |
| ▼  | ▼          |             | ▼        | ▼       |
| ▼  | ▼          |             | ▼        | ▼       |
| ▼  | ▼          |             | ▼        | ▼       |
| ▼  | ▼          |             | ▼        | ▼       |
| ▼  | ▼          |             | ▼        | ▼       |
| ▼  | ▼          |             | ▼        | ▼       |
| ▼  | ▼          |             | ▼        | ▼       |

3. To set up all valid pay to vendors and factor vendors for the invoice vendor entered on Vendor (AP10.1), consider the following fields.

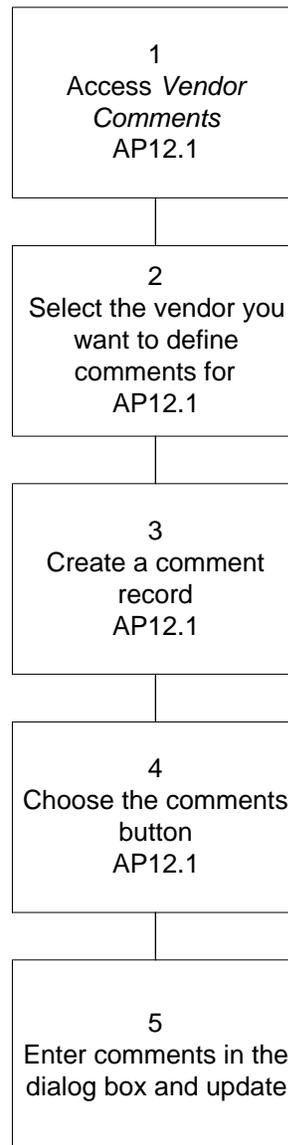
|                   |   |
|-------------------|---|
| <b>Pay Vendor</b> | Select each vendor that you want to add to an existing invoice vendor.                      |
| <b>Type</b>       | Enter a value to specify whether the vendor is a pay to or factor vendor.                   |
| <b>Default</b>    | You must set up one vendor as the default vendor. Select Yes to specify the default vendor. |

4. Choose Vendor to return to Vendor (AP10.1).

## Adding Vendor Comments

You can define comments for vendors and vendor locations. Depending on the option you select, vendor comments print on payment remittance forms and various reports, a message displays on various forms indicating that vendor comments exist, or comments are stored for notation purposes only.

Figure 49. Procedure flow: Adding vendor comments



**STEPS To add vendor comments**

1. Access Vendor Comments (AP12.1).
2. Select the vendor you want to define comments for.
3. Create a comment record. Consider the following fields.

|             |   |
|-------------|---|
| <b>Type</b> | You can create comments to display on listings and reports, on checks, on Comments Listing (AP212), or all the above. |
|-------------|---|

---

---

|                   |  |
|-------------------|--|
| <b>Date Range</b> | To make a comment temporary or to have it become effective in the future, define a date range for the comment. If left blank, the comment will be effective from the current date to 12/31/2009. |
|-------------------|--|

4. Choose the Comments button. The Vendor Comments dialog box displays.
5. Enter comments for the vendor and choose the Update button.

## Related Reports and Inquiries

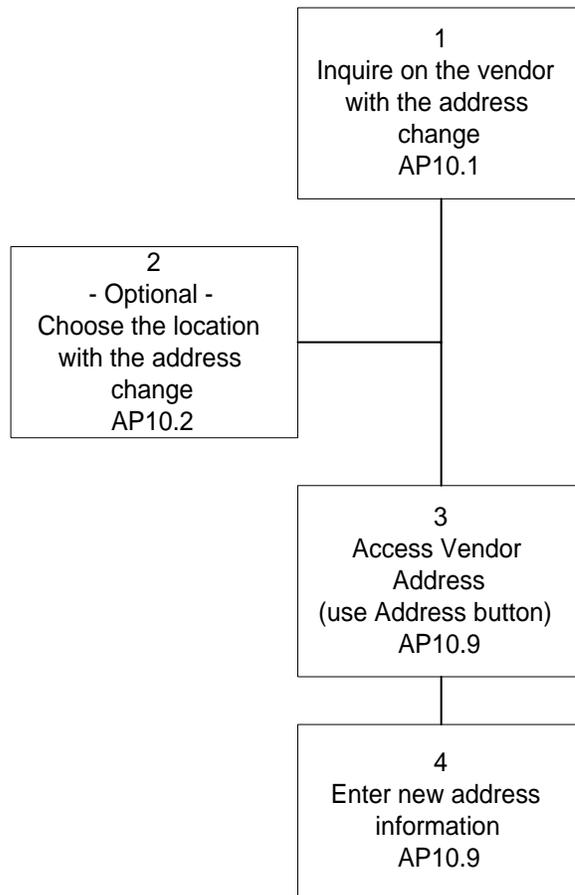
| To                   | Run                      |
|----------------------|--------------------------|
| List vendor comments | Comments Listing (AP212) |

---

## Adding a New Vendor Address

A vendor might notify you of an upcoming address weeks or months in advance of the actual change. You can enter an address change for a vendor or vendor location that includes an effective date, allowing you to enter changes before they go into effect. The application automatically activates the new address record changes the vendor record on the day you specify. This procedure describes the process for adding a new vendor address.

Figure 50. Procedure flow: Adding a new vendor address



### STEPS To add a new vendor address

**TIP** You can also use Vendor Conversion (AP510) to add vendor address changes. See ["Converting Vendor Data"](#) on page 150.

**TIP** Select on the Effective Date field of Vendor Address (AP10.9) to view historical and future addresses for a vendor.

1. Inquire on the vendor you want to add a new address for using Vendor (AP10.1).
2. To inquire on an alternate location you want to add a new address for, choose the Locations button to open Locations (AP10.2).
3. Choose the New Address button. Vendor Address (AP10.9) displays.
4. Enter the new address information and an effective date for the change. Then choose the Add form action to add the new address.

## Copying Vendors

If you defined more than one vendor group, you can copy selected vendors, vendor locations, vendor classes, hold codes, and user fields from one vendor group to another. The system assigns the same vendor numbers to the new vendors, sets the new vendor balances to zero, and updates the last

vendor number used for the new vendor group. This procedure describes the process for copying vendors.

**STEPS To copy vendors**

1. Run Vendor Group Copy (AP100).

Figure 51. Form clip: Vendor Group Copy (AP100)

## Maintaining Vendors

Most day-to-day maintenance of vendor information is done in the application, using the same forms you would use to add a vendor. There may be times, however, when the number of vendors impacted by a change is so large that it's not practical to change each record individually. Lawson provides several programs that can be used to change many vendor records at one time. This procedure describes the programs you can use to maintain vendors.

**STEPS To maintain vendors**

1. Run the appropriate program to update vendors.

| To  | Run                        |
|---|----------------------------|
| Update vendor codes, such as applying a new payment term to a group of vendors.   | Mass Vendor Update (AP110) |
| Transfer a vendor's open invoices to another vendor in the same vendor group. (This is an effective way to merge records if you find you have duplicate records set up for a vendor.) | Vendor Merge (AP115)       |

| To   | Run                                      |
|--|--|
| Delete historical one-time vendor records, no activity vendor records, or vendor comments. | Invoice and Vendor History Purge (AP300) |

## Merging Vendors

You can transfer a vendor's open invoices to another vendor or transfer 1099 historical invoices from one vendor to another. This can be a valuable time saver in the event of a corporate merger or reorganization. The following procedure describes the process for merging vendors.

---

**STOP** To transfer invoices from one vendor to another, both vendors must belong to the same vendor group. The vendor you are transferring invoices to must be an active vendor. After merging, the status of the vendor you transferred the invoices from will change to inactive.

---

### STEPS To merge vendors

1. Run Vendor Merge (AP115). Consider the following fields.

|                        |  |
|------------------------|--|
| <b>Vendor Group</b>    | Both vendors must belong to the same vendor group.   |
| <b>From Vendor</b>     | The status of the From Vendor will change to inactive after the invoices are transferred.  |
| <b>To Vendor</b>       | The To Vendor must be an active vendor.  |
| <b>1099 Historical</b> | If you choose Yes, 1099 historical invoices will acquire the tax ID of the To Vendor. You should choose No if you need to print 1099s for both the old and new vendor. |

Figure 52. Form clip: Vendor Merge (AP115)

## Rebuilding Vendor Balances

If you did not convert vendor balances as part of your vendor conversion or build them as part of your invoice conversion, or if the converted or built vendor balances are incorrect, you can run a rebuild program to rebuild vendor balances. Use this procedure to rebuild vendor balances.

### **STEPS** To rebuild vendor balances

1. Run Vendor Balance Rebuild (AP197). Consider the following fields.

|               |  |
|---------------|--|
| <b>Update</b> | Indicates whether you want to update vendor balances or to create a report only. |
|---------------|--|

|                       |  |
|-----------------------|--|
| <b>Rebuild Option</b> | Indicate whether you want to rebuild vendor balances for the current year, last year, or both. |
|-----------------------|--|

## Chapter 13

# Invoice Processing Overview

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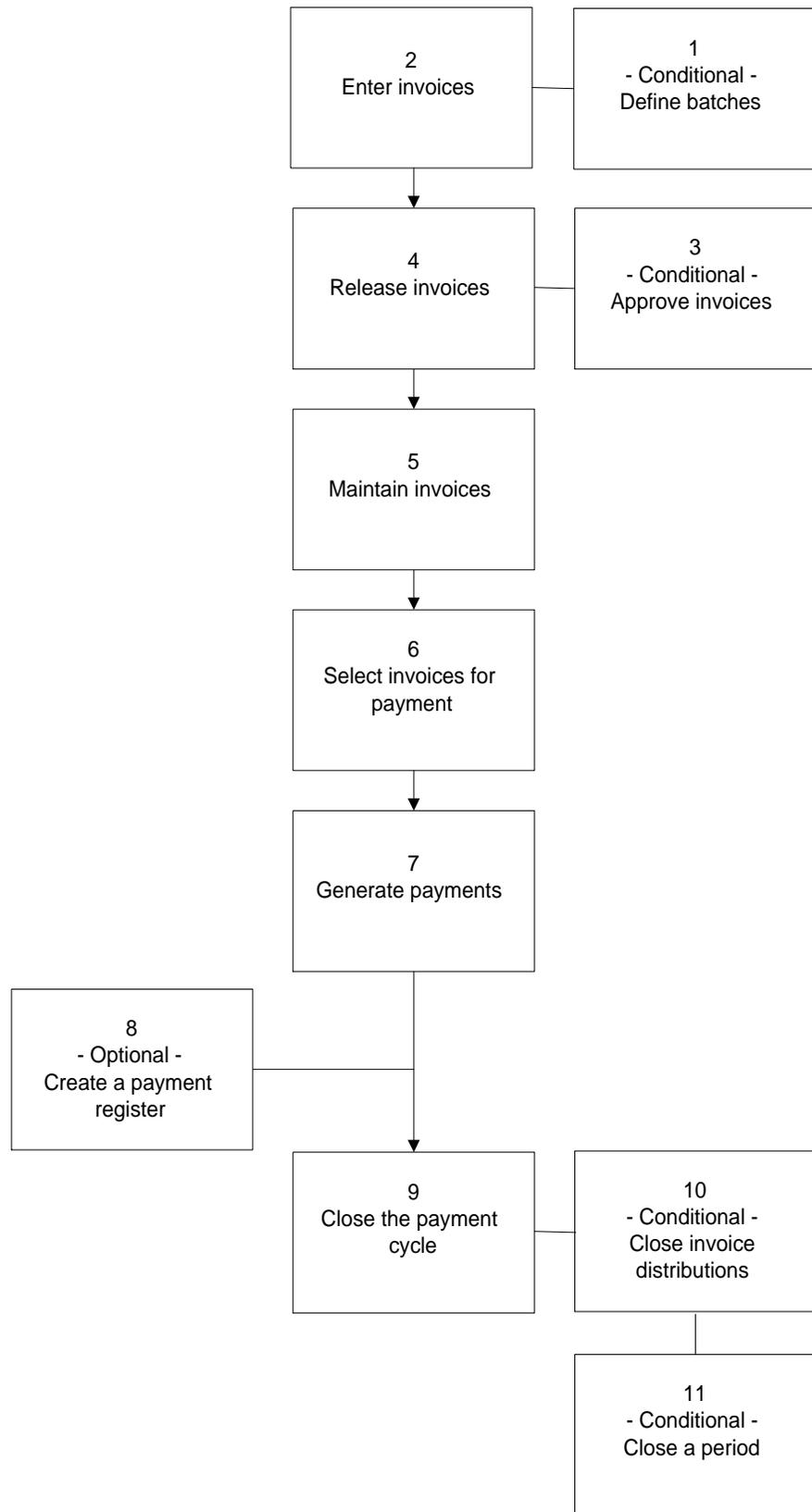
Invoice processing is a multi-step process that includes entering, releasing, approving, and paying invoices. This chapter provides an overview of the key steps in that process, providing a big picture of how the individual pieces fit together. Procedures for each step in the process are detailed in the chapters that follow.

## Invoice Processing Overview

---

Invoice processing will vary slightly based on the batch release and approval rules you define for your company. The following diagram shows the key steps required for basic invoice processing.

Figure 53. Procedure relationship: Invoice processing overview



# Invoice Processing Step-by-Step

---

This chapter presents an overview of the key steps you will perform for invoice processing. You can find details about these concepts and procedures in the following chapters.

| Step Number | Key Step                    | What happens?  | For details, see...  |
|-------------|-----------------------------|--|--|
| 1           | Define Batches              | Conditional. If you selected the batch release option for your company, you must define batches and enter and release invoices in those batches  | " <a href="#">Defining Invoice Batches</a> " on page 170       |
| 2           | Enter Invoices              | You enter invoices on one of several forms. Many fields on the entry form default values that you defined during setup. You can also make changes to unreleased invoices in these forms.   | " <a href="#">Entering an Expense Invoice</a> " on page 171    |
| 3           | Approve Invoices            | Conditional. The invoice approval option lets you assign company-defined vouchers to invoices during entry and lets you control the release of invoices by requiring individual approval. You must use the invoice approval option if you use batch release and want to use payment approval.  | " <a href="#">Approving Invoices for Payment</a> " on page 205 |
| 4           | Release Invoices            | <p>You release invoices, making them available for payment. Any release or approval rules you defined for your company are applied here.</p> <p>If you use batch processing, or a combination of batch processing and approval, you will release your invoices in batches.</p> <p>If you do not use batches, you will assign authority codes to invoices and release them individually or in groups.</p> | " <a href="#">Releasing Invoices</a> " on page 203             |
| 5           | Maintain Invoices           | You can make some changes to released invoices prior to paying them. For example, you can change expense distributions and payment schedules. Because released invoices can no longer be viewed in the invoice entry forms, you use invoice adjustment forms to make these changes.  | " <a href="#">Maintaining Released Invoices</a> " on page 209  |
| 6           | Select Invoices for Payment | During this step, the application determines which released invoices to pay. You provide an invoice payment date and the application reviews due dates, terms, and holds assigned to invoices to determine when it should be paid. The program that selects invoices for payment is called Cash Requirements.  | " <a href="#">Selecting Invoices for Payment</a> " on page 226 |

| <b>Step Number</b> | <b>Key Step</b>             | <b>What happens?</b>   | <b>For details, see...</b>                                     |
|--------------------|-----------------------------|--|--|
| 7                  | Generate Payments           | In this step, you create the actual payments to your vendors. Often this means a check run, but you also create payment tapes and electronic payment transfer files at this time.  | <a href="#">"Performing a Check Run"</a> on page 229           |
| 8                  | Create a Payment Register   | This step is optional, but is commonly performed. You can create a list of payments for your records.  | <a href="#">"Creating a Cash Payment Register"</a> on page 232 |
| 9                  | Close the Payment Cycle     | The application performs several tasks when you close the payment cycle. Those tasks include: <ul style="list-style-type: none"> <li>• creating general ledger entries</li> <li>• updating vendor balances</li> <li>• removing temporary hold codes from vendors and invoices</li> <li>• changing the status on invoices from released to historical, making them unavailable for maintenance</li> <li>• creating the next occurrence for a recurring invoice</li> </ul> | <a href="#">"Closing a Cash Payment Cycle"</a> on page 234     |
| 10                 | Close Invoice Distributions | Conditional. Complete this step to transfer released in-balance distributions to the general ledger. You must complete this step at least once in an accounting period, but you can run it any time after you release the invoice.   | <a href="#">"Closing Invoice Distributions"</a> on page 244    |
| 11                 | Close a Period              | Conditional. If you selected System Control in the General Ledger application, you will need to process period closing at the end of each accounting period. During this step, the application edits accounts payable transaction dates to make sure all transactions have been transferred to the general ledger for the period being closed.   | <a href="#">"Closing a Period"</a> on page 251                 |

## Related Reports and Inquiries

| <b>To</b>   | <b>Run</b>                            |
|---|---------------------------------------|
| Track and report invoice entry statistics, match statistics, and cancelled invoice statistics | Invoice Processing Statistics (AP295) |

## Chapter 14

# Entering Expense Invoices

---

When you enter expense invoices, you provide the basic information required to accurately pay a vendor and track that payment, such as an invoice number, the invoice amount, and the terms of payment. This chapter covers the basic process for entering expense invoices. Special procedures for entering other kinds of invoices are covered in the next chapter.

---

**STOP** Before you enter invoices, complete required setup for Lawson Accounts Payable and other integrated Lawson applications. For a summary of the required setup, see "[Accounts Payable Setup Overview](#)" on page 29.

---

# Concepts in this Chapter

The following concepts provide background and conceptual information for the procedures within this chapter.

- ["What Is Prorating?" on page 168](#)

## What Is Prorating?

You might have some expenses that you want to prorate, distribute proportionately, to different accounts. For example, you may want to distribute a freight charge equally to four accounts. The application can automatically determine prorated amounts and distribute those amounts to existing invoice distribution lines or to newly defined distribution lines.

### Prorate to Existing Distribution Lines

If a charge should be divided proportionally to existing non-tax distribution lines, enter a prorate amount, but no prorate account, on the Prorate form tab of Basic Invoice (AP20.1). This allocates the prorate amount to the existing distribution lines.

### Example

If 75% of the invoice amount was distributed to the first account and 25% to the second, a \$100 prorate amount would be distributed in the same proportions. Seventy-five dollars would be added to the first distribution and \$25 to the second.

Figure 54. Illustration: Distributing a prorated amount to an existing distribution line

| FC | Co   | Account | UsrAnlys | Amount | Activity |
|----|------|---------|----------|--------|----------|
|    | 3333 | ORP     | 41015    | 750.00 |          |
|    | 3333 | ORP     | 41015    | 250.00 |          |

Figure 55. Illustration: The amount is distributed in the same proportions (75/25) as the original distribution

| FC Co | Account | Usr Anlys | Amount | Activity |
|-------|---------|-----------|--------|----------|
| 3333  | CORP    | 41015     | 825.00 |          |
| 3333  | CORP    | 41025     | 275.00 |          |

## Prorate to New Accounts

If a charge is to be prorated to new accounts, enter the amounts, account numbers, and (optionally) the subaccounts that should be used. The system adds distribution lines for each accounting unit and account number you entered.

## Example

You have distributed an invoice amount to accounts in both your Corporate and Warehouse accounting units. You now want to prorate a freight charge to the same accounting units, Corporate and Warehouse, but to different accounts.

Figure 56. Illustration: Prorating to a new account with existing accounting units

| FC   | Co        | Account | UsrAnlys | Amount | Activity |
|------|-----------|---------|----------|--------|----------|
| 3333 | CORP      | 60000   |          | 750.00 |          |
| 3333 | WAREHOUSE | 60100   |          | 250.00 |          |

Figure 57. Illustration: Two new distribution lines are automatically created

| FC Co | Account   | Usr Anlys | Amount | Activity |
|-------|-----------|-----------|--------|----------|
| 3333  | CORP      | 60000     | 750.00 |          |
| 3333  | WAREHOUSE | 60100     | 250.00 |          |
| 3333  | CORP      | 89000     | 75.00  |          |
| 3333  | WAREHOUSE | 89000     | 25.00  |          |

# Procedures in this Chapter

---

Several forms can be used to enter invoices, debit memos, and credit memos. For detailed procedures on the following, see ["Entering Other Invoice Types"](#) on page 187:

- entering taxed invoices,
- entering detail invoices,
- entering multiple invoices,
- entering prepayments, and
- interfacing invoices.

This chapter focuses on the fundamentals of entering expense invoices.

- ["Defining Invoice Batches"](#) on page 170
- ["Entering an Expense Invoice"](#) on page 171
- ["Adding Invoice Comments"](#) on page 182
- ["Creating Payment Schedules"](#) on page 183
- ["Creating Recurring Invoices"](#) on page 184
- ["Creating Recurring Journal Entries"](#) on page 185

## Defining Invoice Batches

---

If you selected the batch invoice entry option for your company, you enter and release invoices in groups called batches. If you selected the batch control option for your company, you can also define batch control totals to help prevent typing errors during invoice entry. This procedure describes the process for defining batches and optional batch control numbers.

---

**STOP** To review the invoice entry and release rules selected for your company, inquire on Company (AP00.4). For an overview of how those rules impact processing, see [""What Are My Invoice Release and Approval Options?"](#) on page 104.

---

### **STEPS** To define an invoice batch

1. Use Batch Control (AP25.1) to define batches. Consider the following fields.

|              |  |
|--------------|--|
| <b>Batch</b> | If you use auto batch numbering, leave this field blank. |
|--------------|--|

---

|  |   |
|--|---|
| <b>Post Date</b>                         | You have the option of entering a default post date for all invoices in the batch.<br><br><b>TIP</b> Enter a post date for a batch to default the same post date for all invoices in the batch. |
| <b>Net Amount and Number of Invoices</b> | If you use batch control, the numbers you enter in these two fields must match the entry total before you can release the batch for further processing.   |

Figure 58. Form clip: Batch Control (AP25.1)

## Entering an Expense Invoice

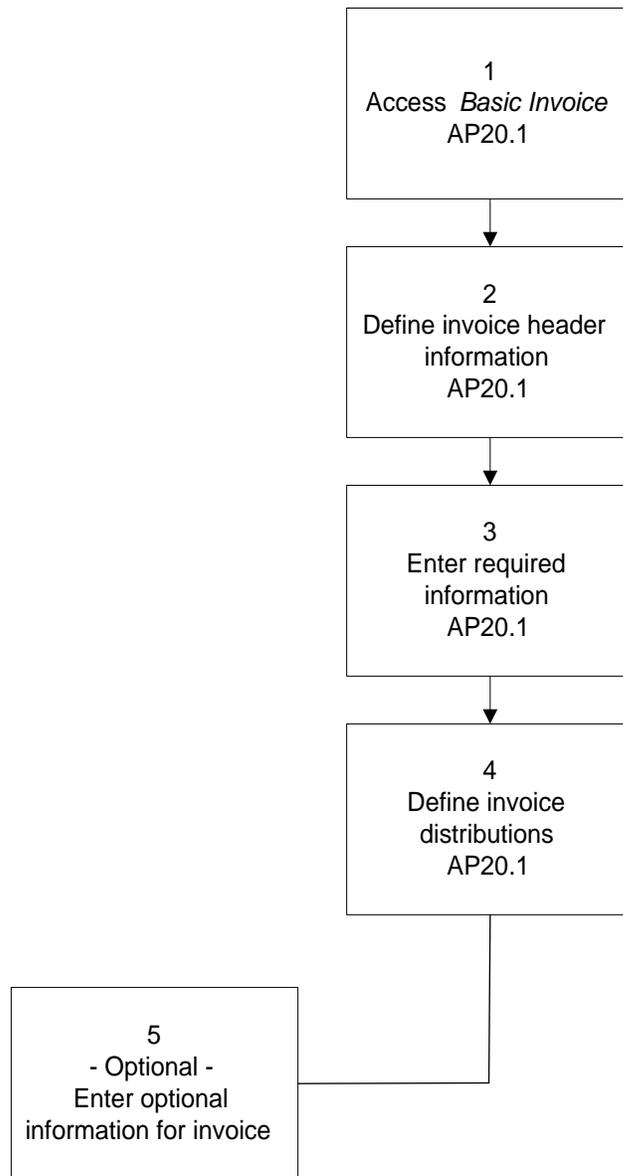
Invoice entry is the first procedure you perform to initiate a vendor payment. Depending on your business needs, you can enter just a few pieces of required information for an invoice, or enter a wide variety of optional information. This procedure describes the basic process for entering expense invoices.

 **Need More Details?** Check out the following concepts:

- ["What Is Prorating?"](#) on page 168

**STOP** If you use batch processing, define your batches and any batch control numbers prior to entering invoices. See ["Defining Invoice Batches"](#) on page 170.

Figure 59. Procedure flow: Entering an expense invoice



**STEPS To enter an expense invoice**

1. Access Basic Invoice (AP20.1).
2. Define invoice header information. Consider the following fields.

|                |   |
|----------------|---|
| <b>Company</b> | Enter your Accounts Payable company number. If you are entering an intercompany invoice, this represents the <i>From</i> company. (Enter the <i>To</i> company on the distribution line.) |
|----------------|---|

|                      |  |
|----------------------|--|
| <b>Process Level</b> | Process level is a required field. If your company has only one process level, you will want to set it as a default on Process Level (AP00.5). With the default set, you can leave this field blank. |
|----------------------|--|

|                       |   |
|-----------------------|---|
| <b>Post Date</b>      | Enter the date you want to recognize the expense in the general ledger. If left blank, the application will default the post date for the batch (if you use batches) or the invoice date (if you do not use batches). |
| <b>Batch</b>          | If your company uses batch release, type or select a valid batch number. A batch number is not required for match invoices.   |
| <b>Voucher</b>        | If your company uses vouchers, enter a voucher number. If you selected auto voucher number when setting up your company, leave the Voucher field blank to accept the default.   |
| <b>Authority Code</b> | If your company uses invoice approval, you must assign an authority code to an invoice before you can release it. You can enter the authority code here or assign it at the time you release the invoice.             |

3. Enter required information on the Main form tab. Consider the following fields, which are required for all invoices.

|                      |  |
|----------------------|--|
| <b>Vendor</b>        | <p>You must enter a vendor number, unless one of the following is true:</p> <ul style="list-style-type: none"> <li>You are entering a match invoice and a purchase order number, in which case the vendor number will default from the purchase order.</li> <li>You are entering an invoice for a one-time vendor, in which case you will leave the vendor number blank and select the Onetime form action when you add your invoice.</li> </ul> |
| <b>Invoice</b>       | You must enter an invoice number. The invoice number must be unique for the company and vendor.  |
| <b>Invoice Date</b>  | You must enter an invoice date. For details on how the application uses the invoice date and due date to select invoices for payment, see <a href="#">"What Logic Is Used to Select Invoices for Payment?"</a> on page 218.  |
| <b>Handling Code</b> | A handling code contains processing rules for invoice matching. If you use the Invoice Matching application, you must enter an expense handling code when entering an expense invoice. This handling code differentiates the invoice from other types of invoices you might enter such as match invoice and add on cost only invoices.   |

|  |   |
|--|---|
| <b>Due Date or Payment Terms</b>               | You must make an entry in the Due Date field or in the Payment Terms field. If you use a payment term, the application automatically calculates the due date and discount information. If you have defined terms codes on Vendor Location (AP10.2), Remit To location terms will not default to the invoice. Terms codes will default from the Purchase From location.  |
| <b>Discount button</b>                         | Choose this button to define and maintain discount information for the invoice.<br><br>You can enter a discount amount, discount rate, discount date and code, and decide whether to override the discount amount (flexible terms).   |
| <b>Invoice Amount</b>                          | Enter the amount of the invoice. Check to make sure that the invoice amount you enter is equal to the total amount of the expense distribution lines.   |
| <b>Distribution Code or Distribution Lines</b> | Select one or both of the following options to create distribution lines: <ul style="list-style-type: none"> <li>• Automatically create expense distribution lines for the invoice by selecting a distribution code. The distributions display after you add the invoice.</li> <li>• Manually enter the company, account, and amount to be used for each expense distribution line you want to create.</li> </ul> |
| <b>Account Button</b>                          | If you are using a distribution code that is defined to edit accounting units at invoice entry, you must choose the Accounts button to complete and validate the general ledger account number. You can define a distribution code for editing instead of assigning a default accounting unit or account.   |
| <b>User Analysis</b>                           | ** If you use Strategic Ledger, select the user analysis values you want to include in the transaction.   |

Figure 60. Form clip: Basic Invoice (AP20.1), Main tab

4. Create invoice distributions. Consider the following fields on the Main tab.

**Company**

Enter the distribution company for the expense distribution. If left blank, the company assigned to the invoice defaults.

If you are entering an intercompany invoice, enter the company or companies to which the expense will be distributed. A valid intercompany relationship must exist in the General Ledger application.

|                                     |  |
|-------------------------------------|--|
| <b>Inv Comments Button</b>          | Choose this button to add comments to invoices.  |
| <b>PO Detail Button</b>             | Choose this button to add invoice details.   |
| <b>PO AOC Button</b>                | Choose this button to adjust the AOC spread to specific lines.   |
| <b>Inv AOC Button</b>               | Choose this button to enter an AOC amount and spread the amount to the matching AOC entries for the PO lines assigned to the invoice.  |
| <b>Activity</b>                     | If you use Project and Activity Accounting, select the activity assigned to the distribution. This identifies work being done, such as work orders, phases, products, and so on. |
| <b>More (*) Button</b>              | To assign a distribution code or unit amount to an invoice distribution for the purpose of allocation, choose the More button to access Distribution Options (AP22.5).           |
| <b>Asset Management (AM) Button</b> | To define asset information for a distribution, choose the AM button to access Asset Management (AP22.2).  |

5. To define matching or currency options for an invoice, use the Misc. tab. Consider the following fields.

|                        |   |
|------------------------|---|
| <b>Ship To</b>         | Select a valid number representing the ship-to location.  |
| <b>Reason Code</b>     | Select a valid reason code which indicates the cause for credit memos.  |
| <b>Return Number</b>   | If the goods associated with the invoice were returned, you can select an optional return number assigned to the invoice.   |
| <b>Match Reference</b> | Select a user defined number used for linking an invoice to a specific receipt in the match process.  |
| <b>Purchase From</b>   | Select a code that has been predefined in Alternate Location (AP10.2). If left blank, the vendor's normal purchase-from location will default.  |
| <b>Print Cr Memo</b>   | Select Yes to have the application automatically print a credit memo for a charge back.   |
| <b>Retail Amount</b>   | Type the retail amount of the item.   |
| <b>Rule Group</b>      | Select a rule group for the invoice. You define rule groups using Match Rule Groups (MA00.4).   |
| <b>Exchange Rate</b>   | Select the exchange rate used to convert non-base currency invoice amounts to the company base currency. If left blank, the exchange rate defined for the currency relationship in the Currency application defaults, based on the rate in effect on the invoice date.  |
| <b>Revalue</b>         | Select Yes to revalue the invoice currency against the company base currency when the invoice is paid to account for exchange rate fluctuations. If left blank, the revalue option defined for the vendor or location defaults.   |
| <b>Base Amount</b>     | Type the amount of the invoice in the company base currency. If you type an amount in this field, the application edits the amount to make sure it is within exchange rate tolerance limits. If left blank, the application calculates the base invoice amount based on the exchange rate defined on this form or, if blank, based on the exchange rate in effect on the invoice date (as defined in the Currency application). |

6. To define payment details, use the Payment tab. Consider the following fields.

|                            |  |
|----------------------------|--|
| <b>Cash Code</b>           | Select a valid cash code for the invoice payment. Represents a bank account. If left blank, the cash code assigned to the remit to location, vendor, vendor class, process level, company, or pay group defaults.  |
| <b>Payment Code</b>        | Select a valid payment code for the invoice. Represents a type of cash payment. Must be a valid cash or Bill of Exchange payment transaction code in the Cash Ledger application. If left blank, the payment code assigned to remit to location, vendor, vendor class, or pay group defaults.  |
| <b>Payment Number</b>      | <p>To enter a vendor-issued bill of exchange, type the bill of exchange payment number.</p> <p>To create a manual payment for the invoice, type the payment number. If entered, the payment code must be a valid cash or bill of exchange payment transaction code defined for manual payment in the Cash Ledger application. If the payment code requires manual payment reservation, the payment number must be reserved in Manual Forms Reservation (AP81.1).</p> <p>If you define manual payment information using this subform, the manual payment can be used to pay this individual invoice only and the invoice must be a base currency invoice. After you release the invoice, you cannot change manual payment information.</p> <p>To create a manual payment for more than one invoice, create a manual payment for a base currency invoice, or apply more than one invoice to a payment, use Cash Payment Entry (AP55.1) or Bill of Exchange Entry (AP56.1).</p> |
| <b>Payment or Due Date</b> | If you typed a payment number for a cash payment, type the payment date. If you typed a payment number for a bill of exchange payment, type the bill of exchange payment due date.   |
| <b>Payment Amount</b>      | If you typed a payment number, type the amount of the payment. The payment amount must equal the Invoice Amount or the Invoice Amount less any available Discount Amount.  |
| <b>Invoice Group</b>       | You can assign a user-defined invoice group to the invoice. Can be used to select invoices for payment. If left blank, the invoice group assigned to the remit to location or vendor, if assigned, defaults.   |

---

**Recurring Invoice** To create a recurring invoice, type the number of times the invoice is to be recreated. Payment Closing (AP170) creates another released invoice for the same amount until the defined number of recurrences has been met. AP170 makes each recurrence unique by assigning an invoice suffix. For example, the first recurrence of invoice number A1 would be A1-01, the second as A1-02, and so on.

---

**Separate Payment** Select Yes to create an individual payment form for this invoice. If you select no, Payment Forms Creation (AP155) or Bill of Exchange Creation (AP156) creates one payment form to pay all invoices for the same vendor. If left blank, the Separate Payment option defined for the vendor defaults.

---

**Enclosure** If the payment for this invoice requires an enclosure, select Yes. If you select Yes, you have the option to group payments that require enclosures when you run Cash Requirements (AP150).

---

**Pay Immediately** Select Yes to schedule the invoice for immediate payment regardless of the due date when you run Cash Requirements (AP150) or Bill of Exchange Generation (AP151).

---

7. To define information for expense invoices, see the *Invoice Matching User Guide*.
8. To define invoice options and income options, use the Options tab. Consider the following fields.

**Cash Code** Select a valid cash code to assign to the invoice. Represents the bank account from which the invoice is to be paid.

---

**Payment Code** Select a valid payment code for the invoice. Represents a type of cash or bill of exchange payment. Must be a valid cash or bill of exchange payment transaction code in the Cash Ledger application. If left blank, the payment code assigned to the remit to location, vendor, vendor class, or pay group defaults.

---

**Accrual Code** Select a valid invoice accrual code for the invoice. Used to default a general ledger accrual account to the invoice. If left blank, the invoice accrual code assigned to the vendor, process level, or company defaults.

---

**Hold Code** Select a valid invoice hold code to prevent the invoice from being scheduled for payment.

---

|                                      |  |
|--------------------------------------|--|
| <b>Journal Book, Sequence Number</b> | Select a valid journal book (if you are using journal books).  |
| <b>Income Code</b>                   | Select a valid income code for the invoice, which will define an invoice as being reportable income for the vendor.  |
| <b>Amount</b>                        | Type the reportable amount of the invoice. If left blank, the reportable amount is the Invoice Amount less the discount taken.   |
| <b>Invoice Reference</b>             | Select a valid value to indicate the type of number the vendor is providing to reference the invoice. Valid values are: <ul style="list-style-type: none"> <li>• BM = Bill of Lading</li> <li>• IN = Invoice</li> <li>• OW = Service Order Number</li> <li>• PL = Packing List Number</li> <li>• PO = Purchase Order Number</li> <li>• VN = Vendor Order</li> <li>• WO = Work Order</li> <li>• WP = Warehouse Pick Ticket Number</li> <li>• ZZ = Mutually Defined</li> </ul> |
| <b>Description</b>                   | Type an optional invoice description.  |
| <b>Vendor</b>                        | Select a valid pay vendor for the invoice, if applicable. This is used to send invoice payments to another vendor within the same vendor group. For example, you could send a bankrupt vendor's payment to a bank. If left blank, the pay vendor assigned to the vendor defaults.  |

9. To define optional prorate information for an expense invoice, use the Prorate tab. Consider the following fields.

|                         |   |
|-------------------------|---|
| <b>Add-On Cost Code</b> | Select the add on cost code for the prorate amount. Prorated add on costs let you spread add on cost amounts across the invoice at the distribution line level.   |
| <b>Prorate Amount</b>   | Type the portion of the invoice amount that is to be prorated against the non-tax distribution lines.   |
| <b>Prorate Account</b>  | Select a valid general ledger account number to create a separate distribution for the prorate amount. If left blank, the prorate amount is allocated proportionally to each distribution accounting unit assigned to non-tax invoice distribution lines. |

---

**User Analysis**

This field identifies the user analysis values included in the transaction.

You can either type up to four values or use Define (F6) to open the User Analysis Entry subform. Use this subform to select the user analysis values you want to include in the transaction. If you choose to type values, use commas to separate them. For example: value1,value2,value3,value4

There are three conditions that affect how you can select user analysis values. See the User Analysis Entry form help or the *Strategic Ledger User Guide* for additional information.

---

**Activity**

Activities are the processes or procedures that produce work. Cost objects (products, services, customers, and so on) are the reasons for performing the activity.

---

**Account Category**

Account categories are groupings of costs, revenues, or a combination of both used for reporting and inquiries for activities in the Project and Activity Accounting application. All transactions are posted to an account category within an activity. You can assign a specific General Ledger account or range of accounts (company, accounting unit, account, and subaccount) that make up the transactions posted to an account category using Account Assignment (AC07.1).

Period-to-date, year-to-date, and life-to-date balances are maintained by account category for activities. Account categories must be assigned to activities before you do any budgeting or transaction processing.

---

**Bill Category**

Select the billing category assigned to this invoice. The billing category can be used to comply with government audit criteria.

You define billing categories using Billing Category Rates (BR03.1).

10. To add additional information in the invoice user fields, use the User Fields tab.
11. Use the Intrastat tab to enter optional Intrastat information.
12. Enter optional information for an invoice on the remaining form tabs. See "[Options for Entering Additional Invoice Details](#)" on page 181 for a summary of the available options.

## Options for Entering Additional Invoice Details

| To   | Use   |
|--|---|
| Override currency information for a multiple currency invoice  | The Miscellaneous form tab to define a different exchange rate for the invoice or to have the application recalculate the exchange rate based on the new base invoice amount you enter.                           |
| Define special payment information for an invoice, such as flagging the invoice to be paid by manual check or to be paid immediately | The Payment form tab to define manual payment information or enter vendor-issued bill of exchange payment information.  |
| Define add on cost information for an invoice  | The AOC form tab to define add on cost information for merchandise and expense invoices.  |
| Assign an optional code or override a default code   | The Options form tab to override or assign codes such as the cash code, payment code, accrual code, and more.   |
| Prorate an amount, such as a freight charge, to distribution lines   | The Prorate form tab to have the application automatically distribute an amount to new or existing distribution lines. See " <a href="#">What Is Prorating?</a> " on page 168 to see an example of this form tab. |
| Enter information in the invoice user fields   | The User Fields form tab to enter information in the user fields for an invoice.  |

Figure 61. Form clip: Basic Invoice (AP20.1), Payment tab

The screenshot displays the 'Payment' tab of the Lawson Basic Invoice (AP20.1) form. The top navigation bar includes 'Add', 'Change', 'Delete', 'Inquire', 'Match', 'Next', 'Onetime', 'PageDown', 'PageUp', and 'Previous'. The main form area is divided into several sections:

- Company Information:** Fields for Company, Process Level, Post Date, Batch, Voucher, and Authority Code.
- Payment Section:** Includes a dropdown for 'Manual or BOE' and a 'Miscellaneous' section with fields for Cash Code, Invoice Group, Recurring Invoice, Separate Payment, Enclosure, Pay Immediately, Match Prepay, and Match Prepay Method.
- Payment Details:** Fields for Payment Code, Payment Number, Payment or Due Date, and Payment Amount.
- Table:** A table with columns for FC, Co, Account, Analysis, Activity, and Amount. The table contains several rows of data, with the last column showing 'AM' for each row.

Figure 62. Form clip: Basic Invoice (AP20.1), Options tab

The screenshot displays the 'Options' tab of the 'Basic Invoice (AP20.1)' form. The top navigation bar includes 'Home', 'Basic ...', and a menu with 'Add', 'Change', 'Delete', 'Inquire', 'Match', 'Next', 'Onetime', 'PageDown', 'PageUp', and 'Previous'. The main area contains several sections: 'Data Directory' with links for '1) Company:', '2) Vendor:', and '3) Invoice:'. 'Related Pages' includes 'Main', 'Misc', 'Payment', 'Options', 'Prorate', 'Use Fields', and 'Intrastat'. 'Related Links' lists 'Taxed Invoice', 'Multiple Invoice', 'Encasement', 'Distributions', 'Payment Schedule', 'Detail Invoice', 'Invoice Line Detail', 'Invoice Line Detail - Purchase Order', 'Invoice Line Detail - Service', 'User Analysis', 'Vendor Comments', 'Batch Review', and 'Invoice Release'. The 'Options' section includes fields for 'Company:', 'Process Level:', 'Post Date:', 'Batch:', 'Voucher:', and 'Authority Code:'. Below this is the 'Invoice' section with fields for 'Cash Code:', 'Income Code:', 'Payment Code:', 'Amount:', 'Accrual Code:', 'Invoice Reference:', 'Hold Code:', 'Diversity Code:', 'Journal Book, Sequence Number:', 'Description:', 'Locale:', and 'Pay Vendor:'. At the bottom, there is a table with columns: 'FC', 'Co', 'Account', 'Analysis', 'Activity', and 'Amount'. The table contains several rows with dropdown menus for each column and a small 'AM' icon in the right margin of each row.

## Adding Invoice Comments

You can define comments for an invoice and indicate where you want those comments to display. For example, you might put an explanation of your payment amount on a check to a vendor or put special handling instructions for certain vendor invoices in the application for internal use only. This procedure describes the process for adding invoice comments.

### STEPS To add an invoice comment

1. Access Basic Invoice (AP20.1). Inquire on the invoice to which you want to add comments.
2. Choose the Add Comments button.
3. Select the type of comment you want to add and choose the Add button. You can add:
  - Invoice Note/Report/Check Comments
  - Invoice Notes
  - Invoice Report Comments
  - Invoice Check Comments
4. The comments attachment form appears. Enter a comment name and your comments.
5. Choose the Update button.

**TIP** Assign a clear and descriptive name to comments to make them easier to identify at a later date.

### Related Reports and Inquiries

| To                    | Run                      |
|-----------------------|--------------------------|
| List invoice comments | Comments Listing (AP212) |

# Creating Payment Schedules

You can create or maintain a payment schedule for an unreleased invoice. Use payment schedules when you want to pay off an invoice in a select number of payments. The application automatically creates a payment schedule based on the schedule frequency you select. This procedure describes the process for creating a payment schedule.

## STEPS To create a payment schedule

1. Access Payment Schedule (AP20.8). Inquire on the invoice for which you want to create a payment schedule.
2. Select options to have the system create a payment schedule or create the payment schedule manually.
  - To have the system create the invoice payment schedule, type the number of payments in the Split Number field, select a Split Schedule, and select the Split form action.
  - To create a payment schedule manually, add new payments or make field adjustments to existing, scheduled payments and select the Change form action.

Figure 63. Form clip: Payment Schedule (AP20.8)

3. To maintain discount information for a scheduled payment, choose the Discount detail tab.
4. To define manual cash payment information for a scheduled payment, choose the Cash detail tab. See "[Creating a Manual Payment for an Unreleased Invoice](#)" on page 240 or "[Creating a Manual Payment for a Released Invoice](#)" on page 241 for more details on manual payments.

## Creating Recurring Invoices

---

When you create a recurring invoice, the system increments the invoice date, due date, distribution date, and discount date of the next invoice recurrence by the recurring frequency you select. It also assigns a unique invoice suffix number to each recurrence. Use recurring invoices for payment you need to make on a regular basis, such as a rent payment or a car payment. For more information on recurring invoice transactions, see "[Recurring Invoice Transaction](#)" on page 384.

### **STEPS** To create a recurring invoice

1. Use Basic Invoice (AP20.1) to enter invoice information for the invoice you want to recur.
2. Choose the Payment form tab. In the Recurring Invoice fields, enter the number of times you want the invoice to recur and select a frequency for the recurring schedule.

### **Other Procedures Related to Recurring Invoices**

- Running Payment Closing (AP170) creates the next recurrence of any recurring invoice it processes. As an option, you can run Recurring Invoice Update (AP193) to update recurring invoices. Run Recurring Invoice Update (AP193) if you have any unpaid recurring invoices that are past their due date and want to make sure the liability for the next invoice recurrence posts to the current period to be closed. The program creates the next recurrence of any unpaid recurring invoices if the invoice date or posting date of the next recurrence falls before the As of Date you define.

# Creating Recurring Journal Entries

---

Recurring journal entries are entries that recur based on a defined schedule. For example, you may pay your insurance bill on one annual payment, but want the insurance expense to occur on a monthly basis. Use a recurring journal entry to expense the amount on a monthly basis even though the payment took place only once. This procedure describes the process for creating a recurring journal entry.

## **STEPS** To creating a recurring journal entry

1. Use Basic Invoice (AP20.1) to add the invoice for which you want to create recurring journal entries.
2. Choose the More (\*) button on the designated distribution line of the invoice. The Distribution Options subform appears.
3. Choose the Recurring Journal button to access Recurring Journal Interface (GL38.1).
4. Create recurring journal entries. Consider the following fields.

|   |   |
|---|---|
| <b>Recurring</b>  | You can define Normal or Intercompany recurring journal entries. If you leave this field blank, Normal defaults.  |
| <b>To Account</b>                                       | The General Ledger account on this form represents the expense account. In the case of a pre-paid expense, the account on the invoice distribution is typically to a prepayment account.<br><br>For example, if you were prepaying an insurance bill, the invoice distribution would be to a pre-paid insurance account and the To Account would be an insurance expense account. |
| <b>Beginning Period, End Period, and Select Periods</b> | Use these three fields to select the date range and periods in which the recurring journal entry should occur.  |



## Chapter 15

# Entering Other Invoice Types

---

The process and forms you use for invoice entry can vary slightly based on the type invoice you need to process. This chapter covers the processes used to enter special kinds of invoices such as taxed invoices, detail invoices, multiple invoices, and prepayments. This chapter also covers the process for interfacing invoices.

---

**STOP** Before you enter these special invoice types, you should review and understand the basic process for entering expense invoices. See "[Entering an Expense Invoice](#)" on page 171 to learn more about invoice entry.

---

# Concepts in this Chapter

---

The following concepts provide background and conceptual information for the procedures within this chapter.

- ["What Are Invoiced and Accrued Taxes?" on page 188](#)
- ["What Is a Prepayment?" on page 189](#)

## What Are Invoiced and Accrued Taxes?

---

When processing taxed invoices, you may see two types of taxes: invoiced and accrued.

### Invoiced Taxes

Invoiced taxes are included in the amount of the invoice. For example, an invoice for \$106.50 may represent \$100 of purchased goods and \$6.50 of taxes on those goods. Examples of taxes that generally show up as an additional charge on an invoice include:

- State Sales Tax
  - Provincial Sales Tax (PST)
  - Value Added Tax (VAT)
  - Goods/Services Tax (GST)

When entering an invoice with an invoiced tax, the invoice amount includes the tax amount. In the previous example, you would enter \$106.50 as the invoice amount. The invoice amount and the total of your distribution lines must equal \$106.50.

### Accrued Taxes

Accrued taxes are taxes that you are responsible for paying, but which have not been included in the invoice. A common example of an accrued tax is a use tax, which is a tax imposed on the consumer for use or consumption of goods that a company in the United States produces and consumes itself.

For example, a company that manufactures autos might add one of those autos to its company fleet. They are invoiced for \$20,000, which represents the purchase price of the car. They are also liable for paying \$2,000 in taxes for the car, but that amount was not included in the invoice. They are responsible for accruing those taxes and submitting them to the government.

When entering an invoice with an accrued tax, the invoice amount and the total of your distribution lines will not equal the same amount because the accrued amount represents an additional charge not included in the invoice.

## What Is a Prepayment?

---

A prepayment is a deposit or payment you make to a vendor prior to receiving an invoice. For example, you might make a \$10,000 down payment on a large equipment purchase that will total \$100,000 before the equipment is even received or invoiced.

Prepayments are unique from invoices in the following ways:

- When you complete the payment cycle for a prepayment, the system creates an offsetting prepayment credit memo. You apply this credit memo later to invoices associated with the prepayment.
- Prepayments do not have invoice distributions. Expense distributions are created when the invoice is received and matched to the credit memo.
- Prepayments have an invoice type of P (prepayment).
- Prepayments can include a tax amount.

### Accrual Codes for Prepayments

If prepayments are common in your organization, consider defining an accrual code specifically designated for prepayments. By using a prepayment account instead of the accounts payable accrual account, you avoid the possibility of prepayments distorting or understating your payables.

# Procedures in this Chapter

---

Several options are available to enter invoices, debit memos, credit memos, and one-time vendor invoices. Select a procedure and entry form based on the properties of the invoice you are working with, such as whether the invoice is taxed or has multiple distributions.

- ["Entering Taxed Invoices" on page 190](#)
- ["View Landed Tax" on page 193](#)
- ["Entering Multiple Invoices" on page 195](#)
- ["Entering Transit Invoices" on page 196](#)
- ["Entering Prepayments" on page 197](#)
- ["Interfacing Invoice Data" on page 197](#)
- ["Entering Detailed Invoices" on page 200](#)

## Entering Taxed Invoices

---

If you receive taxable invoices from your vendors, you will want to process and track those invoices differently than a basic invoice. The Basic Invoice and Taxed Invoice forms are identical, with one exception: you can enter tax amounts and tax distribution lines on a taxed invoice.

---

**STOP** Before adding a taxed invoice, you must complete required tax setup. See ["Completing Tax Setup" on page 72](#). You should also review and understand the procedure for ["Entering an Expense Invoice" on page 171](#). All concepts and optional procedures related to basic invoice entry are also applicable to taxed invoice entry.

---



**Need More Details?** Check out the following concepts:

- ["What Are Invoiced and Accrued Taxes?" on page 188](#)

### **STEPS** To enter a taxed invoice

1. Access Taxed Invoice (AP20.2).

Figure 64. Form clip: Taxed Invoice (AP20.2)

The screenshot shows the Lawson Taxed Invoice (AP20.2) form. The top navigation bar includes 'Home', 'Taxed ...', and 'AP20.2'. The main form area contains various input fields for invoice details, including Company, Process Level, Post Date, Batch, Voucher, Authority Code, Vendor, PD, Remit To, Invoice, Handling Code, Inv Date, Invoice Type, Due Date, Currency, Inv Amount, Taxable, Tax Code, Tax Amount, Tax Adj, Pmt Terms, and Discount. There are also buttons for 'Account', 'Inv Comments', 'PO Detail', and 'PO AOC'. At the bottom, there is a table with columns for FC, Company, Account, Amount, Tax, Tax Code, and Taxable Amount.

2. Enter required and optional invoice data as detailed in the procedure for "Entering an Expense Invoice" on page 171. Consider the following fields.

**Invoice Amount** Enter the amount of the invoice. Some taxes (invoiced tax) are included in the invoice amount, while others (accrued tax) are not included.

**Taxable** Type the total taxable amount of the invoice if an accrued tax applies only to a portion of the total invoice amount.

**Tax Amount** You can enter the total tax amount of the invoice. Leave this field blank if you enter a tax code. The application uses the tax code to automatically calculate the tax amount based on the rate defined for the tax code. The amount should equal the total tax distribution amount.

**Tax Code** Type or select a valid tax code to be applied to the invoice. The application automatically calculates the tax amount and creates distribution lines. If you assigned a tax code to the vendor, you can leave this field blank and that code will default.

**Tax Adjustment** You can indicate whether to override the tax information on AOC or match invoices. If you leave this field blank, when the invoice is matched the detail is created using the tax information from the purchase order or the receipt.

**Inv Comments Button** Choose this button to add comments to invoices.

**PO Detail Button** Choose this button to add invoice details.

**PO AOC Button** Choose this button to adjust the AOC amount spread to specific lines.

|                                |  |
|--------------------------------|--|
| <b>Inv AOC Button</b>          | Choose this button to enter the AOC amount and spread the amount to the matching AOC entries for the PO lines assigned to the invoice.   |
| <b>Tax Ind</b>                 | <p>To create linked tax distributions, define the distribution line as taxable (T). To indicate the distribution is tax exempt, define the line as Exempt (E).</p> <p><b>NOTE</b> The Accounts Payable Tax Exempt Transaction Report (AP272) will list exempt transactions. You must define tax period end dates before running AP272.</p> <p>Leave this field blank to indicate that no linkage is required.</p>  |
| <b>Tax Code (Distribution)</b> | <p>If you assigned a tax code to the invoice or vendor, that code defaults here after you add the invoice. You can also assign tax codes on the distribution lines to apply different taxes to different lines. The tax account from the tax code definition is automatically assigned.</p> <p>Consider the following tax code types:</p> <ul style="list-style-type: none"> <li>• <b>Landed/Non-recoverable tax code</b> — If you select a “landed” tax code, Accounts Payable creates a landed tax or a non-recoverable tax distribution, which means that the tax is posted into the same account as the expense distribution.</li> <li>• <b>Accrued tax code</b> — If you need to self-assess the tax and post the tax amount into both the tax input and the tax output accounts, use an accrued tax code.</li> </ul> |
| <b>Taxable (Distribution)</b>  | If you assigned a tax code to the invoice or vendor, distribution lines are automatically created. You can also type a taxable amount in this field on the distribution line.  |

You can enter a prorate tax code and taxable amount using the Prorate tab.

## Related Reports and Inquiries

| To   | Run   |
|--|---|
| List tax exempt transactions for a vendor or a range of vendors. | Accounts Payable Tax Exempt Transaction Report (AP272). |

# View Landed Tax

---

Landed Tax is applied against a distribution, in addition to the cost (balance sheet or expense) of the distribution. The account characteristics of the original distribution are used. Landed Cost is the tax applied against the distribution and treated as a cost (balance sheet or expense). Landed Cost does not necessarily take on the account characteristics of the original distribution. Tax Distribution is a distribution with tax code designation.

**NOTE** To view landed tax amounts, first inquire on an existing invoice.

## **STEPS** To view landed tax amounts

1. Access Taxed Invoice (AP20.2).
2. On any goods line, click the View button.
3. Click View for any distribution line to view tax distributions for that line. View Distributions (AP21.1) is displayed.
4. If you performed an Add or Change action on Taxed Invoice (AP20.2), the 'Total with Landed Tax Included' field is calculated. This field combines base amount and tax amount(s) for tax codes that have a 'Yes' value in both the Landed Cost and the Allow Override Account fields.

Consider the following fields.

|                                    |  |
|------------------------------------|--|
| <b>Amount</b>                      | If <ul style="list-style-type: none"><li>• the taxable indicator (on the goods distribution line) is "T" and</li><li>• a tax code is present on the line or is defaulted from the header</li></ul> the Amount field is the total taxable amount.   |
| <b>Tax Distributions (records)</b> | Modifications for tax distribution lines are only allowed for tax codes with the following values on TX02.1: <ul style="list-style-type: none"><li>• Landed Cost field = "No."</li><li>• Allow Account Change = "Yes."</li></ul>   |
| <b>Tax Code</b>                    | The Tax Code field at goods line level only calculates, creates and links tax distributions for that invoice goods line.<br><br>If a Tax Code field at header level on AP20.2 contains a value (that is, is entered or defaults from AP10.1/AP10.2), it will default to any distribution line that is flagged as Taxable (T) or blank. |
| <b>Taxable Amount</b>              | Taxable Amount at goods line level is used to create and link tax distributions for that invoice goods line.   |

## **Example**

Landed Tax Table sample data:

The following steps are an *example* of how landed tax is applied in the Accounts Payable application:

1. Access Taxed Invoice (AP20.2).
2. Enter a Tax Table in the Tax Code field at header level.
3. Enter four distribution lines, as indicated in the following table.
4. Select the Add form action. Five tax distribution lines are created.
5. You can page down to see the additional tax distribution line.
6. Click the View button on any distribution line to view the landed cost of tax for that line.

**NOTE** Only two of the distribution lines are displayed on AP20.2. These distribution lines are created when the Tax Table in the header is applied to the first line (these distributions will inherit the accounts of the tax codes in the tax table).

|   |   |
|---|---|
| Invoice Total Amount with freight and tax included        | \$4,370.00                                |
| Two taxable goods input lines associated with a Tax Table | Entered at header level                   |
| One goods line with Tax Code                              | Entered at line level and one line exempt |
| <b>Distribution Line 1</b>                                |   |
| \$1,000   |   |
| Taxable Flag  | spaces                                    |
| Tax Table   | 5% and 10%                                |
| Landed Cost   | Yes                                       |
| Allow Account Changes                                     | Yes                                       |
| <b>Distribution Line 2</b>                                |   |
| \$1,000   |   |
| Tax Code  | 7%  |
| Landed Cost   | Yes                                       |
| Allow Account Changes                                     | Yes                                       |
| <b>Distribution Line 3</b>                                |   |
| \$1,000   |   |
| Exempt  |   |
| <b>Distribution Line 4</b>                                |   |
| \$1,000   |   |
| Taxable Flag  | T   |
| Tax Table   | 5% and 10%                                |
| Landed Cost   | Yes                                       |
| Allow Account Changes                                     | Yes                                       |

7. Optional. To view the tax distributions, refer to the following table.

| <b>If tax code is:</b> | <b>And tax indicator is:</b> | <b>Tax distribution attributes come from:</b> | <b>Where tax distributions display</b>   |
|------------------------|------------------------------|---|--|
| Landed                 | Taxable                      | AP distribution lines                         | Taxed Invoice (AP20.2); on any goods line, choose the View button and View Distributions (AP21.1) displays |
| Landed                 | Blank                        | AP distribution lines                         | Taxed Invoice (AP20.2)   |
| Landed                 | Exempt                       | Not applicable                                | Not applicable   |
| Non-landed             | Taxable                      | Tax code setup (TX02)                         | Taxed Invoice (AP20.2); on any goods line, choose the View button and View Distributions (AP21.1) displays |
| Non-landed             | Blank                        | Tax code setup (TX02)                         | Taxed Invoice (AP20.2)   |
| Non-landed             | Exempt                       | Not applicable                                | Not applicable   |

## Entering Multiple Invoices

For faster invoice entry, you can enter multiple invoices at once on the same form. This option is available for invoices that are similar to each other and are fairly basic. For example, invoices cannot have taxes or activities assigned. This procedure describes the process for entering multiple invoices.

### **STEPS** To enter multiple invoices

1. Access Multiple Invoice (AP20.5).
2. Enter applicable header information. All invoices you enter must have this header information in common.
3. Enter data for invoices that meet the criteria for multiple invoice entry. Consider the following fields.

|                       |  |
|-----------------------|--|
| <b>Invoice Amount</b> | Enter the invoice amount. You cannot enter invoices with taxes on this form. |
|-----------------------|--|

|                                     |  |
|-------------------------------------|--|
| <b>Distribution Code or Account</b> | Distributions must be created with a distribution code, or all distributions must be applied to a single account. If you enter a distribution code, it must use percentages or a set amount. |
|-------------------------------------|--|

## Entering Transit Invoices

---

A transit invoice allows you to release your invoices quickly and record your tax liability. To use this invoice entry option, you must set up the AP company to create transit invoices and define a distribution code. The distribution code assigns invoice expense distributions to a transit expense account. The expense portion of the invoice (the amount of the invoice minus the tax amount) is distributed to a transit account specified in the distribution code you have entered at the company, process, vendor/company, or vendor level.

---

**STOP** You can only enter transit invoices if you specified Yes for the Create Transit Distributions field on the Options 2 tab of Company (AP00.4). For details on setting up a company for transit invoices, see "[Defining an Accounts Payable Company](#)" on page 108.

---

### **STEPS** To enter transit invoices

1. Access Transit Invoice Entry (AP23.1).
2. Enter applicable header information.

---

**IMPORTANT** Once you enter data, you cannot change or delete invoices created in this form. The only valid form action is Add. You must use Basic Invoice (AP20.1) or Taxed Invoice (AP20.2) to change or delete invoices added on this form.

---

3. Enter data for invoice.

After you add the invoices, release the invoices following the steps in "[Releasing Invoices](#)" on page 203. The application creates a tax distribution that can be maintained using Distribution Adjustments (AP30.2). See "[Maintaining Distributions](#)" on page 210.

# Entering Prepayments

---

A prepayment is a deposit or payment made to a vendor before an invoice is received. For example, some purchases may require a down payment before goods are even received or invoiced. This procedure describes the process for entering prepayments.

**NOTE** For information on matching prepayments, see the *Invoice Matching User Guide*.



**Need More Details?** Check out the following concepts:

- ["What Is a Prepayment?"](#) on page 189

## **STEPS** To enter a prepayment invoice

1. Access Prepayment (AP20.6).
2. Enter required and optional information for the prepayment invoice on the Main form tab. Consider the following fields.

|                          |  |
|--------------------------|--|
| <b>Prepayment</b>        | Type a prepayment invoice number that is unique to the company and vendor. (This is similar to an invoice number.)       |
| <b>Prepayment Amount</b> | Type the amount of the prepayment. For example, if you made a down payment of \$5,000 on a \$30,000 item, enter \$5,000. |
| <b>Prepayment Date</b>   | Enter the date of the transaction. This date is not used to calculate a due date.  |
| <b>Due Date</b>          | Enter the date the system should use to select the prepayment invoice for payment. Terms do not default on prepayments.  |

**TIP** Consider defining an accrual account specifically for prepayments.

3. To add a description, purchase order number, invoice accrual code, or hold code to the prepayment, use the Options form tab.
4. To override default currency information for a nonbase currency prepayment, use the Options form tab.
5. To override default payment information or define manual cash payment information, use the Payment form tab.

# Interfacing Invoice Data

---

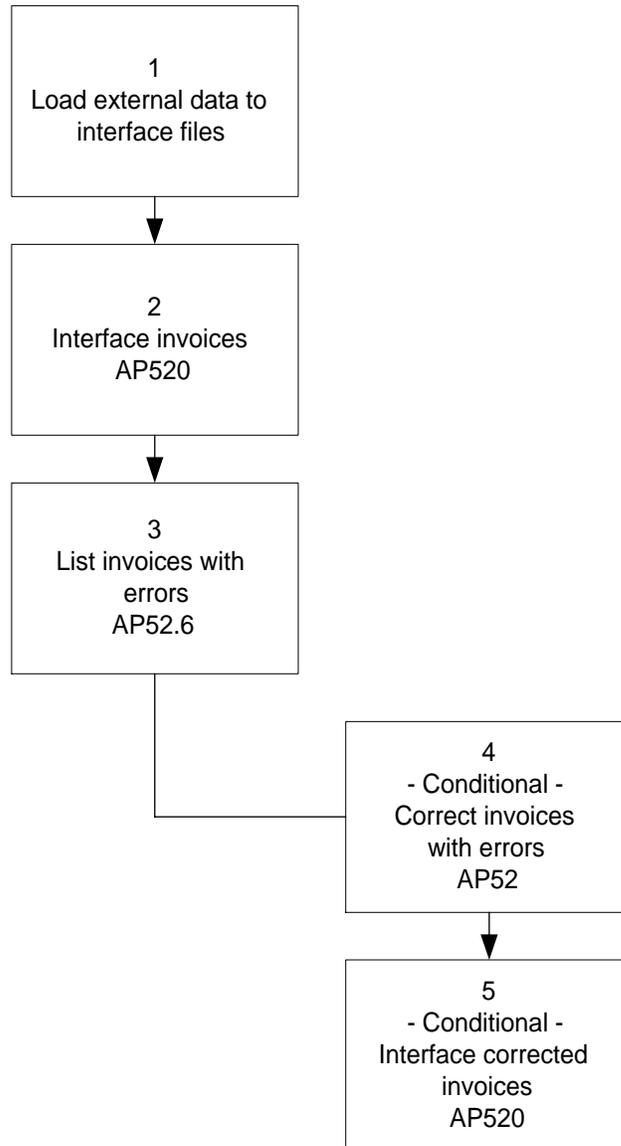
An alternative to manually entering invoices is to bring in data from a source external to the Accounts Payable application. You can use this process, referred to as interfacing, to bring in data from a desktop application or a non-Lawson system. This procedure describes the process for interfacing invoice data.

---

**STOP** Before you interface invoices, you must set up any codes that will be brought into the Accounts Payable application as valid records. Examples include cash codes, distribution codes, and hold codes. Activity or asset information must also be defined.

---

Figure 65. Procedure flow: Interfacing invoices



**STEPS To interface invoices**

1. Load external invoice data into the appropriate Invoice Interface, Invoice Distribution Interface, and Invoice Payment Interface files.
2. Run Invoice Interface (AP520) to interface invoices, interface corrected records, or attach comments.

3. Use Invoice Errors (AP52.6) to list invoices with errors that prevent them from being interfaced.
4. If you need to add records, or to correct records that did not interface, use Invoice Interface (AP52.1), Multiple Payment Interface (AP52.2), and Distribution Interface (AP52.3) to make those changes.
5. To add, modify, or delete interfaced invoice records use Invoice Conversion Comments (AP52.9)

# Entering Detailed Invoices

---

If you perform line invoice or detail matching, you must enter a detailed invoice to supply the details that used in the matching process. Even if you do not perform matching, you have the option to record item information. For more details on matching options, see the *Invoice Matching User Guide*. This procedure describes the process for entering an invoice with details.

**STEPS** **To enter a detailed invoice**

1. Access Detailed Invoice (AP20.3)
2. Enter the invoice information, including the line item details for the invoice. Consider the following fields.

|                            |  |
|----------------------------|--|
| <b>Handling Code</b>       | To enter an expense invoice with details, you must assign a handling code that has been defined for AP Detail. You define handling codes using Handling Code (MA05.1). |
| <b>Inv Comments Button</b> | Choose this button to add comments to invoices.  |
| <b>PO Detail Button</b>    | Choose this button to add invoice details.   |
| <b>PO AOC Button</b>       | Choose this button to adjust the AOC amount spread to specific lines.  |
| <b>Inv AOC Button</b>      | Choose this button to enter the AOC amount and spread the amount to the matching AOC entries for the PO lines assigned to the invoice.                                 |
| <b>Item Detail</b>         | Enter the details about the item that you want to track.   |
| <b>More Button</b>         | Choose the More button to define additional information for the item such as the account you want to post to.  |

## Options for Entering Detailed Invoices

| <b>If you want to</b>  | <b>Then</b>   |
|--|---|
| Enter an invoice that requires line item detail using Basic Invoice (AP20.1) or Taxed Invoice (AP20.2) | Enter the invoice in AP20.1 or AP20.2 and then access Invoice Line Detail (AP20.4) to enter the line item details for that invoice. |

## Chapter 16

# Releasing Invoices

---

After entering invoices, you must release them to make them available for payment. Any release or approval rules you defined for your company come into play at this time. For example, you might require an authority code be assigned to invoices before release, or you might require the total invoice amount in a batch to equal a control amount before release. This chapter focuses on the process of releasing invoices.

---

**STOP** Before releasing invoices for payment, you should be familiar with the release and approval rules used by your company. See "[What Are My Invoice Release and Approval Options?](#)" on page 104 for a review of the options.

---

# Procedures in this Chapter

---

You must release invoices before you can select them for payment. If you use batch processing, you must release invoices in batches.

- ["Releasing Batch Invoices" on page 202](#)
- ["Releasing Invoices" on page 203](#)
- ["Approving Invoices for Payment" on page 205](#)

## Releasing Batch Invoices

---

If you use batches for invoice processing, use the following procedure to release those batches for payment. If you use both batch release and approval, you will also use this process for release. You cannot pay invoices until they are released. The following procedure describes the process for releasing invoices in batches.

**NOTE** You cannot match a PO invoice if the tax is out of balance on the goods or AOC.

### **STEPS** To release batch invoices

1. Review unreleased batches for errors such as invoices out of balance.

| To   | Use                         |
|--|-----------------------------|
| Review unreleased invoices for a specific batch online     | Batch Review (AP25.2)       |
| List unreleased invoices for all batches or select batches | Invoice Edit Report (AP220) |

2. If you find errors with any of the invoices, use one of the invoice entry forms (AP20.1, AP20.2, or AP20.7) to make corrections.
3. Release the invoice batch. Use the Release special action if you are releasing invoices using Batch Review (AP25.2).

| To  | Use                    |
|---|------------------------|
| Release one or more batches online, viewing just the batch totals                                       | Batch Control (AP25.1) |
| Release a select batch online, viewing details about the invoices within the batch                      | Batch Review (AP25.2)  |
| Release a group of batches, create a listing of released batches, and a listing of batches not released | Batch Release (AP125)  |

**TIP** If distributions are out of balance, an out-of-balance indicator displays in the OB column of Batch Review (AP25.2).

Invoices are available for payment or payment approval, or are routed to ProcessFlow for approval. You can no longer inquire on or maintain these invoices in the invoice entry forms.

## Options for Releasing Batch Invoices

If you are waiting to resolve a problem with one invoice, but want to process the remaining invoices in the batch, you can transfer the invoice from one batch of invoices to another batch.

| To   | Use  |
|--|--|
| Transfer one or more invoices to another batch | Invoice Batch Transfer (AP25.3) to transfer an unreleased batch invoice. |

## Related Reports and Inquiries

| To   | Run                          |
|--|------------------------------|
| List unpaid, released invoices for a vendor group, pay group, or invoice company to review invoice details and totals for accuracy | Open Payables Report (AP230) |

## Releasing Invoices

If you do not use batches, use the following procedure to release invoices for approval. Invoices must have an authority code assigned before you can release them. You cannot pay invoices until they are released. This procedure describes the process for releasing invoices when you do not use batches.

**NOTE** You cannot release a PO invoice if the tax is out of balance on the goods or AOC.

Be aware that match invoices must be released in Invoice Matching using the Match form action.

### STEPS To release invoices

1. Review unreleased invoices for errors such as invoices out of balance.

| To  | Use                      |
|---|--------------------------|
| Review unreleased invoices for a specific authority code online   | Invoice Release (AP26.1) |
| List unreleased invoices based on parameters you define such as select batches, select authority codes, or just invoices out of balance | Batch Edit (AP220)       |

2. If you find errors with any of the invoices, use invoice entry forms (AP20.1, AP20.2, or AP20.7) to make corrections.
3. Release the invoices.

| <b>To</b>   | <b>Use</b>                   |
|---|------------------------------|
| Assign an authority code to and release one or more invoices online   | Invoice Release (AP26.1)     |
| Release a group of invoices for a select authority code, create a summary of released invoices and a listing of invoices not released | Mass Invoice Release (AP126) |

Invoices are available for payment or payment approval, or are routed to ProcessFlow for approval. You can no longer inquire on or maintain these invoices in the invoice entry forms.

### **Related Reports and Inquiries**

| <b>To</b>  | <b>Use</b>                        |
|--|-----------------------------------|
| List unpaid, released invoices for a vendor group, pay group, or invoice company to review invoice details, purchase order details, and totals for accuracy  | Open Payables Report (AP230)      |
| List all released, unreleased, and historical invoices with tax information. The report sorts (in sequential order) by the invoice voucher number, journal book sequence number, or invoice creation date. | Incoming Invoice Register (AP235) |

# Approving Invoices for Payment

---

If you have assigned payment approval amounts, you must approve payments that exceed your approval amounts before they can be scheduled for payment. For example, you may require a vice president level approval for invoices over \$20,000. Payment approval is distinct from any invoice approval you may require as part of your company rules. The following procedure describes the payment approval process for invoices.

---

**STOP** Payment approvals are based on transaction amounts and are performed only after an invoice is released.

---

## **STEPS** To approve payments for invoices

1. To view a list of invoices that require payment approval, run Invoice Payment Approval Edit (AP236).
2. Use Invoice Payment Approval (AP36.1) to approve released invoices that require payment approval.
  - a. Select Approve as the line action and choose the Change form action.
  - b. Select Release as the line action and choose the Change form action.



## Chapter 17

# Maintaining Released Invoices

---

Once invoices are released, you can no longer view or change them in the invoice entry forms. This chapter introduces you to the special forms that allow you to inquire on and change invoices during that time period between release and payment.

---

**STOP** The procedures in this chapter apply only to released invoices. Prior to release, you can maintain invoice information by using one of the invoice entry forms.

---

# Concepts in this Chapter

---

The following concepts provide background and conceptual information for the procedures within this chapter.

- ["When Can't an Invoice be Canceled?" on page 208](#)

## When Can't an Invoice be Canceled?

---

An invoice must meet certain criteria before it can be canceled. You can not cancel an invoice if:

- The invoice has payments made against it.
- The invoice is in the ProcessFlow process.
- The invoice is not in balance.
- The invoice has a "match" status.

# Procedures in this Chapter

---

Use the following procedures to make changes to released invoices.

- ["Maintaining Released Invoices" on page 209](#)
- ["Maintaining Distributions" on page 210](#)
- ["Maintaining a Payment Schedule" on page 212](#)
- ["Maintaining a Recurring Invoice Schedule" on page 213](#)
- ["Canceling Released Invoices" on page 213](#)
- ["Maintaining Invoice and Vendor Holds" on page 214](#)
- ["Maintaining Reportable Income" on page 215](#)
- ["Applying Credit Memos" on page 216](#)

## Maintaining Released Invoices

---

You can make a limited number of field adjustments to released invoices. Options you can maintain for a released invoice include process level, description, invoice accrual code, tax amount, purchase order, voucher number, and user fields. Use this process to maintain released invoices.

### **STEPS** To maintain a released invoice

1. Access Invoice Maintenance (AP30.1). Inquire on the company and vendor you want to display released invoices for.
2. Maintain information on the released invoice.

| <b>If you want to</b>   | <b>Then</b>  |
|---|--|
| Add comments to the invoice   | Choose the Add Cmt button.   |
| Maintain select invoice options such as process level, description, invoice accrual code, tax amount, purchase order number, voucher number, print credit memo flag, pay to vendor, remit to location, or user fields | Choose the Misc button to access Invoice Options (AP30.5).<br><b>TIP</b> To change fields not found on Invoice Maintenance, you must cancel and re-enter the invoice. For instructions, see " <a href="#">Canceling Released Invoices</a> " on page 213. |

---

**IMPORTANT** No edits are performed on the invoice based on the changes you make. For example, if you change the process level, you do not automatically apply the defaults associated with that process level.

---

# Maintaining Distributions

---

You can add new distributions to or maintain the existing distributions of a released invoice. If you change the distribution lines of a recurring invoice, all recurrences reflect the change. If the changes you make to an invoice result in an out-of-balance condition, the invoice expense will not be posted to the general ledger until you correct the error. The total expense distribution amount must equal the invoice amount, and the total tax distribution amount must equal the invoice tax amount.

## **STEPS** To maintain distributions

1. Access Distribution Adjustments (AP30.2).
2. Enter distribution adjustments. You can change the posting company, posting account, user analysis field, and posting amount.

---

**IMPORTANT** Posted distribution lines cannot be maintained in the same way you would maintain an unposted distribution. To maintain a posted expense distribution, add two new distribution lines: one to reverse the incorrect line and one to add a correct line.

---

3. Make additional distribution changes, if desired.

| <b>If you want to</b>  | <b>Then</b>   |
|--|---|
| Balance the total tax amount of an invoice to the total tax distribution amount.   | Click Tax Amount and use Tax Amount (AP31.2) to change the Invoice Tax Amount. The total tax distribution amount must equal the total invoice tax amount before the distributions can be processed by Invoice Distribution Closing (AP175). |
| Change a tax code at the goods line  | If the Tax Ind field for a line is "T", click Tax to view or change the tax code, taxable amount, or the tax usage code for that line.  |
| Add comments to the invoice  | Choose the Add Comments button to add comments to the invoice.  |
| Adjust the total tax amount of the invoice to bring the total tax distribution amount into balance with the invoice tax amount | Click Tax and use Tax (AP30.8) to change the Tax Code or Taxable Amount.  |
| Add or change optional distribution information including activity, unit amount, reference, and the description                | Click More and use Released Invoice Adjustments (AP30.9) to change the optional distribution information.   |

| <b>If you want to</b>  | <b>Then</b>   |
|--|---|
| Reverse accounts activities, and expenses charged to a distribution download | Select the Reverse form action. You must reverse the entire distribution of the original transaction in error.<br><br><b>NOTE</b> Reversals and correcting distributions reflect the current posting period. The transaction date reflects the original distribution. |
| Maintain comments that explain a correction or adjustment                    | Choose the Cmt button to access the AP Distribution Comments subform.   |
| Approve distribution records   | Access Distribution Approvals (AP36.2). You can approve or reject any distributions with pending status.<br><br><b>NOTE</b> AP36.2 is only available if you have selected distribution Adjustments on the Workflow subform of Company (AP00.4)                        |

## Related Reports and Inquiries

| <b>To</b>                                       | <b>Run</b>                            |
|---|---------------------------------------|
| List distributions comments and record statuses | Vendor Comments Listing (AP212)       |
| List the status of distributions                | Distribution Approval Listing (AP237) |

# Maintaining a Payment Schedule

---

You can maintain the payment schedule of a released invoice if has not been fully paid. If you paid a part of the invoice amount, you can maintain the remaining "Open" payments. Make sure the total payment amount equals the invoice amount. Use this procedure to maintain a payment schedule.

**STEPS** **To maintain a payment schedule**

1. Access Payment Schedule Adjustment (AP30.3). Inquire on the invoice you want to maintain a payment schedule for.
2. Select options to have the system create a payment schedule, or create and maintain a payment schedule manually.

| <b>If you want to</b>   | <b>Then</b>   |
|---|---|
| Have the system create the invoice payment schedule                         | Type the number of payments in the Split Number field, select a Split Schedule, and select the Split form action. |
| Create a payment schedule manually or maintain an existing payment schedule | Add the new payments or make field adjustments to existing, open payments and select the Change form action.      |
| Maintain discount information for a scheduled payment                       | Choose the Dsc button and use Discount (AP31.1) to change the discount date or amount.                            |

## Maintaining a Recurring Invoice Schedule

---

You can maintain the number of times a recurring invoice recurs, the frequency of the recurrences, and the amount of a recurring invoice. For more information on recurring invoice transactions, see "[Recurring Invoice Transaction](#)" on page 384. Use this procedure to maintain the payment schedule for a recurring invoice.

### **STEPS** To maintain a recurring invoice

1. Access Invoice Maintenance (AP30.1).
2. Inquire on the recurring invoice you want to maintain.
3. Choose the Recur button to open the Recurring subform (AP30.7). Use the subform to maintain parameters for the recurring invoice schedule.
4. The application automatically changes all future occurrences for the recurring invoice.

---

**IMPORTANT** You can only change the recurring invoice amount if the invoice has not been processed by Invoice Distribution Closing (AP175). If the invoice has been processed by AP175, you must cancel and re-enter the invoice.

---

### **Other Procedures Related to Recurring Invoices**

- Running Payment Closing (AP170) creates the next recurrence of any recurring invoice it processes. As an option, you can run Recurring Invoice Update (AP193) to update recurring invoices. Run Recurring Invoice Update (AP193) if you have any unpaid recurring invoices that are past their due date and want to make sure the liability for the next invoice recurrence posts to the current period to be closed. The program creates the next recurrence of any unpaid recurring invoices if the invoice date or posting date of the next recurrence falls before the As of Date you define.

## Canceling Released Invoices

---

If you need to cancel a released invoice in the company, you can re-enter a canceled invoice in an invoice entry form using the same invoice number, if needed. This procedure describes the process for cancelling released invoices.



**Need More Details?** Check out the following concepts:

- "[When Can't an Invoice be Canceled?](#)" on page 208

### **STEPS** To cancel a released invoice

1. Use Invoice Cancel (AP30.4) to cancel a released invoice. Consider the following field.

**Cancel Date**

If the invoice has been processed by Invoice Distribution Closing (AP175), the system uses the Cancel Date you define to post reversing entries to the expense and liability accounts in the general ledger the next time you run AP175. The system creates reversing entries only if the invoice was posted before the cancellation.

## Maintaining Invoice and Vendor Holds

---

When you add a hold code to an invoice or a vendor, the application will not select that invoice or the vendor's invoices for payment. When you remove a hold code from an invoice or a vendor, the invoice or all of the vendor's invoices become available for payment. This procedure describes the process for adding or removing a hold.

**STEPS To maintain holds**

1. Run Hold Payments Report (AP240) to review the invoices and vendors on hold.
2. Add or remove a hold code.

| To  | Use                                |
|---|------------------------------------|
| Add or remove a hold code for a specific invoice                | Invoice Hold Selection (AP40.1)    |
| Add or remove a hold code for a specific vendor or vendor group | Vendor Hold Selection (AP40.2)     |
| Define parameters used to add or remove many holds at once      | Hold Parameter Definition (AP41.1) |
| Add or remove many holds at once                                | Mass Invoice Hold (AP141)          |

# Maintaining Reportable Income

---

You can add, remove, or change a reportable income code or amount for an invoice. You can maintain reportable income information whether or not the invoice has been paid. Use this procedure to maintain reportable income.

**STEPS** **To maintain reportable income**

- 1. Use Reportable Income Adjustment (AP45.1) to change the reportable income code or reportable amount assigned to an invoice.

## Related Reports and Inquiries

| To   | Use                              |
|--|----------------------------------|
| List all payments that make up a vendor's reportable income balance for review | Reportable Income Report (AP245) |

# Applying Credit Memos

A vendor might issue you a credit memo to reduce your account balance. For example, you might have returned some merchandise, resulting in an overpaid account. Credit memos are also generated by the Accounts Payable application when you enter and release a prepayment. You apply credit memos to the released invoices with which they are associated.

---

**STOP** You will need to enter and release any invoices associated with the prepayment prior applying the credit memo.

---

## STEPS To apply a credit memo

1. Access Credit Memo Application (AP35.1).
2. Complete the header information to select the credit memo you want to apply. Consider the following fields.

|                           |  |
|---------------------------|--|
| <b>Credit Memo</b>        | Select the invoice to which you want to apply the credit memo.             |
| <b>Credit Memo Suffix</b> | Credit memos for prepayments are on permanent hold and have a suffix of 1. |

3. Select the Select form action to display the credit memo details.
4. Select the Apply line action next to each invoice you want applied.
5. In the Applied Amount field, type the amount of the invoice you want applied.
6. Select the Apply form action to apply the amount.

Figure 66. Form clip: Credit Memo Application (AP35.1)

## Chapter 18

# Paying Invoices

---

The process of paying invoices is often referred to as the cash payment cycle because it includes three required phases: selecting the invoices you want to pay, generating the payments, and posting the transactions to the general ledger. Depending on the agreement you have with your vendor, you might produce checks, a tape, or an electronic file.

---

**STOP** Invoices must be released before you can schedule them for payment. Invoices that require payment approval must also be approved before they can be scheduled for payment. For more information on both of these topics, see "[Releasing Invoices](#)" on page 201.

---

# Concepts in this Chapter

---

The following concepts provide background and conceptual information for the procedures within this chapter.

- ["What Logic Is Used to Select Invoices for Payment?" on page 218](#)
- ["How Do Groups Impact Pay Cycles?" on page 220](#)
- ["What Happens When I Close a Cash Payment Cycle?" on page 221](#)
- ["Troubleshooting for Payment Closing \(AP170\)" on page 221](#)
- ["What Setup Is Required for Electronic Files?" on page 223](#)
- ["How Often Should I Close Invoice Distributions?" on page 224](#)
- ["When Would I Use a Manual Payment?" on page 225](#)

## What Logic Is Used to Select Invoices for Payment?

---

The Cash Requirements program uses the pay thru date and payment date to determine which invoices to schedule and which to discount. An invoice will be scheduled for payment if it meets one of the following two criteria.

| <b>Criteria</b>   | <b>If yes</b>   |
|---|---|
| Does the discount date fall between the payment date and pay thru date? | The discount is taken, and the invoice is scheduled for payment regardless of the due date.   |
| Does the due date fall on or before the pay thru date?                  | The invoice is scheduled for payment. The discount is taken only if the discount date falls between the payment date and pay thru date. |

It may help to picture this on a calendar. Mark your payment date and pay thru date on the calendar, and shade in all the days between. The shaded area represents the window during which a discount date must fall to cause an invoice to be scheduled or discount to be taken. Invoices with due dates that fall in the shaded area, or earlier, will also be scheduled for payment.

### Exceptions

There are exceptions to these selection criteria:

- Invoices marked for immediate payment are scheduled for payment regardless of their due dates.
- If you select the Take All Discounts option, the program takes the available discount on all invoices scheduled for payment regardless of their discount dates.

## Examples

If you run a pay cycle with a payment date of November 5 and a pay thru date of November 12, you would see the following impact on these four sample invoices.

| Invoice | Discount Date | Due Date | Discount? | Pay? |
|---------|---------------|----------|-----------|------|
| 1       | 2nd           | 12th     | No        | Yes  |
| 2       | 5th           | 20th     | Yes       | Yes  |
| 3       | 2nd           | 24th     | No        | No   |
| 4       | 14th          | 28th     | No        | No   |

Figure 67. Illustration: Using the payment date and pay thru date to schedule invoices and determine if discounts are taken

| November |    |    |    |    |    |    |
|----------|----|----|----|----|----|----|
|          | 1  | 2  | 3  | 4  | 5  | 6  |
| 7        | 8  | 9  | 10 | 11 | 12 | 13 |
| 14       | 15 | 16 | 17 | 18 | 19 | 20 |
| 21       | 22 | 23 | 24 | 25 | 26 | 27 |
| 28       | 29 | 30 |    |    |    |    |

→

→

**Payment Date**  
November 5

**Pay Thru Date**  
November 12

## Making Changes

If the Cash Requirements program does not select the invoices you want to pay, you have several options available to prevent invoices from being paid or to select additional invoices to be paid. Use one of the following options:

- Place selected invoices or vendors on hold on Hold Selection (AP40) or Mass Invoice Hold (AP141). Run Cash Requirements (AP150) again.
- Assign a user-defined invoice group to those invoices you want scheduled for payment using Payment Schedule Adjustment (AP30.3). Run Cash Requirements (AP150) again for that invoice group only. The invoice group creates a separate check.
- Assign a pay immediately indicator to those invoices you want scheduled for payment using either Payment Schedule Adjustment (AP30.3) or Invoice Hold Selection (AP40.1). Run Cash Requirements (AP150) with Yes in the Pay Immediately Only field.

## How Do Groups Impact Pay Cycles?

---

Defining multiple pay groups, process groups, and invoice groups will impact your payment cycle. The following table describes the impact of groups on specific programs that you run in a pay cycle.

|   |  |
|---|--|
| • Cash Requirements (AP150)   | <p>You can run AP150 once for an entire <i>pay group</i> or run it several times concurrently for individual process groups within the same pay group. Each time you run this job, you select records for different vendors and schedule those invoices for payment.</p>   |
|   | <p>If you run AP150 by process group, the program does not consider vendor priority when selecting invoices. To accomplish this kind of processing, you must define process groups by vendor priority.</p>   |
| • Payment Forms Creation (AP155)<br>• Payment Tape Creation (AP160)<br>• Electronic Payment File Creation (AP161) | <p>After you schedule all of the invoices you want to pay, run one of the payment creation programs to pay all scheduled invoices. The program creates one payment form or payment record for each vendor processed for each combined cash code and payment code in the pay group.</p> <p>If you enter an invoice group, it creates one form for each invoice.</p> <p>For example, if you use two pay groups to process payments for two process levels, AP161 will create two payment files. If you use only one pay group, even if you have multiple process groups, AP161 will produce a single payment file.</p> |
| • Payment Closing (AP170)   | <p>To close the payment cycle, run the payment closing program for an entire pay group or run the program concurrently for individual process groups. You can select either option, regardless of how you processed AP150.</p> <p>For example, even if you ran AP150 by process group, you would still have the option to run AP170 by pay group or process group.</p>   |

## What Happens When I Close a Cash Payment Cycle?

---

After you create your invoice payments and are satisfied with the results, you must close the cash payment cycle. After you close the cash payment cycle, you cannot reprint payment forms and you cannot run Cash Requirements (AP150) to select invoices for the next pay cycle until you close the current cycle.

When you close the payment cycle, the system:

- creates general ledger entries for cash, discount, reportable income withholding, currency gain and loss, and payment accrual transactions;
- creates the next recurrence of any recurring invoice processed in the payment cycle;
- creates the offsetting credit memo for any prepayment or employee advance processed in the payment cycle;
- creates offsetting tax recovery entries, if applicable;
- removes temporary hold codes from vendors and invoices;
- updates vendor balances to reflect the payments that were made; and
- changes paid invoices to historical status making them unavailable for further maintenance.

## Troubleshooting for Payment Closing (AP170)

---

If you receive an error message after running Payment Closing (AP170), use the following section to perform some basic troubleshooting on the payment closing process.

### Forms or Tapes Runs Not Processed for All Bank Accounts

The following advisory messages, which might appear on the report generated by Payment Closing (AP170), indicate that you have run Cash Requirements (AP150), but have not processed all of the scheduled payments:

- Payment Forms Not Processed For All Bank Accounts
- ACH Tape Runs Not Processed For All Bank Accounts
- BACS Tape Runs Not Processed For All Bank Accounts

If you are unsure exactly where you are in the payment cycle, run the Cash Payment Register (AP265) with the following parameters:

| <b>Field</b>    | <b>Parameter to use</b>                   |
|-----------------|---|
| Pay Group       | Same as on Payment Forms Creation (AP150) |
| Invoice Company | Leave blank                               |
| Process Level   | Leave blank                               |

| <b>Field</b>      | <b>Parameter to use</b> |
|-------------------|-------------------------|
| Cash Code         | Leave blank             |
| Payment Dates     | Leave blank             |
| Report Option     | C (Current)             |
| Document Currency | Use default value       |
| Payment Code      | Leave blank             |

After running this report, review the Status column with the following considerations in mind:

- A status of Scheduled means that Cash Requirements (AP150) has been run for this item, but a payment creation program (AP155, AP160, or AP161) has not yet been run. Run the appropriate payment creation program for any transactions that have a status of Scheduled. If any of those transactions were scheduled in error, and you have run at least one of the other payment creation programs scheduled by this run of Cash Requirements (AP150), you must run the appropriate payment creation program. You will then have to void and reinstate the invoices paid in error.
- A status of Processed for system-generated payments means that both Cash Requirements (AP150) and a payment creation program (AP155, AP160, or AP161) have been run for this item, but Payment Closing (AP170) has not yet been run. If all items show as Paid or Open, you need to run Payment Closing (AP170) for the pay group or process group listed on the advisory message.
- A status of Processed for manually entered payments indicates that payments have been entered on the Payment form tab of Basic Invoice (AP20.1) or Taxed Invoice (AP20.2). Release the invoices that have payments attached and then you can run Payment Closing (AP170) for their pay group.
- A status of Issued means that Cash Requirements (AP150), a payment creation program (AP155, AP160, or AP161), and Payment Closing (AP170) have been run for this item.

## **No Payments Are Available for Closing**

The message “No Payments Are Available For Closing” means that no payment cycles are currently in progress and ready to close. If you need to find out where you are in the payment cycle, run Cash Payment Register (AP265) exactly as described in the section above.

## **Manual Payments Are Not Showing Up**

If manual payments do not show up when you run Payment Closing (AP170), use the following trouble shooting tips:

- If the manual payment was applied using the Payment form tab on Basic Invoice (AP20.1) or Taxed Invoice (AP20.2), verify that the batch this

invoice is in has been released. Also, make sure you run Payment Closing (AP170) for the process level entered on this invoice.

- If you are having problems locating a specific manual payment, run Payment Closing (AP170) for a blank process level and for each of your established process levels.

## Journal Entries Went to Error Suspense

If some of your journal entries went to error suspense accounts after running Payment Closing (AP170), verify that all of the accounts you assigned to accounts payable processes are still active. The following hold General Ledger account number references:

- Company-Cash Code Relationship (CB00.3)
- Company (AP00.4)
- Invoice Accrual Code (AP05.2)
- Discount Code (AP05.7)
- Income Withholding Code (AP05.8)
- Tax Company (TX00.1)
- Tax Code Maintenance (TX02.1)

## What Setup Is Required for Electronic Files?

---

If you will be using electronic files to make electronic payments or to produce laser checks, you must make specific selections during the setup process. Use the following checklist to make sure you've completed the required and optional setup for electronic payment processing. For details on implementing a new EDI system, see the *EDI Procedures and Technical Manual*.

| In this form...                      | Setup to complete...   |
|--------------------------------------|--|
| Cash Code (CB00.2)                   | Select the bank that will process the electronic payments in the Electronic Transfer Bank field.   |
| Bank Transaction Definition (CB00.4) | Define a cash payment transaction code for each payment type (electronic payment, tape payment, or laser check) that uses the electronic file.           |
| Cash Payments (CB00.7)               | Select Tape or Electronic File (T) in the Output Option field for the cash payment.  |
| Cash Payment Formats (CB00.5)        | Define a cash payment format for each cash payment transaction code. In the Format field, select Electronic File (22), ACH Tape (11), or BACS Tape (21). |

| <b>In this form...</b>                      | <b>Setup to complete...</b>  |
|---|--|
| Pay Group (AP01.1)                          | Select the payment code you defined in Cash Payments (CB00.7) as the default payment code for the pay group if you will be using electronic or tape payments for the entire pay group.<br><br>The Payment Summarization field on Cash Payments (CB00.7) lets you decide whether to summarize payments or use payment detail. |
| Electronic Transfer Identification (AP01.3) | Use the Electronic Transfer Identification subform to define electronic payment processing information for a pay group.  |
| Vendor Bank (AP16.1)                        | Define an EDI number for the vendor.<br><br>Enter Intermediary Bank values and EDI information.  |
| Vendor Location (AP10.2)                    | Enter EFT or Intermediary Bank information.  |
| Vendor Conversion (AP51.1)                  | Enter EFT, Intermediary Bank, or Building Society information.   |
| Vendor Location Conversion (AP51.2)         | Enter EFT, Intermediary Bank, or Building Society information.   |

## How Often Should I Close Invoice Distributions?

You must process invoice distribution closing at least once in an accounting period. As an option, you can close invoice distributions more frequently, such as after each pay cycle you complete.

A key consideration in deciding how frequently you want to close distributions is the number of distributions you want in the general ledger. The closing program summarizes distributions with the same posting date, accounting unit, account number, subaccount number, activity, and transaction analysis fields. To summarize all distributions for an accounting period, run this program only once at the end of each general ledger accounting period.

See "[Posting in Summary Versus Posting in Detail](#)" on page 387 for more information about selecting summary posting options for general ledger accounts, accounts payable companies, and vendor classes.

## When Would I Use a Manual Payment?

---

You might occasionally want to pay an invoice with a handwritten check, rather than a system-generated check. For example, you might want to quickly write out a check to someone who has shown up at your office with a COD delivery. Even though the payment isn't being generated by the system, you will still want to record the invoice and payment for your record keeping.

Manual payments are not the only way to quickly produce a single payment. An alternative is to enter an invoice and flag it for immediate payment. The Pay Immediately field is on the Payment form tab of Basic Invoice (AP20.1) and Taxed Invoice (AP20.2). The Pay Immediately field is also on Payment Schedule Adjustment (AP30.1). Then run the pay cycle to produce the check and close the cycle.

# Procedures in this Chapter

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Use the procedures in this chapter to pay invoices.

- ["Selecting Invoices for Payment" on page 226](#)
- ["Performing a Check Run" on page 229](#)
- ["Creating a Cash Payment Register" on page 232](#)
- ["Closing a Cash Payment Cycle" on page 234](#)
- ["Creating a Cash Payment Tape" on page 235](#)
- ["Creating a Flat File for Electronic Payment or Laser Checks" on page 236](#)
- ["Reprinting Checks" on page 238](#)
- ["Reserving Checks" on page 239](#)
- ["Creating a Manual Payment for an Unreleased Invoice" on page 240](#)
- ["Creating a Manual Payment for a Released Invoice" on page 241](#)
- ["Closing Invoice Distributions" on page 244](#)

## Selecting Invoices for Payment

---

The first step in the cash payment cycle is to select the invoices you want to pay. You define the dates that are used to select invoices for payment and to determine whether discounts are taken. You can change the parameters and rerun the program that schedules invoices for payment as many times as you need to, until the listing includes just the invoices you want. Use this procedure to select invoices for payment.



**Need More Details?** Check out the following concepts:

- ["What Logic Is Used to Select Invoices for Payment?" on page 218](#)
- ["How Do Groups Impact Pay Cycles?" on page 220](#)

### **STEPS** To select invoices for payment

1. Run Cash Requirements (AP150) to schedule invoices for payment. This program creates a listing of the scheduled payments, calculates currency gains and losses, and calculates the discounts lost by vendor.

Figure 68. Form clip: Cash Requirements (AP150), Main tab

The screenshot shows the Lawson Cash Requirements (AP150) Main tab form. The top navigation bar includes 'AP150', 'Add', 'Change', 'Delete', 'Inquire', 'Next', 'Previous', 'Validate Request', and 'Go To Preferences Help'. The left sidebar contains navigation options like 'Home', 'Data Directory', 'Related Pages', 'Related Links', and 'Related Actions'. The main form area has the following fields and controls:

- Job Name: [Dropdown]
- Job Description: [Text Field]
- User Name: [Dropdown] Lawson First Last
- Product Line: PATCH910
- Parameters section:
  - Pay Group: [Dropdown]
  - Process Group: [Dropdown]
  - Pay Through Date: [Date Picker]
  - Payment Date: [Date Picker]
  - Process Payments: [Radio] AP Payments
  - Update: [Refresh Icon]
  - Take All Discounts: [Checked] [Refresh Icon]
  - Report Option: [Refresh Icon]

- a. Define parameters for the program on the Main form tab. Consider the following fields.

**Process Group** To run this program for an entire pay group, leave this field blank. If you use process groups, you will need to select a process group and run the program once for each process group you want to include.

**Pay Through Date** All released invoices that have a due date on or before the Pay Through Date are scheduled for payment. Select a date that ensures you won't have any gaps in payment. For example, if you run checks every Tuesday, pay invoices due through Monday of the next week. Invoices marked for immediate payment are scheduled regardless of their due dates.

**Payment Date** The Payment Date is used to determine whether to take invoice discounts and to revalue non-base currency invoices. The Payment Date must be less than or equal to the Pay Through Date.

**Process Payments** You decide whether to process AP payments, CB payments, or both (the default is AP payments). Only payments with a status of Released will be processed.

For information on processing cash ledger payments, see the *Cash Ledger User Guide*.

|   |  |
|---|--|
| <b>Update</b>   | You can run this program in report or update mode. You can rerun this program regardless of the update option you select. You must select Update for the final run of the program because cash payments are created only for invoices listed in the last Cash Requirements run in update mode. |
| <b>Take All Discounts</b>   | Select Yes to take the available discount on all invoices scheduled for payment regardless of their discount dates. If you select No, discounts will only be taken if the discount date falls between the payment date and pay through date.   |
| b. Define options relating to cash codes on the Cash Code Options form tab. You can select only one option (cash code, cash code group, or cash code list). |  |
| <b>Cash Code</b>  | Select a specific cash code to schedule invoices assigned that cash code. You set up cash codes using Company Cash Code Relationships (CB00.3).  |
| <b>Cash Code Group</b>  | Selecting a cash code group lets you run AP150 for the cash codes referenced on the cash code group. You set up cash code groups using Cash Code Group (CB11.1).   |
| <b>Cash Code List</b>   | Selecting a cash code list lets you run AP150 for the cash codes referenced on the cash code list. You define attribute lists using List (MX10.1). For more information on attribute lists, see " <a href="#">What is a List?</a> " on page 363.   |
| <b>Override Cash Code</b>   | Select a cash code to pay selected invoices with an alternate cash code.   |
| c. Define additional options on the Select Options form tab to narrow your selection of invoices. Consider the following fields.                            |  |
| <b>Employee Reimbursement</b>   | Select Yes in the Employee Reimbursement field to select employee advances and expenses.   |
| <b>Maximum Cash Outlay</b>  | If you only want to schedule invoices up to a total amount, enter the maximum amount to be used for this cash payment cycle in the Maximum Cash Outlay field.  |
| <b>Invoice Group</b>  | To select invoices assigned a specific, user-defined invoice group, type the invoice group.  |

---

**Pay Immediately Only** Select Yes to pay only those invoices flagged for immediate payment. You can use this feature to pay just a few invoices without paying all invoices that are due. Mark specific released invoices as Pay Immediately on Payment Schedule Adjustment (AP30.3) or Invoice Hold Selection (AP40.1)

- d. Select check sorting options, such as having all payments that require enclosures or countersignatures sort first, on the Sort Options form tab. Consider the following fields.

**Sort Option 1, Sort Option 2, and Sort Option 3** Three fields are available to you to select sort options for your checks. Sort Option 1 is the primary sort option. Sort Option 2 and Sort Option 3 represent additional levels of sorting. For example, you might sort first by postal code, and then within each postal code sort by vendor name.

These sort options are used only to sort your payments; they don't impact how information is presented in the Cash Requirements report generated by this program. You will not see the results of this sort until you run Payment Forms Creation (AP155). Use the Report Option field on the Main form tab to select a sequence for the Cash Requirements report.

---

**Amount Limit** If you are sorting your payments by countersignature or payment amount, you can type the maximum payment amount that does not require sorting.

2. If the invoices selected by Cash Requirements (AP150) should not be paid, or if invoices you want to pay have not been selected, change your parameters and run this program again. The last run of AP150 in update mode is used for payment processing.

## Related Reports and Inquiries

| To                                | Run                                  |
|-----------------------------------|--------------------------------------|
| List potential duplicate invoices | Potential Duplicate Payments (AP221) |

---

## Performing a Check Run

After you select the appropriate invoices for payment, you will need to generate the payments. This procedure details the steps required to perform a check run, the most common method of payment. You can also generate

other types of payments. For details see "[Creating a Cash Payment Tape](#)" on page 235 or "[Creating a Flat File for Electronic Payment or Laser Checks](#)" on page 236.

**STEPS To perform a check run**

1. Access Payment Forms Creation (AP155) and define the parameters to be used when generating the checks. Consider the following fields.
  - a. Choose the Main form tab to select payment and cash code options.

|                        |   |
|------------------------|---|
| <b>Pay Group</b>       | Select a pay group while generating checks. Pay groups are set up using Pay Group (AP01.1).   |
| <b>Payment Code</b>    | Select a payment code while generating checks. Payment codes are set up using Bank Transaction Definition (CB00.4).<br><br>You must run AP155 for each cash code and payment code combination processed by Cash Requirements (AP150). |
| <b>Process Group</b>   | Select a process group if you want to process payments concurrently. This allows you to balance the load. You define process groups using Process Groups (AP02.3).  |
| <b>Cash Code</b>       | Select a cash code that you defined using Company Cash Code Relationships (CB00.3).<br><br>You must run AP155 for each cash code and payment code combination processed by Cash Requirements (AP150).                                 |
| <b>Cash Code Group</b> | Select a cash code group to run AP155 for the cash codes referenced on the cash code group. You set up cash code groups using Cash Code Group (CB11.1).   |
| <b>Cash Code List</b>  | Select a cash code list to run AP155 for cash codes referenced on the cash code list. You set up lists using List (MX10.1).<br><br>For more information on attribute lists, see " <a href="#">What is a List?</a> " on page 363.      |

- b. Choose the Select Options form tab to define check generating options.

|                      |  |
|----------------------|--|
| <b>Payment Date</b>  | Type the payment date. This date is assigned to payments and prints on checks. Payment Closing (AP170) assigns the payment date to general ledger transactions created for payments. |
| <b>Starting Form</b> | You do not need to enter a starting form number if you assigned a starting form number on Cash Payment Formats (CB00.5) during Cash Ledger setup.                                    |

|                              |  |
|------------------------------|--|
| <b>Leader Forms</b>          | Type the number of leader forms you will use when printing. Leader forms are used to feed the continuous print paper into the printer, but are not printed on. Alignment forms are printed on as a test to make sure the print shows up in the correct place on the forms. |
| <b>Alignment Forms</b>       | Type the number of alignment forms you will use when printing. The application automatically voids payment numbers used as alignment forms   |
| <b>Document Currency</b>     | Indicate whether you are creating payment forms in the currency of the bank account (cash code) or the invoice currency.   |
| <b>Print Comments</b>        | Indicate whether to print comments on remittance advice forms.   |
| <b>Include Fax and Email</b> | Decide whether to include fax and e-mail when creating payment forms. Valid values are None, Email only, Fax only, and both Fax and Email.<br><br><b>NOTE</b> Payment format only works if the cash payment format is set up as a separate remittance.                     |

c. Choose the Rerun Options form tab to determine payment reprinting options.

|                       |  |
|-----------------------|--|
| <b>Reprint Option</b> | Use this field if you are reprinting payment forms. Select: <ul style="list-style-type: none"> <li>• Void Range (to void and reprint a range of payment forms)</li> <li>• Remaining Forms (to void and reprint a range of payment forms and continue printing payment forms through the first voided payment through the end of the run)</li> <li>• Complete Rerun (to completely rerun the payment forms, usually before printing has actually begun; use this option if you selected a cash code group or cash code list)</li> </ul> |
|-----------------------|--|

|                   |  |
|-------------------|--|
| <b>Void Forms</b> | If you selected Void Range or Remaining Forms in the Reprint Option field, type the beginning and ending form number for the range of forms to void. |
|-------------------|--|

d. Choose the File Name form tab to enter a print file name or remit file name.

|                       |  |
|-----------------------|--|
| <b>Print Filename</b> | Type a check print file name to control the names of the files that will be used for processing. If left blank the existing file names will be used. |
|-----------------------|--|

---

**Remit Filename** Type a remittance file name to control the names of the files used for processing. If left blank the existing file names will be used.

2. Print the checks by selecting the check file in Print Manager and sending it to the printer. If you encounter problems during the printing, see ["Reprinting Checks"](#) on page 238.

---

**IMPORTANT** Make sure you are satisfied with your cash payment run before you close the payment cycle. Once you close the cash payment cycle, you cannot reprint payment forms.

---

Figure 69. Illustration: Payment Forms Creation (AP155) generates three files: a \*.prt file, a check file, and a remittance file

| Print Files |          |       |              |           |                |
|-------------|----------|-------|--------------|-----------|----------------|
| Job Owner   | Job Name | Form  | Description  | File Name | Creation Date  |
| brendagr    | AP155CK1 | AP155 | Pay code ck1 | AP155.prt | 09/28/99 11:50 |
| brendagr    | AP155CK1 | AP155 | Pay code ck1 | check     | 09/28/99 11:44 |
| brendagr    | AP155CK1 | AP155 | Pay code ck1 | remit     | 09/28/99 11:44 |

## Related Reports and Inquiries

| To                                | Run                                  |
|-----------------------------------|--------------------------------------|
| List potential duplicate invoices | Potential Duplicate Payments (AP221) |

## Creating a Cash Payment Register

---

You can print a cash payment register, sometimes called a check register, so that you have an audit copy of the payments you have made. This is an optional procedure, but tends to be standard practice for many organizations. The cash payment register provides a listing of all invoice payments. This procedure describes the process for creating a payment register.

### **STEPS** To list invoice payments for a pay group

1. Run Cash Payment Register (AP265) to list invoice payments for a pay group. Consider the following fields.

Figure 70. Form clip: Cash Payment Register (AP265)

The screenshot shows the Lawson Cash Payment Register (AP265) form. The form is titled "Cash Payment Register (AP265)" and includes a navigation menu on the left with options like Home, Cash P..., Data Directory, Job Name, Related Links, Reports, Job Scheduler, Print Files, Related Actions, Submit Job, Print Manager, and Job Definition. The main form area contains the following fields:

- Job Name: [Dropdown]
- Job Description: [Text]
- User Name: [Dropdown] First Last
- Data Area/ID: PATCH810
- Parameters section:
  - Pay Group: [Dropdown]
  - Company: [Dropdown]
  - Process Level: [Dropdown]
  - Cash Code: [Dropdown]
  - or Cash Code Group: [Dropdown]
  - Cash Code List: [Dropdown]
  - Payment Dates: [Date] - [Date]
  - Report Option: [Dropdown] Current
  - Document Currency: [Dropdown] Account Currency
  - Payment Code: [Dropdown]

|                          |   |
|--------------------------|---|
| <b>Pay Group</b>         | Select a pay group that you defined using Pay Group (AP01.1).   |
| <b>Company</b>           | Select a company to include payments for that company.  |
| <b>Process Level</b>     | Select a process level to include payment for that process level.   |
| <b>Cash Code</b>         | Select a cash code to include payments paid with that cash code.  |
| <b>Cash Code Group</b>   | Select a cash code group to include payments for the cash codes referenced on that cash code group.   |
| <b>Cash Code List</b>    | Select a cash code list to include payments for the cash codes references on that list. You must have already defined the attribute list using List (MX10.1). For more information on lists, see <a href="#">"What is a List?"</a> on page 363. |
| <b>Payment Dates</b>     | Type a beginning and ending payment date to include invoice payments for a range of payment dates.<br><br><b>NOTE</b> Payment dates are not required. Leave these fields blank to create a cash payment register for the current period.        |
| <b>Report Option</b>     | Determine the volume of payments included on this run of AP265.<br><br>Select Current to include payments created in your current cash payment cycle. (Payments not yet closed by the Payment Closing program.)                                 |
| <b>Document Currency</b> | Indicate whether to list amounts in bank account currency or invoice currency.  |

|                     |  |
|---------------------|--|
| <b>Payment Code</b> | Select a payment code to include payments assigned that payment code. You set up payment codes using Bank Transaction Definition (CB00.4). |
|---------------------|--|

## Related Reports and Inquiries

| To                                | Use                                  |
|-----------------------------------|--------------------------------------|
| List potential duplicate invoices | Potential Duplicate Payments (AP221) |

## Closing a Cash Payment Cycle

After you generate checks (or create a payment tape or electronic file) for each cash code and payment code combination processed by the Cash Requirements program, and are satisfied with the output, close the payment cycle for the pay group. The application performs several important functions when you close the cycle. You can't initiate a new pay cycle, meaning you can't schedule any additional invoices for payment, until you close the existing cycle. Use this procedure to close a cash payment cycle.



**Need More Details?** Check out the following concepts:

- ["What Happens When I Close a Cash Payment Cycle?"](#) on page 221

### **STEPS** To close a cash payment cycle

1. Run Payment Closing (AP170). You can run this program for an entire pay group or, if you use process groups, you can run the program several times concurrently for process groups.
2. After you run AP170, run AP Activity Update (AP178) to list the transactions affected by the payment status updates. You can list all updates, only payment updates to a Paid status, or only payment updates to a Not Paid status. If the status indicates that the activity requires payment information to be sent to AC, AP178 will check if the invoice is paid. If invoices related to distributions have been paid, the AC API removes the hold-not-paid status from ACTRANS records. When AP178 is run, the output reflects the selected transactions and lists those that have been modified.
3. Run Invoice Accrual Reconciliation (AP136) to reconcile to General Ledger. This program lists the difference between what has been paid (using AP170) and what has been expensed (using AP175).

# Creating a Cash Payment Tape

Create a payment tape in the ACH (Automated Clearing House) or BACS (Bankers Automated Clearing System) format to pay scheduled invoices for vendors defined to be paid by payment tape. For a description of the files produced for tape creation, see "[Payment Files Produced by Payment Tape Creation \(AP160\)](#)" on page 393.



**Need More Details?** Check out the following concepts:

- "[What Setup Is Required for Electronic Files?](#)" on page 223

## STEPS To create a cash payment tape

1. Access Payment Tape Creation (AP160). Enter parameters on the Main form tab. Consider the following fields.

Figure 71. Form clip: Payment Tape Creation (AP160), Main tab

---

**Pay Group**

Select a pay group you defined using Pay Group (AP01.1).

---

**Payment Code**

Select a type of cash payment you defined using Bank Transaction Definition (CB00.4).

You must run this program for each cash code and payment code combination defined for tape output and processed by the most recent run of Cash Requirements (AP150) in update mode.

---

**Process Group**

Select a process group if you want to process payments concurrently. This allows you to balance the load.

---

---

**Cash Code** Select a cash code from which you want to create a payment tape.

You must run this program for each cash code and payment code combination defined for tape output and processed by the most recent run of Cash Requirements (AP150) in update mode.

---

**Cash Code Group** Select a cash code group to create a payment tape for the cash codes referenced on the cash code group.

---

**Cash Code List** Select a cash code list to create a payment tape for the cash codes referenced on the cash code list. You must have already defined the attribute list using List (MX10.1).

For more information on lists, see "[What is a List?](#)" on page 363.

2. Define additional parameters for the payment tape on the Select Options form tab. Consider the following fields.

**Effective Date** You must enter a date in the Effective Date field on the Select Options tab. This is the date the funds will be transferred from the bank account.

---

**Print Remittance** You must indicate whether to create remittance advice forms along with the payment tape. If you select Yes, the payment code should be set up for separate remittance advice forms.

3. If you are rerunning a tape creation, enter parameters on the Rerun Options form tab. Consider the following field.

**Recreate Tape and Serial Number** The application assigns a serial number to each payment tape you create. To recreate a payment tape, select Yes in the Recreate tape field and type the serial number assigned to the tape in the Serial Number field.

4. Type a tape filename, a check filename, or a receipt filename on the File Name tab. This controls the names of the files that will be used for processing. If left blank the existing file names will be used.

## Creating a Flat File for Electronic Payment or Laser Checks

---

Create a flat file to pay invoices for vendors defined to be paid by electronic payment or to capture information used to create laser checks. The Electronic Payment Creation program creates a flat file that contains payment data and remittance information. For a description of the files produced for

electronic payment, see "[Payment Files Produced by Electronic Payment Creation \(AP161\)](#)" on page 396.

 **Need More Details?** Check out the following concepts:

- "[What Setup Is Required for Electronic Files?](#)" on page 223.

**STEPS To create an electronic payment transfer file**

1. Run Electronic Payment File Creation (AP161) for each cash code and payment code combination processed by your final run of Cash Requirements (AP150) in update mode. Consider the following fields.

Figure 72. Form clip: Electronic Payment File Creation (AP161)

- a. Choose the Main form tab to set payment and cash code options.

|                        |  |
|------------------------|--|
| <b>Pay Group</b>       | Select a pay group you defined using Pay Group (AP01.1).   |
| <b>Payment Code</b>    | Select a type of cash payment (payment code) you defined using Bank Transaction Definition (CB00.4).   |
| <b>Process Group</b>   | Select a process group if you want to process payments concurrently. This allows you to balance the load.  |
| <b>Cash Code</b>       | Select a cash code from which to create a payment file.  |
| <b>Cash Code Group</b> | Select a cash code group to create a payment file from the cash codes referenced by that group.  |
| <b>Cash Code List</b>  | Select a cash code list to create a payment file from the cash codes referenced by that attribute list. You must have previously defined the list using List (MX10.1). For more information on lists, see " <a href="#">What is a List?</a> " on page 363. |

- b. Choose the Select Options form tab to set payment options.

|                               |   |
|-------------------------------|---|
| <b>Effective Date</b>         | Enter the date that the funds will be transferred from the bank account.  |
| <b>Starting Number</b>        | Enter the starting transaction number.  |
| <b>Document Currency</b>      | Indicate whether you are creating payment forms in the account currency or the invoice currency.  |
| <b>Use AP150 Sort Options</b> | Decide whether to use the sort options defined using Cash Requirements (AP150).   |
| <b>Include Fax and Email</b>  | This option is available for ProcessFlow users only. If you select Email only, Fax Number only, or Both, the vendor's e-mail and/or fax information is automatically included on the output tape. |

c. Choose the Rerun Options form tab to set reprinting options.

|  |   |
|--|---|
| <b>Recreate File and Serial Number</b> | The application assigns a serial number to each electronic payment file you create. To recreate a file, select Yes in the Recreate File field and type the serial number assigned to the file in the Serial Number field. |
|--|---|

d. Choose the File Name form tab to enter payment or remittance file names.

|                         |   |
|-------------------------|---|
| <b>Remit Filename</b>   | Type a payment file name or a remittance file name to control the names of the files that will be used for processing. If left blank, the existing file names will be used. |
| <b>Payment Filename</b> |   |

## Reprinting Checks

You may need to restart the payment form printing process due to bad alignment, printer jams, or an operator error. You can reprint just a few checks or completely rerun all checks. Use this procedure to reprint checks.

### **STEPS** To reprint checks

1. Rerun Payment Forms Creation (AP155).
  - a. Choose the Main form tab to define payment and cash code options.

|                      |  |
|----------------------|--|
| <b>Pay Group</b>     | Select a pay group for creating payment forms.                             |
| <b>Payment Code</b>  | Select the type of cash payment (payment code) for creating payment forms. |
| <b>Process Group</b> | Select a process group for creating payment forms.                         |

|                        |   |
|------------------------|---|
| <b>Cash Code</b>       | Select a cash code (the bank account you want to create payment from).  |
| <b>Cash Code Group</b> | Select a cash code group to create payments from the cash codes referenced in that group.   |
| <b>Cash Code List</b>  | Select a cash code list to create payments from the cash codes referenced in that attribute list. You must have defined the list using List (MX10.1). |

b. Choose the Select Options form tab to set printing options.

|                          |   |
|--------------------------|---|
| <b>Payment Date</b>      | Type the payment date to print on the checks.   |
| <b>Leader Forms</b>      | Type the number of printer leader forms required.   |
| <b>Alignment Forms</b>   | Type the number of printer alignment forms required.  |
| <b>Document Currency</b> | Indicate whether you are creating payment forms in the account (cash code) or invoice currency. |

c. Choose the Rerun Options form tab to set reprint options.

|                       |  |
|-----------------------|--|
| <b>Reprint Option</b> | Select a reprint option (Void Range, Remaining Forms, or Complete Rerun).  |
| <b>Void Forms</b>     | If you selected Void Forms or Remaining Forms in the Reprint Option field, type the beginning and ending form number for the range of forms to void. |

d. Choose the File Name form tab to enter print and remittance file names.

|  |  |
|--|--|
| <b>Print Filename and Remit Filename</b> | Enter the Print file name and Remit file name. |
|--|--|

## Reserving Checks

If you use the same check stock for both manual and system payments, you will want to reserve the checks you will be using for manual payments. This eliminates the possibility of using a check number twice. This procedure describes the process for reserving checks.

---

**STOP** To have your transaction code for manual payments require check reservation, select Yes in the Manual Payment Reservation field on Cash Payments (CB00.7).

---

**TIP** You might need to reserve the same form numbers for both your manual payment and application payment transaction code to prevent a system check with the same number from being created.

**STEPS To reserve checks**

1. Access Manual Forms Reservation (AP81.1).
2. Select the cash code, payment code and pay group combination for which you want to reserve forms.
3. Enter the form numbers you want to reserve.
4. Choose the Reserve special action. A message displays in the Status bar asking you to confirm the number of forms you want to reserve.
5. Choose the Reserve special action again to confirm.

### Options for Reserving Checks

| To   | Use   |
|--|---|
| Unreserve checks that you reserved earlier | The Unreserve special action on Manual Forms Reservation (AP81.1) |

## Creating a Manual Payment for an Unreleased Invoice

---

Use this procedure to create one manual payment for one base currency invoice. To create a manual payment for a nonbase currency invoice, a released invoice, or more than one invoice, see "[Creating a Manual Payment for a Released Invoice](#)" on page 241.



**Need More Details?** Check out the following concepts:

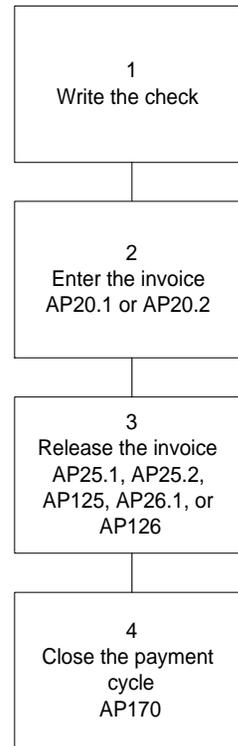
- "[When Would I Use a Manual Payment?](#)" on page 225.

---

**STOP** Before you create manual payments, you must define a transaction code for manual payments using Bank Transaction Definition (CB00.4). For details, see "[Defining a Bank Transaction](#)" on page 50.

---

Figure 73. Procedure flow: Creating a manual payment for an unreleased invoice



**STEPS To create a manual payment for an unreleased invoice**

1. Write the check for the invoice you want to pay with a manual cash payment.
2. Use Basic Invoice (AP20.1) or Taxed Invoice (AP20.2) to enter the invoice. On the Payment form tab, type the payment number (check number), payment date, and payment amount.
3. Release the invoice. For more information, see "[Releasing Invoices](#)" on page 203.
4. Run Payment Closing (AP170) to close the cash payment. For more information, see "[Closing a Cash Payment Cycle](#)" on page 234.
5. Optional. Run AP Activity Update (AP178) to check the activities on posted distributions. If the activity status indicates that the activity requires payment information to be sent to AC, AP178 will check to see if the invoice is paid. If it is not paid, the invoice is assigned a Hold status.
6. Run Invoice Accrual Reconciliation (AP136) to reconcile to General Ledger. This program lists the difference between what has been paid (using AP170) and what has been expensed (using AP175).

## Creating a Manual Payment for a Released Invoice

---

You can create a manual cash payment for a non-base currency invoice, a released invoice, or more than one invoice. To create a manual payment for a

single base currency invoice that has not been released, see "[Creating a Manual Payment for an Unreleased Invoice](#)" on page 240.



**Need More Details?** Check out the following concepts:

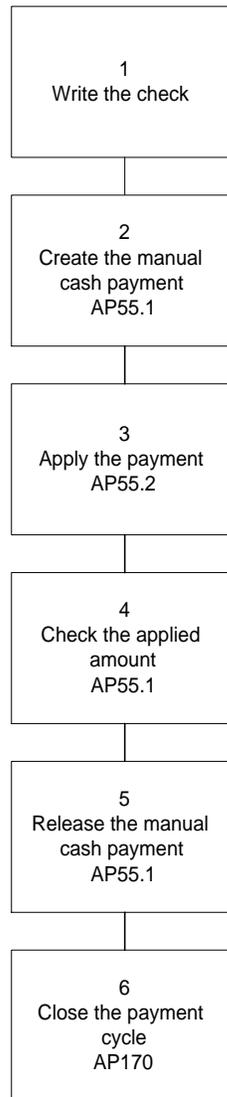
- "[When Would I Use a Manual Payment?](#)" on page 225.

---

**STOP** Before you create manual payments, you must define a transaction code for manual payments using Bank Transaction Definition (CB00.4). For details, see "[Defining a Bank Transaction](#)" on page 50.

---

Figure 74. Procedure flow: Creating a manual cash payment for a released invoice.



**STEPS To create a manual cash payment for a released invoice**

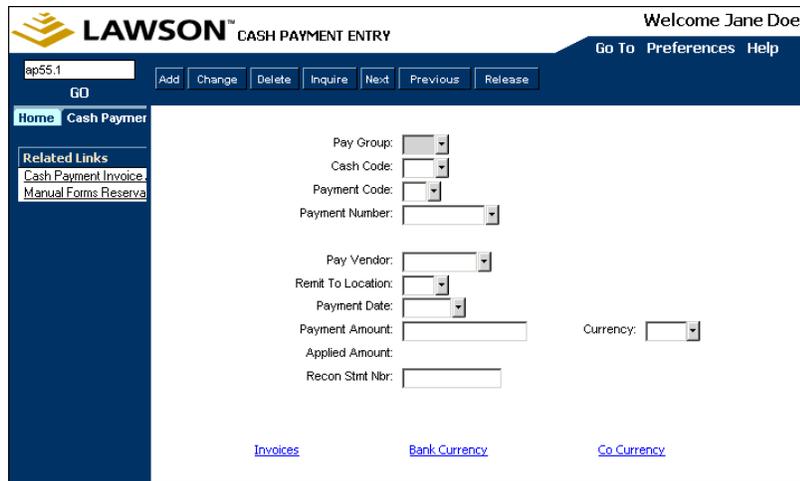
1. Write the check for the invoice you want to pay with a manual cash payment.
2. Access Cash Payment Entry (AP55.1) to create a manual cash payment. Consider the following fields.

**Payment Code** Select the payment code that you defined for manual payments. A manual payment code should be defined to have no output and can also be defined to require manual payment reservation. For details, see "[Defining a Bank Transaction](#)" on page 50.

**Payment Number** If you require manual payment forms reservation, the payment number you enter must be reserved. Use Manual Forms Reservation (AP81.1) to reserve checks.

**Payment Amount** The payment amount you enter must be equal to the invoice amount less any available discount. To apply only part of the invoice amount, use Payment Schedule Adjustment (AP30.3) to split the invoice.

Figure 75. Form clip: Cash Payment Entry (AP55.1)



3. Choose the Add form action. Cash Payment Invoice Application (AP55.2) displays. Use this form to apply the payment.
  - a. Select the Display Open or Display Holds special action to display invoices that are open or on hold.
  - b. Select the Apply line action to apply the manual cash payment to one or more released invoices. The applied amount must be equal to the invoice amount less any available discount.
  - c. Select the Apply special action to apply the payment. If you assigned a manual payment hold code to the invoices, the system automatically removes the hold when you apply the payment.

Figure 76. Form clip: Cash Payment Invoice Application (AP55.2)

4. Choose the Payment button to access Cash Payment Entry (AP55.1). The applied amount displays. This amount must equal the payment amount before you can release the manual payment.
5. Select the Release form action to release the manual cash payment.
6. Run Payment Closing (AP170) to close the cash payment cycle. The invoice *will not* be scheduled for payment by Cash Requirements (AP150). For more information, see "[Closing a Cash Payment Cycle](#)" on page 234.
7. Optional. Run AP Activity Update (AP178) to check the activities on posted distributions. If the status indicates that the activity requires payment information to be sent to AC, AP178 will check if the invoice is paid. If the invoice is not paid, a Hold status will be assigned to the invoice.
8. Run Invoice Accrual Reconciliation (AP136) to reconcile to General Ledger. This program lists the difference between what has been paid (using AP170) and what has been expensed (using AP175).

## Closing Invoice Distributions

To transfer released invoice distributions to the general ledger, you need to close your invoice distributions. You can do this at any time after you release invoices, but you must do it at least once in an accounting period. The closing process changes distributions to a historical status.



**Need More Details?** Check out the following concepts:

- "[How Often Should I Close Invoice Distributions?](#)" on page 224

### **STEPS** To process distribution closing

1. Run Invoice Distribution Closing (AP175). Consider the following fields.

|                              |   |
|------------------------------|---|
| <b>Account Structure</b>     | Select how you want to run distributions, Company only, Company/Process only, or Company/Account Structure.   |
| <b>Post Through Date</b>     | Invoice distributions with a posting date less than or equal to the Post Through Date you enter are transferred to the general ledger.  |
| <b>Update General Ledger</b> | Select Yes to transfer released invoice distributions to General Ledger and change their status to historical. To perform a test run of this program, without updating General Ledger, select No. |

Figure 77. Form clip: Invoice Distribution Closing (AP175)

The screenshot shows the Lawson 'INVOICE DISTRIBUTION CLOSING' form. The top navigation bar includes 'GO', 'Add', 'Change', 'Delete', 'Inquire', 'Next', 'Previous', and 'Validate R'. The left sidebar has 'Home', 'Invoice Distri...', 'Related Links' (Reports, Job Sched), and 'Related Actions' (Submit, Print Msg). The main form area contains the following fields:

- Job Name: [Dropdown]
- Job Description: [Text Field]
- User Name: [Dropdown] Jane Doe
- Product Line: DEVSD
- Company: [Dropdown]
- Process Level: [Dropdown]
- Account Structure: [Dropdown]
- Post Thru Date: [Dropdown]
- Update General Ledger: [Dropdown] No
- Process Level Sequence: [Dropdown] No
- Print Option: [Dropdown] None

- Run AP Activity Update (AP178) after you run AP175 to check activities on posted distributions. If the status indicates that the activity “requires payment information” to be sent to AC, AP will check to see if the invoice has a Paid status. If the invoice is not paid, a Hold code is assigned to the transaction record.
- Run Invoice Accrual Reconciliation (AP136) to reconcile to General Ledger. This program lists the difference between what has been paid (using AP170) and what has been expensed (using AP175).

## Related Reports and Inquiries

| To   | Run   |
|--|---|
| Audit posted transactions by period for a specific accounting unit and account | Departmental Procurement Expense Inquiry Selection (MM80) |



## Chapter 19

# Closing a Period or Year-End

---

This chapter describes the procedures you perform to close an accounting period or a fiscal year. If you use the closing control options that are part of the general ledger system control, you must run the accounts payable period closing program before closing General Ledger.

# Procedures in this Chapter

---

Closing accounting periods and processing year-end closing can be an important part of managing your accounts payables. Use the following procedures to prepare for and close a period or year.

- ["Preparing for Period or Year-End Closing" on page 248](#)
- ["Closing a Period" on page 251](#)
- ["Closing Year-End" on page 254](#)
- ["Archiving Invoices" on page 255](#)
- ["Purging Data" on page 256](#)

## Preparing for Period or Year-End Closing

---

There are several important steps that you should complete to prepare for a period or year-end closing. Each of these items is conditional, based on your particular way of doing business and the timing of your period close. For example, if you just closed your cash payment cycle, you would not need to run Payment Closing again. Use the following procedure to prepare for period or year-end closing.

---

**IMPORTANT** If you run the year-end closing program before releasing invoices, updating payments and distributions, and reinstating invoices for the previous year, the associated transaction distributions will post to the Period One balance of the new year.

---

### **STEPS** To prepare for period or year-end closing

1. Use the appropriate forms to complete your preparation for period or year end closing. Use the following table to identify the tasks you should perform.

| <b>Use</b>                                       | <b>To</b>  |
|--|--|
| System Control (GL01.1)                          | Verify the last period closed for the Accounts Payable application and then check to see that system control is turned on. |
| Basic Invoice (AP20.1)<br>Taxed Invoice (AP20.2) | Release any invoice that has a manual payment applied and has a check date that is prior to the period end date.           |

| <b>Use</b>   | <b>To</b>  |
|--|--|
| Batch Control (AP25.1)<br>Batch Review (AP25.2)<br>Batch Release (AP125)<br>Invoice Release (AP26.1)<br>Mass Invoice Release (AP126) | Release all invoices that have a post date prior to the period end date, or change the posting date using Basic Invoice (AP20.1).  |
| Payment Closing (AP170)  | Update cash payments, posting all system and manual payments with dates prior to the period end date. Run this program once for a blank process level, then run it with each or your specific process levels. For details, see <a href="#">"Closing a Cash Payment Cycle"</a> on page 234.<br><br>AP170 also reverses the unrealized gain or loss entry and creates a realized gain or loss general ledger transaction to reflect any exchange rate fluctuation between the invoice date and the payment date. |
| Invoice Distribution Closing (AP175)   | Post all invoice and tax distributions using a post through date equal to the period end date. If you using intercompany processing, run this program for each company. You must run this program at least once in an accounting period to transfer released invoice distributions to the General Ledger. For details, see <a href="#">"Closing Invoice Distributions"</a> on page 244.  |
| AP Activity Update (AP178)   | This is a Grant Management requirement that is only needed if you are using Billing and Revenue Management.<br><br>Check the activities on posted distributions. If the status indicates that the activity requires payment information to be sent to AC, AP178 will check if the invoice is paid. If the invoice is not paid, a Hold status will be assigned to the invoice.  |

| <b>Use</b>  | <b>To</b>  |
|---|--|
| Invoice Reinstatement (AP190)   | Reinstate invoices for voided payments. Post all voided payments with a void date prior to the period end date. For details, see " <a href="#">Voiding Payments</a> " on page 258.   |
| Unrealized Gain/Loss (AP191)  | To calculate and create unrealized gain and loss general ledger transactions for payment accrual and unrealized gain and loss accounts for companies that pay non-base currency invoices.  |
| Recurring Invoice Update (AP193)                                      | To update recurring invoices. Normally, Payment Closing (AP170) creates the next recurrence of any recurring invoices it processes. If you pay all recurring invoices on or before their due date, you never need to run this program. Run this program if you have any unpaid recurring invoices that are past their due date and want to make sure the liability for the next invoice recurrence posts to the current period to be closed. |
| Employee Advance (EE20.1)<br>Employee Expense (EE20.2)                | Release any advance or expense that has a manual payment applied and has a check date that is prior to the period end date, or remove the payment information.   |
| Company Expense Posting (EE175)                                       | Update company-paid employee distributions using the post thru date equal to the period end date. If you use intercompany processing, run this program for each company. For details, see " <a href="#">Processing Employee Expenses</a> " on page 271.  |
| Bank Transaction Entry (CB20.1)<br>Reconciliation Adjustment (CB30.1) | Release all bank transactions and reconciliation adjustments that have posting dates prior to the period end date, or change the posting date on the transaction.  |

| Use   | To   |
|---|--|
| Bank Transaction Posting (CB175)              | Transfer cash ledger transactions to the general ledger. This program posts transaction entries and reconciliation adjustments through the post thru date you define for the cash code specified and creates a listing of transactions to be posted. |
| Bill of Exchange Cashing Update (AP180)       | Update BOE payments for the last year.   |
| Bill of Exchange Distribution Posting (AP185) | Update BOE distributions.  |

## Closing a Period

Closing an accounting period is required only if you elected to use closing control in General Ledger. If you are using closing control, you must close your Accounts Payable period before you can close General Ledger. The closing control option is defined in System Control (GL01.1). Use this procedure to close an accounting period.

**STOP** Before running the period close program, complete the required preparation steps to ensure that your data is ready to be closed. See ["Preparing for Period or Year-End Closing"](#) on page 248.

### **STEPS** To close an accounting period

1. Use Period Closing (AP195) to close an accounting period. Consider the following fields.

|               |  |
|---------------|--|
| <b>Period</b> | Type the general ledger accounting period for which you are processing the accounts payable closing. You define periods on Company (GL10.1). |
| <b>Year</b>   | Indicate whether the period selected is in the current or next general ledger fiscal year.   |

---

**Update  
Unreleased  
Invoices**

Indicate whether you want to automatically update unreleased invoices with a new posting date. If you have any unreleased invoices with a posting date in the period you are closing, you must do one of the following:

- change the posting date to a future period by selecting Yes in this field and running this program,
- change the posting date to a future period manually using one of the invoice entry forms, or
- release the invoices and run Invoice Distribution Closing (AP175).

---

**Update  
Unapproved  
Invoices**

Indicate whether you want to automatically update the posting date on unapproved invoices from PO to allow AP period closing to occur.

Figure 78. Form clip: Period Closing (AP195)

The screenshot shows the Lawson Period Closing (AP195) form. The top navigation bar includes 'AP195' and 'GD' buttons, along with 'Add', 'Change', 'Delete', 'Inquire', 'Next', 'Previous', and 'Validate R' options. The user is logged in as 'Jane Doe'. The form contains several input fields: 'Job Name', 'Job Description', 'User Name' (set to 'Janedoe'), and 'Product Line' (set to 'DEV80'). Under the 'Parameters' section, there are dropdown menus for 'Company', 'Period', and 'Year' (set to 'Current'). There are also checkboxes for 'Update Unreleased Invoices', 'Update Unapproved Invoices', and 'Update', all of which are currently set to 'No'. The form has a navigation bar at the top with 'AP195' and 'GD' buttons, and a sidebar on the left with 'Home', 'Period Closing', 'Related Links', 'Reports', 'Job Sched', and 'Related Actions' (Submit, Print Msg). The top right corner says 'Welcome Jane Doe' with 'Go To', 'Preferences', and 'Help' links.

2. Use Journal Posting (GL190) to post Accounts Payable journal entries to General Ledger.
3. Use Invoice Accrual Reconciliation (AP136) to reconcile to General Ledger. This program lists the difference between what has been paid (using AP170) and what has been expensed (using AP175).

Figure 79. Form clip: Invoice Accrual Reconciliation (AP136)

## Related Reports and Inquiries

| To   | Run   |
|--|---|
| List released invoices for a vendor group, pay group, or invoice company to review invoice totals and details for accuracy | Open Payable Report (AP230)                               |
| Create an aged trial balance report for a company, pay group, or vendor group to forecast cash requirement needs           | Cash Forecasting (AP250)                                  |
| List invoice transactions that make up your invoice accrual account balance as of the date you specify                     | Invoice Accrual Reconciliation (AP136)                    |
| List invoice payments  | Cash Payment Register (AP265)                             |
| List historical invoice distributions processed by Invoice Distribution Closing (AP175) for a company                      | Invoice Distribution History (AP275)                      |
| List general ledger postings broken down by accounting unit and account  | Departmental Procurement Expense Report (MM280)           |
| Audit posted transactions by period for a specific accounting unit and account   | Departmental Procurement Expense Inquiry Selection (MM80) |

# Closing Year-End

---

Once each fiscal year, you will need to process year-end closing to establish new vendor group period ending dates for each vendor group and to transfer current year vendor period balances to last year. Use this procedure to close your year-end.

---

**STOP** Before running the period close program, complete the required preparation steps to ensure that your data is ready to be closed. See ["Preparing for Period or Year-End Closing"](#) on page 248. If, after a conversion, vendor balances don't exist or are incorrect, you can rebuild them. See ["Rebuilding Vendor Balances"](#) on page 162.

---

## **STEPS** To close year-end

1. Run Vendor Balance Year End (AP199). Consider the following field.

**New Fiscal Period Ending Dates** You must enter period ending dates for the new fiscal period to run this program. Keep the same periods each year so that your historical queries are credible.

## Related Reports and Inquiries

| To   | Run                                  |
|--|--------------------------------------|
| List all payments that make up a vendor's reportable income balance for a specified payment date range | Reportable Income Report (AP245)     |
| List manual and system-generated payments for a pay group  | Bank Account Payment History (AP255) |
| List invoice payments  | Cash Payment Register (AP265)        |
| List vendor payment history for a company, pay group, or vendor group                                  | Vendor Payment History (AP270)       |
| List historical invoice distributions processed by Invoice Distribution Closing (AP175) for a company  | Invoice Distribution History (AP275) |

# Archiving Invoices

---

To speed up batch and on-line performance, you can archive invoices and related Accounts Payable data. You can use archiving as an alternative to purging data. The advantage of archiving is that you can inquire or report on the archived information.

## **STEPS** To archive invoices

1. Use Invoice Data Archival (AP198) to archive invoices and related Accounts Payable data. Consider the following fields.

|                             |  |
|-----------------------------|--|
| <b>Company</b>              | Select a valid accounts payable company number.  |
| <b>Cutoff Date</b>          | Archive paid invoices with a payment date less than or equal to this date.   |
| <b>1099 Reportable Year</b> | Enter the current year for 1099 reporting. Only 1099 invoices with a payment date less than the 1099 reportable year will be archived. |

## Related Reports and Inquiries

| <b>To</b>   | <b>Use</b>   |
|---|--|
| Display archived and non-archived vendor activity           | Vendor Activity (AP91.1)   |
| Display archived invoices for a vendor by vendor group.     | Archived Vendor Invoices (AP93.1)  |
| Display archived invoices for a vendor by pay group invoice | Archived Pay Group Invoices (AP93.2)   |
| Display archived invoice information by vendor invoice      | Archived Invoice Search by Vendor Invoice (AP96.1)   |
| Display archived invoice information by voucher             | Archived Invoice Search by Voucher (AP96.2)  |
| Display archived invoice information by purchase order      | Archived Invoice Search by Purchase Order (AP96.3)   |
| View current and archived information on select reports     | Vendor Payment History (AP270)<br>Invoice Distribution History (AP275)<br>Reportable Income Report (AP245) |

# Purging Data

---

To manage the size of your Accounts Payable database, and to minimize the number of records you need to sort through when selecting data, you can delete historical transactions and records from Accounts Payable files. You cannot inquire or report on the information these programs delete. Use this procedure to purge historical and archived data.

## **STEPS** To purge data

1. To create listings of the data you are deleting, run Bank Account Payment History (AP255), Vendor Payment History (AP270), and Invoice Distribution History (AP275).
2. Use Invoice and Vendor History Purge (AP300) to purge invoice, vendor, and comment records from the application. Consider the following fields.

|                       |  |
|-----------------------|--|
| <b>Purge Invoices</b> | Select Yes to purge historical invoices. Employee advance and expense records that meet your parameters are also purged. Invoices that are 1099 reportable and are within the current year will not be purged. |
|-----------------------|--|

---

|                           |  |
|---------------------------|--|
| <b>Archive if Purging</b> | If you selected Yes in one of the purge fields, indicate whether to archive the data. Archived records are moved to a CSV file. The path name is <code>\$LAWDIR/productline/work</code> . A subdirectory is created based on the table name. |
|---------------------------|--|

---

|                    |  |
|--------------------|--|
| <b>Cutoff Date</b> | All data that is no longer effective on or before the date you define will be deleted. Payment, invoice, and distribution records must be at least two years old to be purged. |
|--------------------|--|

## Chapter 20

# Voiding Payments

---

You have most likely received calls from vendors complaining that they never received payment for an invoice. When payments get lost in the mail, are issued in error, or are no longer valid for any reason, you will want to void them from the Lawson Accounts Payable application. This chapter describes the procedures for voiding payments and reinstating invoices.

# Procedures in this Chapter

---

You can void payments or payment forms to account for payments or checks that never went to a vendor.

- ["Voiding Payments" on page 258](#)
- ["Voiding Payment Forms" on page 261](#)

## Voiding Payments

---

You can void payments that have made it all the way through the cash payment cycle. You reinstate the invoice to reverse the general ledger payment entries, and then you can either create a new payment for the reinstated invoice or cancel it. For example, if a vendor never received payment or if you keyed an invoice to the wrong vendor, you would probably want to reissue a payment using the same invoice. Use this procedure to void payments.

### **STEPS** To void a payment

1. Use Bank Transaction Adjustment (CB80.1) to void a payment. Consider the following fields.

|                                  |   |
|----------------------------------|---|
| <b>Reconciliation Statement</b>  | Enter a reconciliation statement number only if one is required for the cash code. You define this requirement in Bank Statement (CB06.1).                |
| <b>Line Action</b>               | Select Void, and then select the Change form action to void a payment. You can also reconcile, open, or stop payment for a transaction on this form.      |
| <b>Reconciliation, Void Date</b> | You can enter the void date to be used by Invoice Reinstatement for posting reversing entries to general ledger. If left blank, the system date defaults. |
| <b>ST (Status)</b>               | This display field indicates the status of a transaction. A transaction can be Open, Void, or Reconciled.   |

Figure 80. Form clip: Bank Transaction Adjustment (CB80.1)

2. Use Invoice Reinstatement (AP190) to reinstate invoices associated with voided payments. This program reverses general ledger payment entries including cash, discount, income withholding, and liability accounts.

**IMPORTANT** You can select the Open line action on Bank Transaction Adjustment (CB80.1) to re-open a voided transaction prior to running Invoice Reinstatement (AP190). After running AP190, you can no longer re-open the payment transaction.

Figure 81. Form clip: Invoice Reinstatement (AP190)

3. If you do not want to reissue a payment or if you want to re-enter the invoice with changes, use Invoice Cancel (AP30.4) to cancel the reinstated invoice.

---

**IMPORTANT** Remember that you cannot change the company, vendor, invoice number, invoice type, invoice amount, handling code, or currency for a released invoice. If one of these items requires a change, you must cancel the invoice and re-enter a new one.

---

## Follow-up Tasks

- If you need to reissue a payment for the invoice, such as when the original check never got to the vendor, you will need to run a cash payment cycle to generate the payment. For detailed procedures, see ["Performing a Check Run"](#) on page 229.
- You will need to run Invoice Distribution Closing (AP175) to reverse any posted expense distributions for the canceled invoices. You can run this program immediately, or wait until the next time you would normally run the program. For details, see ["Closing Invoice Distributions"](#) on page 244.
- If you run AP175, you should run AP Activity Update (AP178) to check activities on posted distributions. If the activity requires payment information, AP178 checks if the invoice is paid. If it is not paid, A Hold status is assigned to the invoice.
- Also, run Invoice Accrual Reconciliation (AP136) to reconcile to General Ledger. This program lists the difference between what has been paid (using AP170) and what has been expensed (using AP175).

## Options for Voiding Payments

| To                               | Use  |
|----------------------------------|--|
| Void a range of payments at once | Bank Tape Mass Reconciliation (CB185) in Update mode to void the payments. |

## Related Reports and Inquiries

| To  | Use  |
|---|--|
| List voided payments  | Bank History Report (CB220). Select "Void" in the Transaction Status field.  |
| Display all transactions for a specific cash code and transaction type combination, including the status of the transaction | Bank Transactions (CB90.4). Filter by status to narrow the list, such as displaying only voided transactions.                  |
| Display invoices for a vendor   | Invoice Search by Vendor-Invoice (AP90.1). Filter by status to narrow the list, such as displaying only canceled transactions. |

## Voiding Payment Forms

---

You void payment forms to track your check stock. For example, if a check is torn and cannot be used, you will want to void that check number. By voiding a check, you can account for a gap in check numbers when a check is destroyed. This procedure describes the process for voiding a payment form.

---

**STOP** To void a reserved check, you must first unreserve it. Select the checks you want to unreserve on Manual Forms Reservation (AP81.1) and select the Unreserve special action.

---

### **STEPS** To void payment forms

1. Access Manual Forms Reservation (AP81.1).
2. Enter a cash code, payment code, payment numbers, and pay group to select the check(s) you want to void.
3. Select the Void special form action to void the check(s).



## Chapter 21

# Processing Employee Expenses

---

This chapter introduces the Lawson Employee Expense application. You can use the Employee Expense application to enter employee advances and expenses for processing in Lawson Accounts Payable. You can create and release advances, enter expenses, and reconcile employee expenses against advances.

---

**STOP** Before you use the Employee Expense application, you must set up the Cash Ledger and Accounts Payable applications. For more information, see the *Cash Ledger User Guide* and the setup chapters of this guide.

---

# Concepts in this Chapter

---

The following concepts provide background and conceptual information for the procedures within this chapter.

- ["How Does Accounts Payable Setup Affect Employee Expense?" on page 265](#)
- ["What Do I Do With an Open Advance Balance at Year-End?" on page 266](#)

# How Does Accounts Payable Setup Affect Employee Expense?

---

You must complete Accounts Payable setup before you setup and use the Employee Expense application. Before you can enter advances and expenses in the Employee Expense application, you need to define:

- the employee advance and expense reconciling option
- each employee as an accounts payable vendor

## Reconciling Options

Define an employee advance and expense reconciling option for each accounts payable company that processes employee advances and expenses. You have the option to reconcile advances and expenses against an employee's open balance or match expenses to advances.

Running Payment Closing (AP170) creates a released credit memo for the same amount as the employee advance with an invoice suffix of "01" when the advance is paid. This is an open credit in the Accounts Payable application and will be reconciled against any released expenses and paybacks for the same employee.

## Open Balance Option

To reconcile advances and expenses against an employee's open balance, select Open in the Employee Expense Reconciliation field for the company in Company (AP00.4). This is the default value.

## Matching Option

To match employee expenses to advances, select Matching in the Employee Expense Reconciling field for the company in Company (AP00.4).

With this option, Payment Closing (AP170) also assigns the prepayment hold code defined in Vendor Group (AP00.1) to the advance. Use Expense-Advance Matching (EE30.1) to apply unreleased expenses to one or more paid advances before you release the expenses to the Accounts Payable application for further processing.

## Employee Vendor Class

You can define a separate vendor class for employees. By defining a separate vendor class, you can process accounts payable payments for employees only.

## Employees

Define each employee as a vendor in the Accounts Payable application. If you define an employee vendor class, assign the vendor class to each employee.

## What Do I Do With an Open Advance Balance at Year-End?

---

You have three options if an employee had an open advance balance at the end of the year.

- If the open advance balance is considered employee income and is subject to withholding, add an income code and reportable amount (amount of the advance still open) to the original advance record in Reportable Income Adjustment (AP45.1). Include the advance record when you perform reportable income processing.
- Have the employee return the unused advance amount and enter the amount as a cash payback to zero-out the outstanding balance.
- Do nothing. The open advance balance will remain in the system for future use.

# Procedures in this Chapter

---

If you use the Employee Expense application, use these procedures to enter employee advances and expenses for processing in Accounts Payable.

- ["Completing Setup for Employee Expense" on page 267](#)
- ["Processing Employee Advances" on page 268](#)
- ["Processing Employee Expenses" on page 271](#)
- ["Processing Employee Paybacks" on page 274](#)
- ["Interfacing Employee Expense Data" on page 276](#)

## Completing Setup for Employee Expense

---

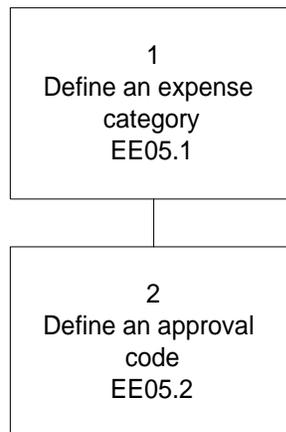
During employee expense setup, you define expense categories and approval codes. Expense categories classify expenses into different expense types, such as airfare or meals. Approval codes identify the person or department responsible for approving an employee advance, expense, or payback. You assign approval codes to advances, expenses, and paybacks before you release them. This procedure describes the setup you must complete before processing employee expenses.



**Need More Details?** Check out the following concepts:

- ["How Does Accounts Payable Setup Affect Employee Expense?" on page 265.](#)

*Figure 82. Procedure flow: Completing setup for employee expense*



### **STEPS** To complete setup for employee expense

1. Use Category (EE05.1) to define at least one expense category for each accounts payable company that processes employee expenses and paybacks. Consider the following fields.

**Category** You must define at least one expense category. This represents a specific expense type and can also represent a general ledger expense distribution account.

---

**Account Number** You can select a general ledger distribution account to default on employee expense detail lines and paybacks assigned this category.

---

**Type** Assign one of the following expense category types to the category:

- Employee Paid Expense (E)
- Company Paid Expense (C)
- Cash Payment (P)
- Units (U)

---

**More Button** To define optional defaults for an expense category, choose the More button. You can define a distribution account, invoice accrual code, tax code, reference, description, and user analysis field.

2. Use Approval Code (EE05.2) to define at least one approval code for each accounts payable company that processes employee advances, expenses, and paybacks.

## Processing Employee Advances

---

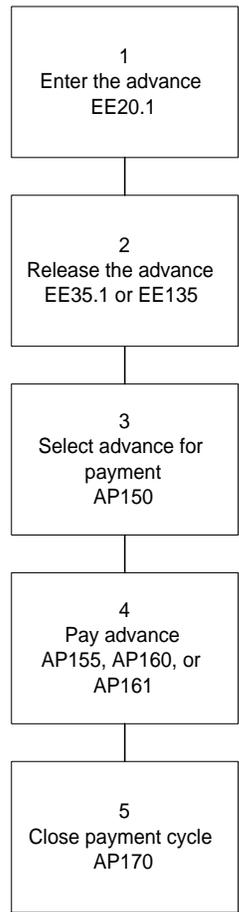
You might need to process employee advances, cash payments issued to an employee for anticipated expenses. For example, if you have employees that travel frequently, you might provide them with cash payments prior to receiving their expense reports. Processing employee advances is similar to processing invoices: you enter, release, and pay the advance in separate steps. This procedure describes how to process employee advances.



**Need More Details?** Check out the following concepts:

- ["Employee Expense Transaction"](#) on page 384

Figure 83. Procedure flow: Processing employee advances



**STEPS To process an employee advance**

1. Use Employee Advance (EE20.1) to enter the advance. Consider the following fields.

|                       |   |
|-----------------------|---|
| <b>Employee</b>       | You must define an employee as a vendor on Vendor (AP10.1) before you can enter an advance or expense for that employee.  |
| <b>Advance</b>        | Enter a unique number to identify the advance. (Similar to an invoice number.)  |
| <b>Approval Code</b>  | Before you can release an advance to Accounts Payable for processing, you must assign an approval code. You can assign a code here or assign it during release. |
| <b>Payment Button</b> | To create a manual payment for the advance, choose the Payment button to open the Payment subform.  |

**TIP** To display unreleased advances that have no approval code assigned, leave the Approval Code field blank and select the Inquire form action.

---

**Comments Button** To define a comment for the advance, choose the Comments button to open the Comments subform. Comments can be used to associate a memo entry to an employee advance report and can be printed on checks.

2. Release the expense.

| To  | Use  |
|---|--|
| Release select employee advances            | Advance Release (EE35.1). Select the Release line action for each advance you want to release, and then select the Change form action. |
| Release all or a group of employee advances | Mass Employee Release (EE135)  |

3. Run Cash Requirements (AP150) to select released advances for payment. Consider the following fields.

|                      |  |
|----------------------|--|
| <b>Pay Thru Date</b> | The pay thru date you enter does not impact the selection of advances for payment. Because you do not assign due dates to advances, all released advances not on hold are scheduled for payment. |
|----------------------|--|

|                          |   |
|--------------------------|---|
| <b>Emp Reimbursement</b> | Make sure you select Yes in the Employee Reimbursement field on the Select Options tab to include advances. |
|--------------------------|---|

4. Run Payment Forms Creation (AP155), Payment Tape Creation (AP160), or Electronic Payment File Creation (AP161) to pay scheduled advances.
5. Run Payment Closing (AP170) to change the advance status to historical, create general ledger entries, and create the offsetting credit memo.
6. Run Invoice Accrual Reconciliation (AP136) to reconcile to General Ledger. This program lists the difference between what has been paid (using AP170) and what has been expensed (using AP175).

## Related Reports and Inquiries

| To   | Use                                       |
|--|---|
| Display advances for an employee   | Advance Inquiry (EE90.1)                  |
| List unreleased employee advances, expenses, or paybacks for a company                         | Expense, Advance, or Payback Edit (EE220) |
| List released or historical advances, expenses, and paybacks grouped by employee for a company | Expense or Advance Report (EE230)         |

| To  | Use                             |
|---|---------------------------------|
| List unreleased employee advances, expenses, and paybacks that will be released when you run Mass Employee Release (EE135) with the same parameters | Expense Release Edit (EE235)    |
| List employee-paid or company-paid expense distributions for a company  | Expense Analysis Report (EE275) |

## Processing Employee Expenses

When an employee submits an expense report, you process the expense and produce a check to reimburse the employee. As with an invoice payment, you must enter, release, and pay the expense. This procedure describes how to process employee expenses.



**Need More Details?** Check out the following concepts:

- ["Employee Expense Transaction"](#) on page 384

**STOP** To create a reimbursement check for an employee expense, you must complete a payment cycle. For a detailed description of the payment cycle, see ["Closing a Cash Payment Cycle"](#) on page 234.

### STEPS To process an employee expense

1. Use Employee Expense (EE20.2) to enter the expense. Consider the following fields and buttons.

|                      |   |
|----------------------|---|
| <b>Approval Code</b> | Before you can release an expense to Accounts Payable for processing, you must assign an approval code. You can assign a code here or assign it during release. |
|----------------------|---|

|                             |   |
|-----------------------------|---|
| <b>Total Expense Amount</b> | Type the amount of the expense including both company-paid and employee-paid amount of the expense. This amount is used as a control total for the detail lines you enter for this expense. |
|-----------------------------|---|

|                                   |   |
|-----------------------------------|---|
| <b>Total Employee Paid Amount</b> | Type the total amount of the expenses paid by the employee in the company base currency. The system uses this amount as a control total for the detail lines you enter for this expense in Expense Detail (EE20.3). |
|-----------------------------------|---|

|                        |   |
|------------------------|---|
| <b>Advance</b>         | If you selected Matching in the Employee Expense Reconciliation field in Company (AP00.4), and if there is an advance for the expense, type the advance number to match the advance credit memo to the expense. |
| <b>Options button</b>  | Choose the Options button to override expense line defaults or enter additional options such as adding a hold code, changing the release for payment flag, or marking the expense as billable.                  |
| <b>Currency button</b> | Choose the Currency button to define optional currency information for the expense.   |
| <b>Payment button</b>  | Choose the Payment button to create a manual cash payment for the expense.  |
| <b>Detail button</b>   | Choose the Detail button to enter detail lines for the expense.   |
| <b>Comments button</b> | Choose the Comments button to define a comment for the expense.   |

2. Use Expense Detail (EE20.3) to enter the expense detail information. (You are automatically transferred to this form after adding the expense.) Consider the following fields.

|                            |  |
|----------------------------|--|
| <b>Amount</b>              | Expense amounts must equal the amounts entered on Employee Expense (EE20.2) before you can release the expense. Employee-paid expenses must equal the total employee paid amount. The total of employee paid expenses and company-paid expenses must equal the total expense amount. |
| <b>Type</b>                | The type defaults based on the category you select. The following are valid expense category types: <ul style="list-style-type: none"> <li>• Employee Paid Expense (E)</li> <li>• Company Paid Expense (C)</li> <li>• Cash Payment (P)</li> <li>• Units (U)</li> </ul>               |
| <b>Asterisk (*) Button</b> | Choose the asterisk (*) button to override default information, or to add an activity, account category, or user analysis field to the expense distribution.   |
| <b>Add Comments Button</b> | Choose the Add Comments button to add comments you want to associate with the expense.   |

**TIP** You can also apply an expense to an advance on Employee Expense (EE20.2) as you enter the expense.

---

**IMPORTANT** You must apply expenses to advances prior to releasing the expense. This process is described in the following step.

---

- If your company is defined for matching employee expenses to advances, use Employee-Advance Matching (EE30.1) to apply an *unreleased* expense to one or more open employee advances. Consider the following fields.

|                       |   |
|-----------------------|---|
| <b>Expense</b>        | Type the expense number or the payback number. After entering the number, select the Select form action to display the open advances. |
| <b>FC</b>             | Select the Apply line action next to each advance you want applied.   |
| <b>Applied Amount</b> | Type the amount you want applied. Select the Apply form action to apply the amount.   |

- If you did not assign an approval code during entry, use Expense Release (EE35.2) to assign an approval code to the expense.
- Release the expense.

| <b>To</b>                                   | <b>Use</b>   |
|---|--|
| Release selected employee expenses          | Expense Release (EE35.2). Select the Release line action for each expense you want to release, and then select the Change form action. |
| Release all or a group of employee expenses | Mass Employee Release (EE135)  |

- Run Cash Requirements (AP150) to select released expenses for payment. Consider the following fields.

|                          |  |
|--------------------------|--|
| <b>Pay Thru Date</b>     | The pay thru date you enter does not impact the selection of advances for payment. Because you do not assign due dates to advances, all released advances not on hold are scheduled for payment. |
| <b>Emp Reimbursement</b> | You must select Yes in the Employee Reimbursement field on the Select Options tab to include expenses.   |

- Run Payment Forms Creation (AP155), Payment Tape Creation (AP160), or Electronic Payment File Creation (AP161) to pay scheduled expenses.
- Run Payment Closing (AP170) to change the expense status to historical and to create general ledger entries.
- Transfer expense distributions to the general ledger.

| To                              | Use                                  |
|---------------------------------|--------------------------------------|
| Transfer company-paid expenses  | Company Expense Posting (EE175)      |
| Transfer employee-paid expenses | Invoice Distribution Closing (AP175) |

- Run Invoice Accrual Reconciliation (AP136) to reconcile to General Ledger. This program lists the difference between what has been paid (using AP170) and what has been expensed (using AP175).

## Processing Employee Paybacks

If you issued an advance and the total expenses incurred ended up being less than expected, an employee may owe money back to the company. In that case, you would enter a payback to recognize any payment that the employee submitted with the expense report. This procedure describes how to process employee paybacks.

### **STEPS** To process an employee payback

- Use Employee Payback (EE20.4) to enter the payback. Consider the following fields and buttons.

|                                  |   |
|----------------------------------|---|
| <b>Category</b>                  | You must select a category that has been defined as a cash payment type (P) category. You define categories in Category (EE05.1).                           |
| <b>Cross Reference</b>           | You can type an optional cross reference value for the employee payback to cross reference the payback to an advance or to store information for reference. |
| <b>Reference and Description</b> | The reference and description values assigned to the category default in these two fields if left blank. You can choose to override them.                   |

- If your company is defined for matching employee paybacks to advances, use Employee-Advance Matching (EE30.1) to apply the payback to one or more open employee advances. Consider the following fields.

|                       |   |
|-----------------------|---|
| <b>Expense</b>        | Type the expense number or the payback number, depending on which you want to apply. After entering the number, select the Select form action to display the open advances. |
| <b>FC</b>             | Select the Apply line action next to each advance you want applied.   |
| <b>Applied Amount</b> | Type the amount you want applied. Select the Apply form action to apply the amount.   |

- If you did not assign an approval code during entry, use Expense Release (EE35.2) to assign an approval code to the payback.

4. Release the payback.

| <b>To</b>                                   | <b>Use</b>                    |
|---|-------------------------------|
| Release selected employee paybacks          | Expense Release (EE35.2)      |
| Release all or a group of employee paybacks | Mass Employee Release (EE135) |

5. Run Payment Closing (AP170) to change the advance, expense, or payback status to reconciled and to create general ledger entries.
6. Transfer expense distributions to the general ledger.

| <b>To</b>                       | <b>Use</b>                           |
|---------------------------------|--------------------------------------|
| Transfer company-paid expenses  | Company Expense Posting (EE175)      |
| Transfer employee-paid expenses | Invoice Distribution Closing (AP175) |

7. Run Invoice Accrual Reconciliation (AP136) to reconcile to General Ledger. This program lists the difference between what has been paid (using AP170) and what has been expensed (using AP175).

## Related Reports and Inquiries

| <b>To</b>   | <b>Use</b>                                    |
|---|---|
| Display expenses for an employee  | Expense Inquiry (EE90.2)                      |
| Display employee expenses for an expense category   | Expense Category Inquiry (EE90.3)             |
| List unreleased employee advances, expenses, or paybacks for a company  | Employee Advance-Expense-Payback Edit (EE220) |
| List released or historical advances, expenses, and paybacks grouped by employee for a company  | Expense-Advance Report (EE230)                |
| List unreleased employee advances, expenses, and paybacks that will be released when you run Mass Employee Release (EE135) with the same parameters | Expense Release Edit (EE235)                  |
| List employee-paid or company-paid expense distributions for a company  | Expense Analysis Report (EE275)               |

## Interfacing Employee Expense Data

---

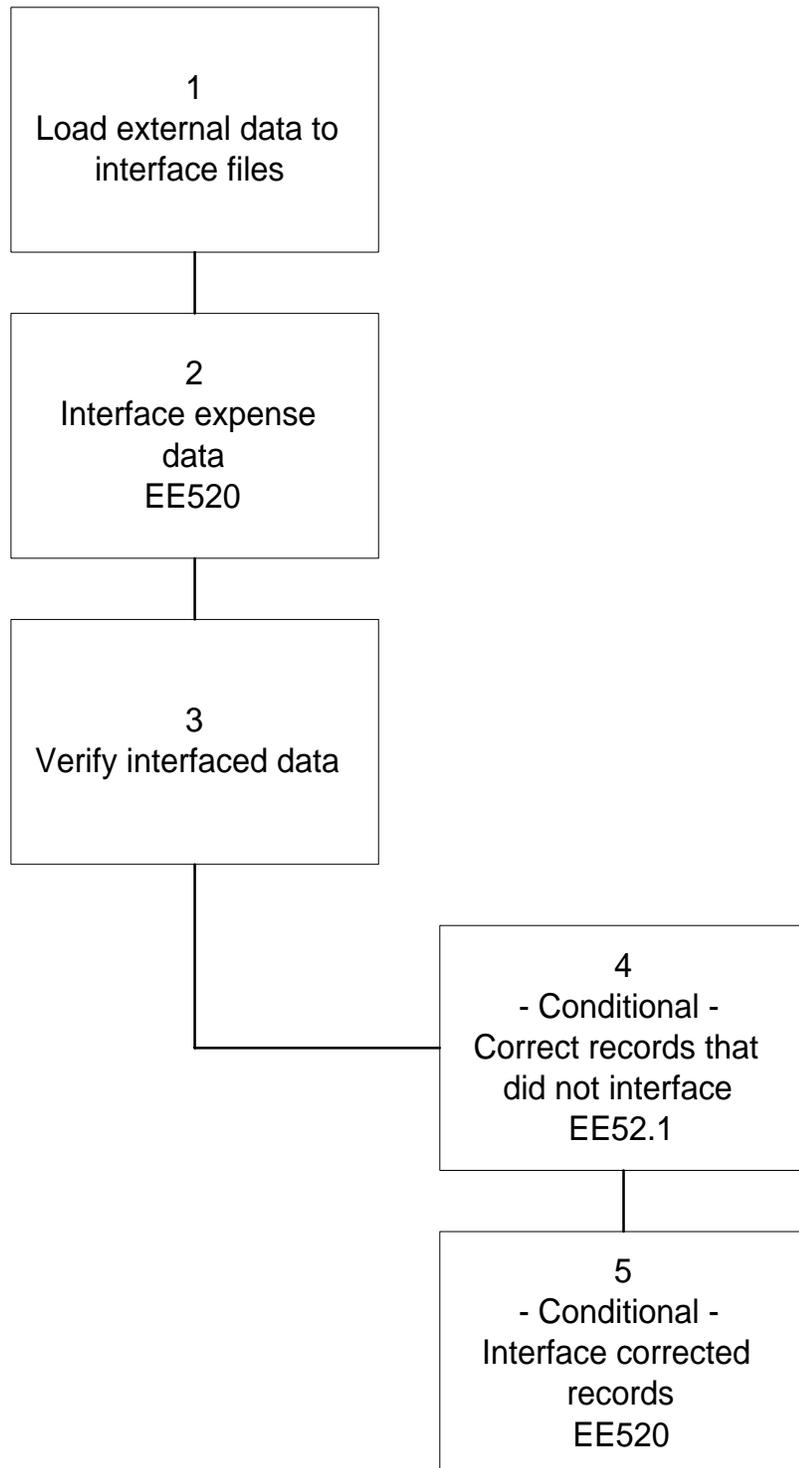
You can interface expense data from a desktop application or a non-Lawson system into the Employee Expense application. Use this procedure to interface employee expenses and associated distributions.

---

**STOP** Make sure the status of the data you are interfacing meets the following criteria. If the expense status is unreleased, the distribution status for the same expense must be unreleased. If the expense status is released (open), the distribution status for the same expense must be unposted or posted. (A posted status is allowed for company-paid expenses only.)

---

Figure 84. Procedure flow: Interfacing employee expense data



## **STEPS To interface employee expense data**

1. Load external employee expense data into the employee expense interface and expense distribution interface files.
2. Run Expense Interface (EE520) to interface unreleased or released (open) employee expenses and associated distributions. Consider the following fields.

|                              |   |
|------------------------------|---|
| <b>Approval Code</b>         | To interface expenses assigned a specific approval code only, type or select a valid approval code for the company.   |
| <b>Transaction Status</b>    | Select a transaction status to indicate whether to interface only unreleased transactions, only open transactions, or all transactions regardless of status.  |
| <b>Update</b>                | Select an update option to indicate whether to edit records and create a report only, or to edit records, interface records that pass the edit, and create a report.  |
| <b>Update Tax Module</b>     | If you are interfacing transactions with a released (open) status, this option indicates whether to update the Lawson Tax application with the appropriate tax information and tax values.  |
| <b>Last Year Ending Date</b> | If you selected Yes in the Update Employee Balance field, type the last year ending date. Expenses and expense distributions with dates after the date you type will update current year vendor (employee) purchase and payment balances. |

3. Verify interfaced data. The interface program creates a report that lists each record that failed the edits, an error description identifying the kind of error, and totals showing the number of transactions that were and were not processed.
4. If there are records in error, use Expense Update (EE52.1) to correct records that did not interface.
5. If you corrected records, run Expense Interface (EE520) again to interface those records.

## **Files Updated by the Employee Expense Interface**

Following are the expense interface files and the database files that Expense Interface (EE520) updates.

### **Input Files**

Load external employee expense data into the following files. For information about the fields in each file, the kind of information each field should include, and the programs that update each field, see data file help text for each interface file.

| <b>File</b>                    | <b>File Name</b> |
|--------------------------------|------------------|
| Employee Expense Interface     | EECEXPENSE       |
| Expense Distribution Interface | EECDISTRIB       |

## Output Files

Expense Interface (EE520) updates the following database files. The files that EE520 updates for a specific interface record depend on the kind of expense or distribution and the status. For information about the files, see data file help text for each file.

| <b>File</b>                          | <b>File Name</b> |
|--------------------------------------|------------------|
| Employee Expense                     | EEEXPENSE        |
| Expense Distribution Interface       | EEDISTRIB        |
| Advance-Expense Matching             | EEMATCHING       |
| Accounts Payable Invoice             | APINVOICE        |
| Invoice Payment                      | APPAYMENT        |
| Invoice Distribution (employee paid) | APDISTRIB        |
| Vendor Balance                       | APVENBAL         |
| Tax Transaction (optional)           | TXTAXTRAN        |



## Chapter 22

# Processing Reportable Income

---

If you track reportable income for vendors, you can use the Lawson Accounts Payable application to track that reportable income and to create reportable income forms or tapes to meet your reporting requirements. While you only do your federal reporting on an annual basis, you will want to review your setup early on and run reportable income reports periodically to ensure information is being captured as you want.

# Concepts in this Chapter

---

The following concepts provide background and conceptual information for the procedures within this chapter.

- ["What Is a Reportable Income Group?" on page 282](#)
- ["When Do I Need to Run 1099s?" on page 282](#)
- ["Can I Add an Income Code After a Vendor Has Been Paid?" on page 283](#)

## What Is a Reportable Income Group?

---

A reportable income group is used to group companies or process levels within a vendor group for the sole purpose of creating reportable income forms and tapes. You define a reportable income group and then assign companies or process levels to the group.

Because you will generate 1099 forms and tapes by reportable income group, you should define at least one group for each tax identification or registration number that you will need to report on. The reportable income group name and address is used on the reportable income forms and tapes. You can define and change reportable income groups at any time to fit your income reporting needs.

If you have only one company, which represents a single legal entity, you will most likely find that defining one reportable income group for the company meets your needs. If you have multiple legal entities, you will want to define a reportable income group for each entity, whether that entity is defined as an accounts payable company or a process level.

## When Do I Need to Run 1099s?

---

You can run a reportable income report at any time during the year to verify that information is being captured as you expected. Running these reports on a monthly or quarterly basis to inspect the results can help to ensure a smooth year-end process.

Run your final reportable income report and produce tapes or forms at any point after your last payment cycle for the year. Only invoices paid (issued status) in the current year are included in reportable income reports, forms, or tapes.

### Example

You need to produce reportable income forms for 2003. Your reports will include any invoices that had been through the full pay cycle as of December 31, 2003. If you enter an invoice on December 15, 2003, that does not come due until January 15, 2004, that invoice is not included in your 2003 reportable income. Invoices are included in reportable income reports, forms, and tapes based on when they are paid, not when they are entered.

## Can I Add an Income Code After a Vendor Has Been Paid?

---

Yes, you can add an income code to invoices that have already been paid. Use Reportable Income Adjustment (AP45.1) to add an income code to invoices that should be included in 1099 reportable income totals. This form displays the invoice number, payment amount, and an open or closed status.



|                            |   |
|----------------------------|---|
| <b>Address</b>             | Use the Address tab to define address information that will be used in the creation of 1099 forms and tapes.  |
| <b>Contact Information</b> | Use the Contact tab to define a contact for the reportable income group.  |
| <b>1099 Defaults</b>       | Use the 1099 Default tab to record additional information used for creating 1099 reportable income forms or tapes. You can define a payor state number, transmitter control code, and payer name. |

Figure 86. Form clip: Reportable Income Group (AP02.1)

3. Choose the Entities button to assign companies and process levels to the group. Consider the following fields.

**Company** Assign an accounts payable company to the reportable income group. The company and reportable income group must have the same vendor group.

**Process Level** You can also assign a specific accounts payable process level to the reportable income group. If left blank, all process levels defined for the company are assigned to the reportable income group.

4. To define an income withholding code to link the General Ledger income withholding accrual account to an invoice, use Withholding Code (AP05.8). For more information, see "[Defining Income Withholding Codes](#)" on page 128.
5. Assign a reportable income code to a vendor class, to a vendor, or to reportable income invoices.

| <b>To assign the code to</b>               | <b>Then</b>  |
|--|--|
| A portion of an invoice                    | Enter the code on the Options form tab of Basic Invoice (AP20.1) or Taxed Invoice (AP20.2) and enter the reportable amount of the invoice in the Amount field. |
| A specific invoice                         | Enter the code on the Options form tab of Basic Invoice (AP20.1) or Taxed Invoice (AP20.2).  |
| All invoices for a vendor                  | Assign the code to the vendor on the Defaults tab of Vendor (AP10).  |
| Invoices for all vendors in a vendor class | Assign the code to a vendor class using Vendor Class (AP00.3).   |

- When defining a reportable income vendor, assign a tax identification number to the vendor on Vendor (AP10).

## Processing Reportable Income

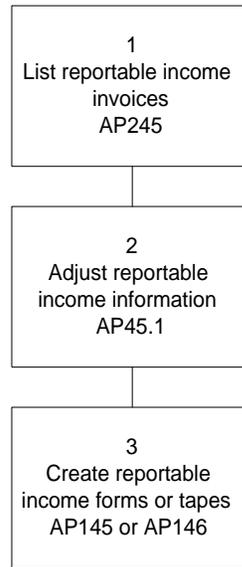
If you track reportable income for vendors, you can create a reportable income report, adjust reportable income invoice information, and create reportable income forms or tapes. Use this procedure to verify reportable income tracking throughout the year and to produce reportable income reports, forms, or tapes for regulatory reporting.

---

**STOP** Before processing reportable income, you must complete applicable setup.

---

Figure 87. Procedure flow: Processing reportable income



**STEPS To process reportable income**

1. Run Reportable Income Report (AP245) to create a listing of all invoice payments that make up a vendor's reportable income balance for a specified payment date range.

**NOTE** Run the report with the Vendor Sequence field set to T (Tax ID) and all vendors without a tax ID will print at the beginning of the report.

- Use Reportable Income Adjustment (AP45.1) to add, change, or delete an income code from an invoice or change the reportable income amount applied to an invoice.

Figure 88. Form clip: Reportable Income Adjustment (AP45.1)

- Create reportable income forms or tapes. Use 1099 Forms Creation (AP145) to create forms or 1099 Tape Creation (AP146) to create tapes. Consider the following fields.

|  |  |
|--|--|
| <b>Reportable Income Group</b><br>(Main tab) | Select a reportable income group that you set up previously using Reportable Income Group (AP02.1).  |
| <b>Report Type</b> (Main tab)                | The Accounts Payable application support the following 1099 form types: miscellaneous, interest, and dividend. Select the type of form or tape you want to create.   |
| <b>Print Sequence</b><br>(Main tab)          | Indicate whether to sort reportable income forms in vendor number, tax ID, or search name order.<br><br>To create one form for all vendors with the same tax identification number, choose Tax ID in the Print Sequence field. |
| <b>Name Option</b><br>(Main tab)             | Decide whether to print the vendor name or the legal vendor name on reportable income forms.   |
| <b>Vendor</b> (Main tab)                     | Select up to 10 vendors so that you can limit the output to those vendors.   |

---

**Box**

To specify a minimum amount required to create a form or tape, enter an amount in the appropriate numbered box. Each box corresponds to a box with the same number on the 1099 form.

---

**IMPORTANT** Only invoices that have been paid within the entered date range appear on reportable income reports, forms, or tapes.

---

Figure 89. Form clip: 1099 Tape Creation (AP146)

The screenshot shows the Lawson 1099 Tape Creation (AP146) interface. The top navigation bar includes 'Add', 'Change', 'Delete', 'Inquire', 'Next', 'Previous', and 'Validate Request'. The left sidebar has sections for 'Home', 'Data Directory', 'Related Pages', 'Main', 'Miscellaneous', 'Interest', 'Outstand', 'File Name', 'Related Links', and 'Related Actions'. The main form area contains the following fields: Job Name (dropdown), Job Description (text), User Name (dropdown with 'First Last' label), Data Area/ID (dropdown with 'PATCH10' value), Reportable Income Group (dropdown), Currency (dropdown), Report Type (dropdown), Payment Dates (date range), Tape Type (dropdown with 'Original' label), Print Sequence (dropdown with 'Vendor Number' label), Name Option (dropdown with 'Vendor Legal Name' label), Tape File (dropdown), Electronic File Name (text), Replacement Indicator (checkbox), and Vendor (multiple dropdowns).

## Related Reports and Inquiries

| To  | Use                                   |
|---|---------------------------------------|
| List income codes or income withholding codes | Accounts Payable Code Listing (AP205) |

---

## Creating French DAS2 Preparation Report

The DAS2 is the French equivalent of the 1099 form. You can use the following procedure to generate output which is required on the DAS2 form.

**STEPS** To Create a French DAS2 preparation report

1. Use French DAS2 Preparation Report (AP282) to define the categories of reporting as they are required on the DAS2 form, and the ranges of accounts to include in each category. The resulting output is a table showing the disbursements the company has made to each vendor in total and by expense category.



## Chapter 23

# Processing Bills of Exchange

---

If you use bills of exchange, the forms and procedures you use for day-to-day processing are different than the invoice processing steps described in other chapters of this user guide. A bill of exchange, sometimes called a draft, is a payment that is issued for cashing on a future date. This chapter focuses on the procedures that are unique to organizations that process bills of exchange.

# Concepts in this Chapter

---

The following concepts provide background and conceptual information for the procedures within this chapter.

- ["What is a Bill of Exchange?" on page 292](#)
- ["What Does the BOE Statement Update Program Do?" on page 292](#)
- ["What Does the Bill of Exchange Cashing Update Program Do?" on page 293](#)

## What is a Bill of Exchange?

---

A bill of exchange, sometimes referred to as a BOE, is a payment agreement between a vendor and buyer. This agreement can take the form of a draft issued against a buyers bank account. The vendor can hold the draft until its maturity date or cash it early at a discounted rate. Bills of exchange are used most commonly in France and Spain.

### Example

Tractor Cievo, a Spanish tractor company, purchased machinery parts from Ernesto Lopez Compania (ELC). The payment agreement between the two companies allows ELC to take money out of Tractor Cievo's bank account in three months as payment for the parts. ELC submits a bill of exchange draft to Tractor Cievo's bank to be cashed either on the maturity date or on an earlier, discounted rate if desired.

## What Does the BOE Statement Update Program Do?

---

The Bill of Exchange Statement Update (AP181) program:

- updates cashed and dishonored bills of exchange,
- creates general ledger distribution records for bills of exchange that were cashed and dishonored, and
- updates vendor balances.

When processing a cashed bill of exchange, AP181 changes the status of the invoices paid by the bill of exchange to historical. When processing a dishonored bill of exchange, AP181 reinstates the invoices associated with the dishonored bill of exchange. Depending on the reason the bill of exchange was dishonored, you can reschedule, maintain, or cancel the invoices.

## What Does the Bill of Exchange Cashing Update Program Do?

---

The Bill of Exchange Cashing Update (AP180) program:

- updates cashed and dishonored bills of exchange,
- creates general ledger distribution records for bills of exchange that have been cashed and dishonored, and
- updates vendor balances.

When the program processes a cashed bill of exchange, it changes the status of the invoices paid by the bill of exchange to historical. When the program process a dishonored bill of exchange, it reinstates the invoices associated with the dishonored bill of exchange. Depending on the reason the bill of exchange was dishonored, you can reschedule, maintain, or cancel the invoices.

# Procedures in this Chapter

---

This chapter describes the procedures you will use to process bills of exchange. The following flowchart shows how these procedures fit together.

- "Creating Bill of Exchange Payments" on page 294
- "Entering a Vendor-Issued Bill of Exchange for an Unreleased Invoice" on page 296
- "Entering a Vendor-Issued Bill of Exchange for a Released Invoice" on page 297
- "Accepting Vendor-Issued Bills of Exchange" on page 298
- "Updating Bills of Exchange" on page 298
- "Processing Bill of Exchange Distribution Posting" on page 299
- "Creating a Manual Bill of Exchange Payment for an Unreleased Invoice" on page 299
- "Creating a Manual Bill of Exchange Payment for a Released Invoice" on page 301
- "Updating a Cashed or Dishonored Bill of Exchange" on page 301
- "Canceling a Bill of Exchange" on page 302

## Creating Bill of Exchange Payments

---

To create bill of exchange payments, you first schedule invoices to be paid with a bill of exchange. Then you create bill of exchange payments for the scheduled invoices. This procedure describes the process you use to schedule invoices for bill of exchange payment and to create the payments.

---

**STOP** Invoices must be entered, scheduled, and released before they can be paid. For more information, see the chapters that cover invoice processing.

---

### **STEPS** To create bill of exchange payments

1. Run Bill of Exchange Generation (AP151) with No selected in the Update field. This program creates a listing of the number of invoices selected and bills of exchange generated.
2. If the listing includes invoices you do not want scheduled for payment, adjust the payment schedule.

| To   | Use                                  |
|--|--------------------------------------|
| Change invoice due dates   | Payment Schedule Adjustment (AP30.3) |
| Assign a user-defined invoice group to invoices you want scheduled for payment | Payment Schedule Adjustment (AP30.3) |

| To  | Use   |
|---|---|
| Place select invoices or vendors on hold                                      | Invoice Hold Selection (AP40.1)   |
| Assign a pay immediately indicator to invoices you want scheduled for payment | Payment Schedule Adjustment (AP30.3) or Invoice Hold Selection (AP40.1) |

---

**IMPORTANT** Once you select Yes in the Update field to actually select invoices and generate bill of exchange payments, you cannot rerun the Bill of Exchange Generation program. You can make changes and rerun the program as many times as needed if you select No in the Update field.

---

- Rerun Bill of Exchange Generation (AP151) with Yes selected in the Update field to select invoices and generate bill of exchange payments.
- Run Bill or Exchange Creation (AP156) to create the bill of exchange payment forms.

## Related Reports and Inquiries

| To   | Run                                     |
|--|---|
| Create a bill of exchange bank statement       | Bill of Exchange Bank Statement (AP166) |
| List bill of exchange payments for a pay group | Bill of Exchange Report (AP266)         |

# Entering a Vendor-Issued Bill of Exchange for an Unreleased Invoice

---

You can enter a vendor-issued bill of exchange payment during invoice entry if the payment is for a single base currency invoice. This procedure describes the process of entering a vendor-issued bill of exchange for an unreleased invoice. To enter a bill of exchange payment for multiple invoices or released invoices, see "[Entering a Vendor-Issued Bill of Exchange for a Released Invoice](#)" on page 297.

## **STEPS** To enter a vendor-issued bill of exchange for an unreleased invoice

1. Access Basic Invoice (AP20.1) or Taxed Invoice (AP20.2) to enter the invoice. For more information about entering invoices, see "[Entering Other Invoice Types](#)" on page 187.
2. Define payment options for the bill of exchange.

| <b>If</b>  | <b>Then</b>   |
|--|---|
| The payment amount equals the entire invoice amount  | Enter the payment information on the Payment form tab. Select the appropriate bill of exchange payment transaction code in the Payment Code field and type the Payment Number, Payment Date, and Payment Amount.  |
| The payment is for only a part of the invoice amount | <ol style="list-style-type: none"><li>a. Use Payment Schedule (AP20.8) to split the invoice into two or more payments.</li><li>b. In the Payment Code field, select the appropriate bill of exchange payment transaction code.</li><li>c. Choose the BOE button and use the Bill or Exchange Number subform to enter the BOE details.</li></ol> |

3. Release the invoice or scheduled invoice payment. For more information, see "[Releasing Invoices](#)" on page 203.

# Entering a Vendor-Issued Bill of Exchange for a Released Invoice

---

If you receive a vendor-issued bill of exchange payment for a released invoice or for more than one invoice, use this procedure to enter the bill of exchange, apply released invoices the bill of exchange, and then release the bill of exchange.

**STEPS** **To enter a vendor-issued bill of exchange for a released invoice**

1. Use Bills of Exchange Entry (AP56.1) to enter the bill of exchange payment.
2. Apply the bill of exchange payment to one or more released invoices.

| <b>If</b>   | <b>Then</b>  |
|---|--|
| The amount you want to apply equals the invoice amount                | Use Bill or Exchange Invoice Application (AP56.2) to apply the bill of exchange payment  |
| The amount you want to apply is for only a part of the invoice amount | <ol style="list-style-type: none"><li>a. Use Payment Schedule Adjustment (AP30.3) to split the invoice into two or more payments.</li><li>b. Use Bill of Exchange Application (AP56.2) to apply the payment.</li></ol> |

3. Use Bill of Exchange Entry (AP56.1) to release the applied bill or exchange payment. The applied amount must equal the payment amount before you can release the payment.

## Accepting Vendor-Issued Bills of Exchange

---

You must accept vendor-issued bills of exchange that require acceptance. The options defined for the payment code assigned to the bill of exchange determine whether the bill of exchange requires acceptance. This procedure describes the process for accepting a vendor-issued bill of exchange.

### **STEPS** To accept a vendor-issued bill of exchange

1. Access Bill of Exchange Acceptance by Vendor (AP28.1) or Bill of Exchange Acceptance by Date (AP28.2).
2. Select the accept line action next to the applied bill of exchange you want to accept.

### Related Reports and Inquiries

| To   | Use                                    |
|--|--|
| List vendor bills of exchange to be cashed for a company or range or companies | Bill of Exchange Maturity List (AP214) |

## Updating Bills of Exchange

---

You can update cashed and dishonored bills of exchange. At the same time, you create general ledger distribution records for bills of exchange that have been cashed and dishonored and update vendor balances. This procedure describes the process for updating bills of exchange.

### **STEPS** To update bills of exchange

1. Run Bill of Exchange Cashing Update (AP180) to create a listing of bills of exchange that are cashed or dishonored. Consider the following field.

### Online Selection Only

If you select No, the program updates bills of exchange marked as cashed or dishonored in Bill of Exchange Cashing Selection (AP80.1) and automatically updates mature bills of exchange as cashed. The program automatically marks a bill of exchange as cashed if the bill of exchange due date falls on or before the Due Date you define less the Margin Days you define.

If you select Yes, the program updates only bills of exchange marked as cashed or dishonored.

## Processing Bill of Exchange Distribution Posting

---

When you post distributions, you transfer general ledger distributions created by the Bill of Exchange Cashing Update program and all other distributions created during processing to the general ledger. Posting also transfers general ledger acceptance accounting entries created in Bill of Exchange Acceptance. Use this procedure to process bill of exchange distribution posting.

### **STEPS** To process bill of exchange distribution posting

1. Run Bill of Exchange Distribution Posting (AP185).

## Creating a Manual Bill of Exchange Payment for an Unreleased Invoice

---

You can create a manual bill of exchange payment to pay one or more invoices. If you are creating one manual payment for one base currency invoice, you can create that manual payment during invoice entry. Use this procedure to create a single manual bill of exchange payment for a single, base currency invoice, you can define manual payment information for the invoice during invoice entry. To create a manual payment for a nonbase currency invoice, a released invoice, or more than one invoice, see "[Creating a Manual Bill of Exchange Payment for a Released Invoice](#)" on page 301."

### **STEPS** To create a single manual payment for an unreleased, base currency invoice

1. Access Basic Invoice (AP20.1) or Taxed Invoice (AP20.2) to enter the invoice.
2. Enter the payment amount.

| <b>To create</b>   | <b>Then</b>  |
|--|--|
| A manual payment for the entire invoice amount less any available discount | Choose the Payment button to open the Payment Options subform. Type the Payment Number, Payment Date, and Payment Amount.  |
| A manual payment for only a part of the invoice amount                     | <ol style="list-style-type: none"> <li>a. Use Payment Schedule (AP20.8) to split the invoice into two or more payments.</li> <li>b. Choose the BOE button to open the Bill of Exchange Number subform. Type the BOE Number, BOE Date, BOE Due Date, and BOE Amount. The payment amount must equal the scheduled invoice payment amount.</li> </ol> |

3. Release the invoice or scheduled invoice payment. For more information, see "[Releasing Invoices](#)" on page 203.
4. Run Bill of Exchange Cashing Update (AP180). This step changes the status of invoice paid by the manual bill of exchange to historical and creates general ledger distributions.
5. Run Bill of Exchange Distribution Posting (AP185) to transfer distributions created by Bill of Exchange Cashing Update (AP180) to the general ledger.

## Creating a Manual Bill of Exchange Payment for a Released Invoice

---

Use this procedure to create a manual bill of exchange payment for a nonbase currency invoice, a released invoice, or more than one invoice. You create a manual bill of exchange payment, apply released invoices to the manual payment, then release the payment.

### **STEPS** To create a manual bill of exchange payment for released invoices

1. Access Bill of Exchange Entry (AP56.1) to create a manual bill of exchange payment.
2. Choose the Invoices button to open Bill of Exchange Invoice Application (AP56.2).
3. Apply the manual bill of exchange payment to one or more released invoices. The applied amount must equal the invoice amount.
4. To apply only a part of the invoice amount, use Payment Schedule Adjustment (AP30.3) to split the invoice into two or more payments then return to AP56.2 to apply the payment.
5. Use Bill of Exchange Entry (AP56.1) to release the applied manual bill of exchange payment. The applied amount must equal payment amount before you can release the payment. Select the Release form action.
6. Run Bill of Exchange Cashing Update (AP180). This step changes the status of invoices paid by the manual bill of exchange to historical and creates general ledger distributions.
7. Run Bill of Exchange Distribution Posting (AP185) to transfer distributions created by Bill of Exchange Cashing Update (AP180) to the general ledger.

**TIP** To apply invoices from more than one Invoiced Vendor to a single manual payment, type the Invoiced Vendor number and select the Display Open form action. Repeat the application process for each invoiced vendor.

## Updating a Cashed or Dishonored Bill of Exchange

---

You can mark individual bills of exchange as cashed when they reach their due date or are cleared by the bank. If a bill of exchange has been dishonored by the bank, you can mark the bill of exchange as dishonored. This procedure describes the process for updating bills of exchange that have been cashed or dishonored.

### **STEPS** To mark a bill of exchange as cashed or dishonored

1. Access Bill of Exchange Cashing Selection (AP80.1).
2. Select the line action, Cash or Dishonor, next to the bill of exchange you want to mark.
3. If the company base currency is different from the bill of exchange currency, choose the Currency button to override the currency exchange rate define for the relationship.

## Canceling a Bill of Exchange

---

You can cancel a bill of exchange before it is cashed. When you cancel a bill of exchange, the application reinstates invoices associated with the bill of exchange. This procedure describes the process for canceling a bill of exchange.

### **STEPS** To cancel a bill of exchange

1. Access Bill of Exchange Acceptance by Vendor (AP28.1) or Bill of Exchange Acceptance by Date (AP28.2).
2. Select the Candle line action next to the bill of exchange you want to cancel.

## Chapter 24

# Matching Invoices

---

If you use the Lawson® Purchase Order application, you can match invoices to purchase orders using the Lawson® Invoice Matching application. This chapter provides an overview of the match process. It is not intended to provide comprehensive coverage of the topic, but it provides an introduction to key concepts related to the match process.

# Concepts in this Chapter

---

The following concepts provide background and conceptual information about the Invoice Matching application. Use this chapter to gain a high level understanding of the match process and its integration with Accounts Payable. For detailed concepts and step-by-step procedures, see the *Invoice Matching User Guide*. The following concepts provide high level background and conceptual information about the Invoice Matching application.

- ["Overview of the Match Process" on page 305](#)
- ["Overview of the System Logic Used for Matching" on page 305](#)
- ["What Is a Match Pool?" on page 307](#)
- ["What Is a Match Level?" on page 310](#)
- ["What Is a Match Type?" on page 310](#)
- ["What Happens If Invoices and Receipts Don't Match?" on page 313](#)
- ["What Is Unique About Entering a Match Vendor?" on page 313](#)
- ["What Is Unique About Entering a Match Invoice?" on page 314](#)
- ["How Do I Actually Match Invoices and Receipts?" on page 315](#)

## Overview of the Match Process

---

The matching process is flexible and the exact sequence of events can vary somewhat from organization to organization. At a high level, however, the following table represents a typical process for matching invoices to purchase orders.

| To   | Use  |
|--|--|
| Requisition items in the Requisition application   | Requisition (RQ10.1)   |
| Create a purchase order in the Purchase Order application  | Purchase Order Entry (PO20.1)  |
| Receive items and create a receipt in the Purchase Order application   | PO Receiving (PO30.1)  |
| Enter the invoice in the Accounts Payable application  | Basic Invoice (AP20.1), Taxed Invoice (AP20.2), Multiple Invoice (AP20.5), or Transit Invoice Entry (AP23.1) |
| Match an invoice online as you enter the invoice in the Accounts Payable application or to match a group of invoices using an auto-match batch program in the Invoice Matching application | Basic Invoice (AP20.1), Taxed Invoice (AP20.2), or Auto Matching (MA126)                                     |
| Match invoices out of tolerances to receipts in the Invoice Matching application   | Auto Matching (MA126) or Reconciliation Queue (MA60)   |
| Complete the cash payment cycle to pay for items in the Accounts Payable application   | Payment Closing (AP170)  |

## Overview of the System Logic Used for Matching

---

During setup, you define how specific the relationship between an invoice and a receipt must be for a match to occur. The rules you define can be very broad, requiring only that the total amount of your invoices match, within acceptable tolerances, the total amount of goods you received. Or, the rules can be very specific, requiring an exact match between the actual items you were invoiced for and the actual items you received.

### Primary Rules for Matching

You define three primary types of rules that the Invoice Matching application uses to match invoices and receipts:

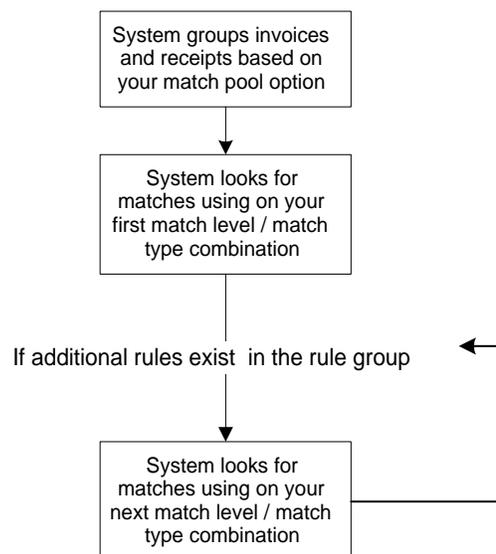
- You select a **match pool** option that determines how invoices and receipts will be grouped together for matching. For example, do you want to group together all invoices and receipts for a vendor, or do you want

to group only invoices and receipts for a specific purchase order? For details, see "What Is a Match Pool?" on page 307.

- You select a **match level** option that determines the level of detail to use when matching invoices to receipts. For example, do you want to match based on total amounts, or do you want to match items? For details, see "What Is a Match Level?" on page 310.
- You select a **match type** option that determines what type of match will be attempted for invoices and receipts within a pool. For example, do you want a one to one match, or an all to all match between invoices and receipts in a pool? For details, see "What Is a Match Type?" on page 310.

You select one match pool option for your company, but you can select up to 6 match levels and match type options that you group together in a **rule group**. The Invoice Matching application moves through your selections, in an order you select, looking for matches. You can use the same rules for your entire company, or assign different rules to each of your vendors.

Figure 90. Illustration: Using a match pool, match level option, and match type options to match invoices and receipts



## More Options for Matching

You can use additional options to make the matching process more or less specific:

- Define **tolerances** to let the system match transactions that do not have exact matching amounts. Tolerances can be defined as an amount or a percent. For example, you might be willing to accept matches where the difference between an invoice amount and a receipt amount is less than \$1.00.
- If you require matching at the line invoice or detail level, you must define **match classes**. A match class reflects an item number and is used to match line item details. A match class is made up of elements, which each represent an important piece of information about the item. For example,

a retailer might have a match class they use to match inventory purchases which is made up of the department, manufacturer, item color, and size.

- The ability to create messages (for example, invoice, PO cost, and reconciliation).

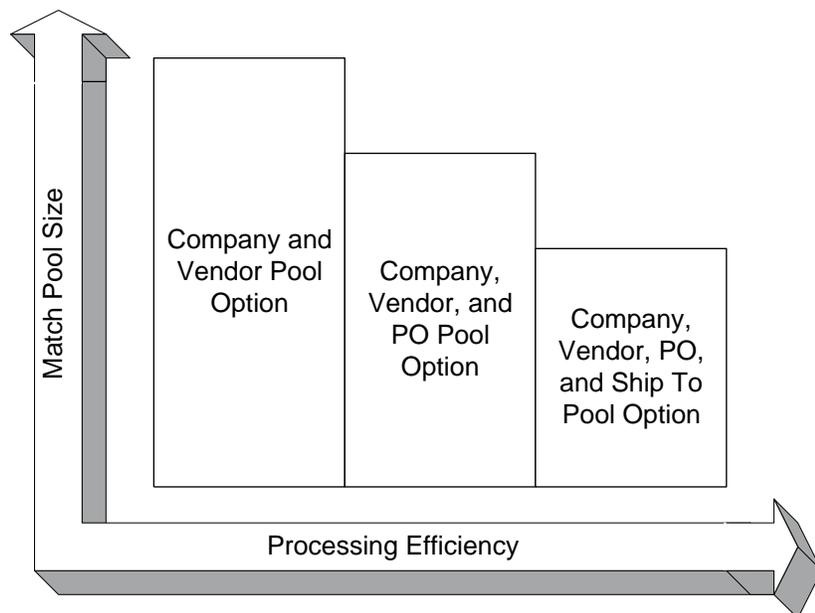
## What Is a Match Pool?

A match pool is a group of purchase orders and invoices for the purpose of matching. You determine which purchase orders and invoices are included in the pool by selecting a pool option. Three pool options are available:

1. Company / Vendor
2. Company / Vendor / PO
3. Company / Vendor / PO / Ship To

This list of options is presented from the least specific to the most specific. More specific pool options produce a smaller match pool. Smaller match pools can improve the efficiency of your match process. Consider the following examples of each pool option.

*Figure 91. Illustration: Pool option impact on pool size*



### Scenario

ABC Company is opening two new restaurants. One of the new restaurants is located in Chicago and the other in Minneapolis. In preparation for the grand opening, ABC Company recently ordered a supply of dishware from Dish It Out, their wholesale restaurant supply vendor. They created three purchase orders:

- **PO 800Silverware:** for an order of silverware for the Minneapolis location

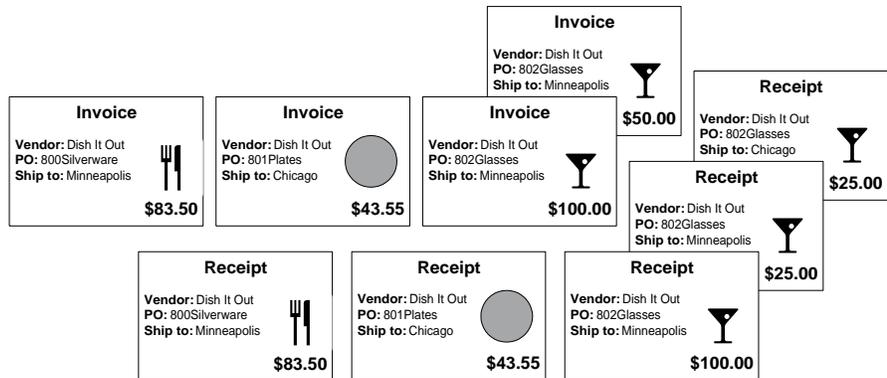
- **PO 801Plates:** for an order of plates for the Chicago location
- **PO 802Glasses:** for an order of glassware for both the Minneapolis and Chicago location

Dish It Out was out of stock on the glassware, and sent that order in three shipments as the stock became available. This resulted in two invoices and three receipts for PO 802Glasses.

## Company / Vendor Example

With the Company / Vendor match pool option, the match pool would include all of ABC's invoices and receipts for Dish It Out. This is the only pool option that allows receipts with multiple purchase orders associated to be processed correctly.

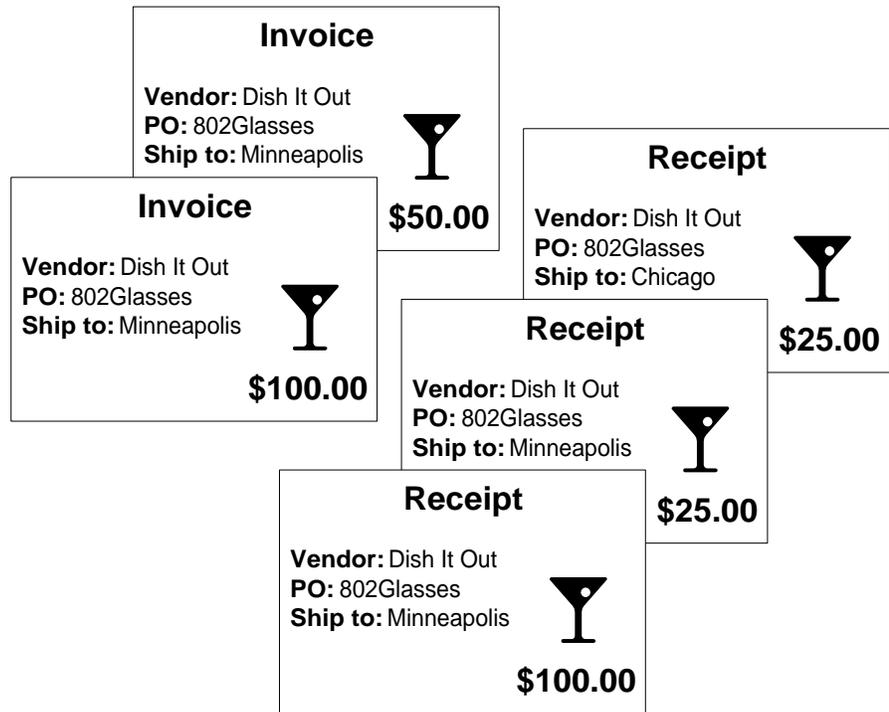
Figure 92. Illustration: Company / Vendor match pool option



## Company / Vendor / PO Example

With the Company / Vendor / PO match pool option, the match pool would include only receipts and invoices for a specific purchase order, such as PO 801Glasses.

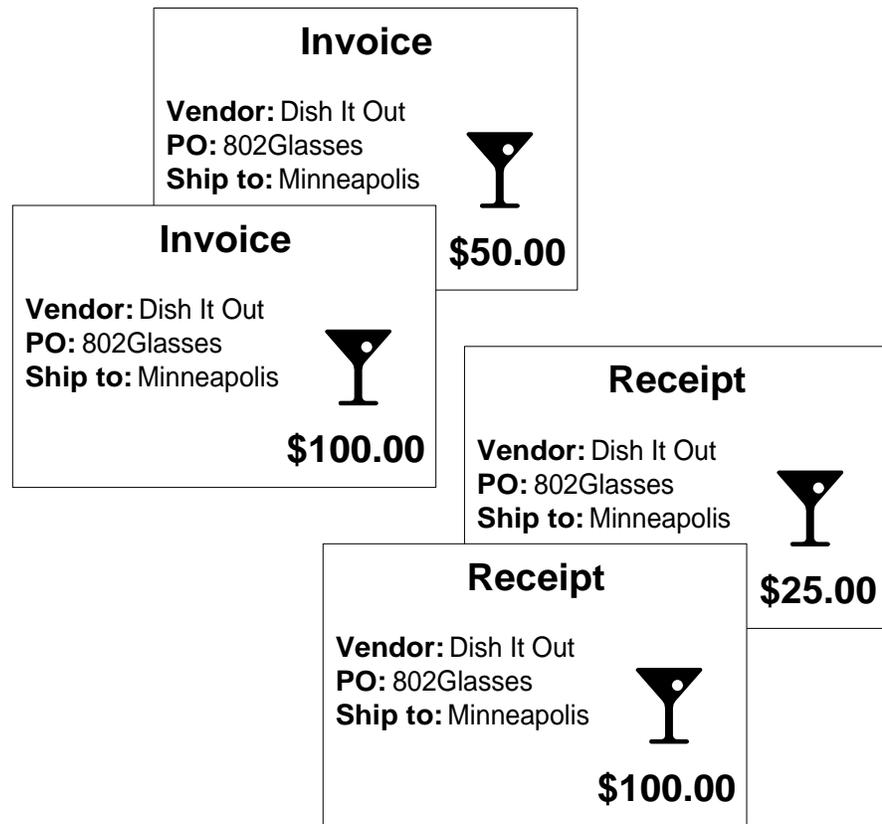
Figure 93. Illustration: Company / Vendor / PO match pool option



### Company / Vendor / PO / Ship To Example

With the Company / Vendor / PO / Ship To match pool option, the match pool is narrowed even further and now includes only receipts and invoices for a specific purchase order and a specific ship to location, such as Minneapolis.

Figure 94. Illustration: Company / Vendor / PO / Ship To match pool option



## What Is a Match Level?

---

The match level determines what level of detail you want to use when matching invoices to receipts. There are two match levels:

- **Invoice Match:** Invoices and receipts are matched at the header level; the invoice total is matched with the receipt total
- **Detail Match:** Individual detail line amounts are compared to the extended line amounts to identify a match

All examples up to this point have shown matches at the invoice match level. This is the highest level of matching available.

## What Is a Match Type?

---

Once invoices and receipts are grouped together in a pool, you use match rules to define how invoices and receipts in the match pool will be matched to each other. Remember, invoices and receipts are initially matched on their header information (company, vendor, PO, and ship to) based on the match pool option you select. Match rules take the match process one step farther by matching invoices and receipts by amount.

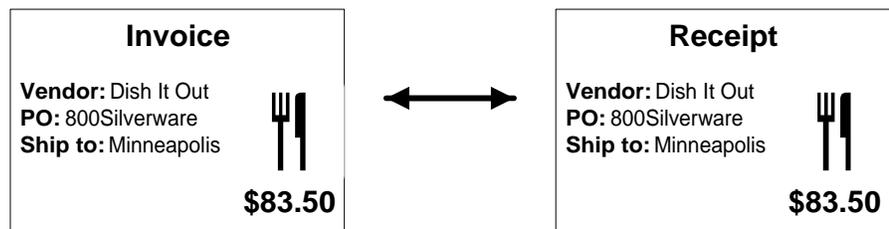
You can match:

- One invoice to one receipt,
- One invoice to all receipts,
- All invoices to one receipt, or
- All invoices to all receipts

### One to One Match Rule Example

With a one to one match rule, the system looks for one invoice and one receipt with identical amounts (within tolerance).

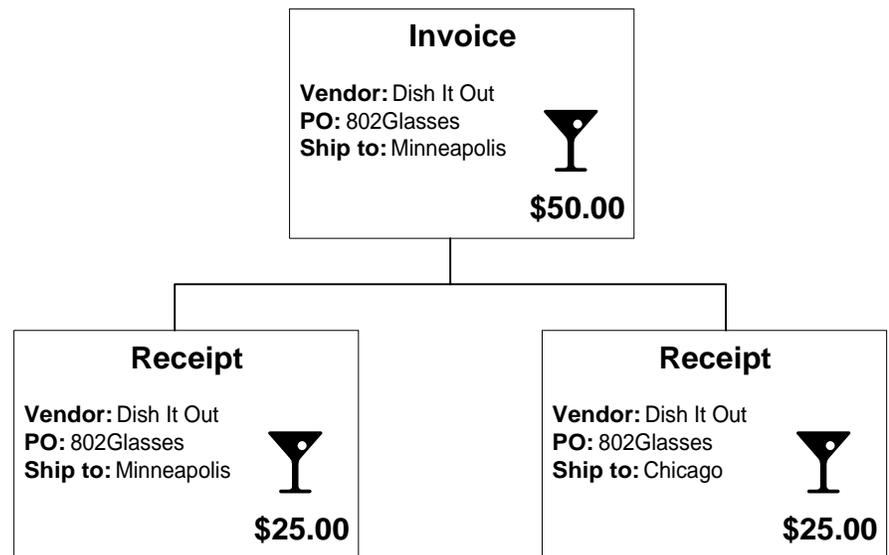
Figure 95. Illustration: Using a one to one match rule



### One to All Match Rule Example

With a one to all match rule, the system looks for any number of receipts with amounts that add up to the total of one invoice (within tolerance).

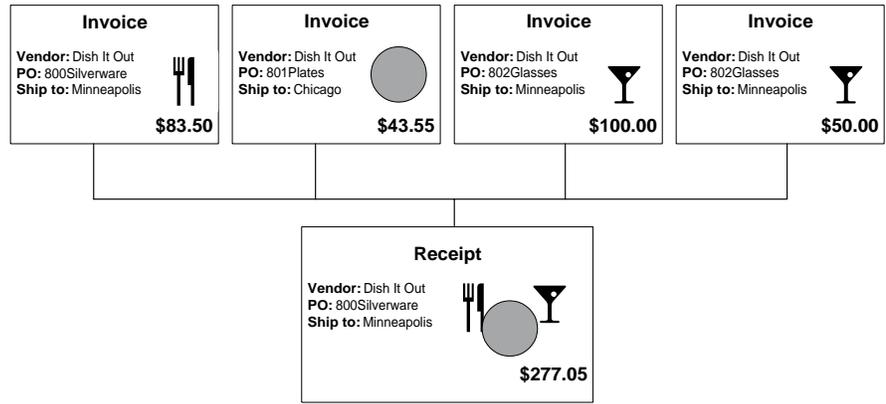
Figure 96. Illustration: Using a one to all match rule



### All to One Match Rule Example

With an all to one match rule, the system looks for any number of invoices with amounts that add up to the total of one receipt (within tolerance).

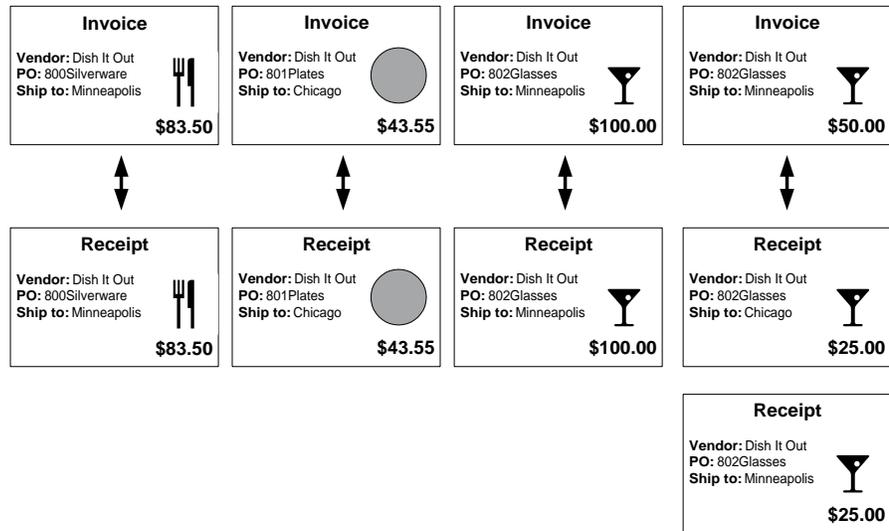
Figure 97. Illustration: Using an all to one match rule



### All to All Match Rule Example

With an all to all match rule, the system looks at the total amount for all invoices to equal the total amount of all receipts (within tolerance).

Figure 98. Illustration: Using an all to all match rule



## What Happens If Invoices and Receipts Don't Match?

---

If invoices and receipts do not match during the matching process, you have several options for handling those unmatched invoices. You can manually reconcile unmatched invoices with the pool of unmatched receipts, match invoices to receipts at the line invoice level, or match invoices at the detail level.

You can also make adjustments to ensure a future match, such as adjusting the received quantity (positively or negatively) and canceling the backorder of a released receiving line. You can also change an existing match reference number, add a match reference number to an unmatched invoice that does not have a number assigned, or delete a match reference number assigned to an unmatched invoice.

## What Is Unique About Entering a Match Vendor?

---

For Accounts Payable, you define a vendor and assign it to a vendor group and vendor class. A match vendor is unique in that you also set up invoice matching options on the Options tab on Vendor (AP10.1). Options include match reference processing and a handling code that defaults onto invoices. Additional invoice matching options can be selected that override the invoice matching company setup, such as match table, pool option, and creation of Proof of Delivery.

## What Is Unique About Entering a Match Invoice?

---

Previous chapters of this user guide covered the process for entering an expense invoice in detail. You use essentially the same process when entering a match invoice, but you will use a few additional fields on the entry form. Key fields on the Main tabs, on Basic Invoice (AP20.1) and Taxed Invoice (AP20.2), to take note of when entering a match invoice are:

|                      |   |
|----------------------|---|
| <b>PO</b>            | Match invoices can require a purchase order number.   |
| <b>Handling Code</b> | Match invoices require an invoice handling code. The invoice handling code is used to identify an invoice as a match invoice. It also contains processing rules for invoice matching such as whether the invoice has detail information, whether the invoice is for services only or add on costs only, and whether a PO number or voucher is required. |

Use the Misc. form tab to define matching options for the invoice. Consider the following fields.

|                        |  |
|------------------------|--|
| <b>Ship To</b>         | Select a valid number representing the ship-to location.   |
| <b>Reason Code</b>     | Select a valid reason code which indicates the cause for credit memos.   |
| <b>Return Number</b>   | If the goods associated with the invoice were returned, you can select an optional return number assigned to the invoice.                      |
| <b>Match Reference</b> | Select a user defined number used for linking an invoice to a specific receipt in the match process  |
| <b>Purchase From</b>   | Select a code that has been predefined in Alternate Location (AP10.2). If left blank, the vendor's normal purchase-from location will default. |
| <b>Print Cr Memo</b>   | Select Yes to have the system automatically print a credit memo for a charge back.   |
| <b>Retail Amount</b>   | Type the retail amount of the item.  |

## How Do I Actually Match Invoices and Receipts?

---

You have two options for matching invoices:

- Match an invoice online as you enter the invoice
- Match a group of invoices using an auto-match batch program

### Matching Invoices As You Enter Them

Basic Invoice (AP20.x) and Taxed Invoice (AP20.2) both include a Match special action that lets you match individual invoices from these invoice entry forms. You can match an invoice online at any time after you enter it up until you release it, at which point you can no longer view the invoice on an entry form.

### Using the Auto-Match Batch Program

You can run Auto Matching (MA126) to match a group of invoices based on parameters you select, such as selecting the invoice processing date range to match invoices with due dates within that range. This program creates two reports.

One report lists information about match invoices, such as the total number of invoices matched and the total matched amount broken down by match status (matched, matched in tolerance, and matched with chargeback). A second report lists information about unmatched invoices, such as invoice detail (invoice number, invoice date, due date, and invoice amount) and the reason the invoice did not match.



## Chapter 25

# Accessing Accounts Payable Data

---

The Lawson Accounts Payable application includes several pre-defined reports and listings that you can use to review your data. This chapter provides a brief description of each report and a sample of the report output. Online inquiries and drill arounds are also valuable tools that you can use to access accounts payable information in real time. Those methods are also covered in this chapter.

# Concepts in this Chapter

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The following concepts provide background and conceptual information for the procedures within this chapter.

- ["What Is a Drill Around?" on page 318](#)
- ["What Is Online Analysis?" on page 319](#)

## What Is a Drill Around?

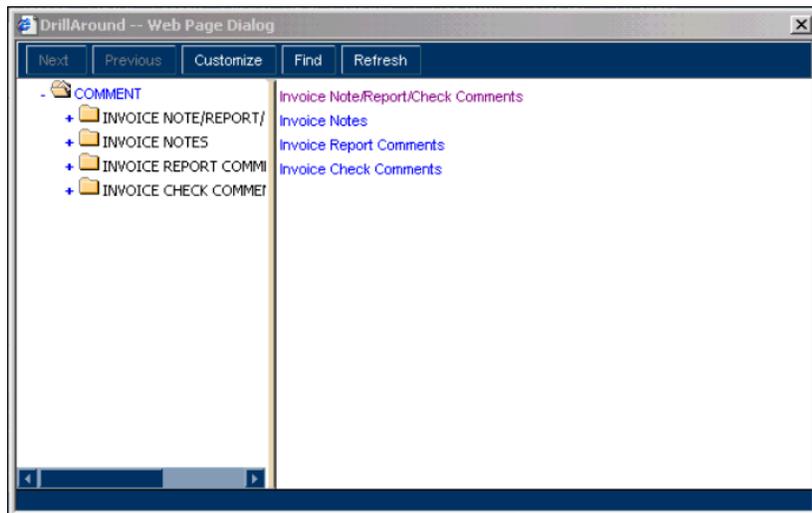
---

A drill around is a multi-dimensional tool that you can use to access information in a Lawson application. Drill arounds provide real-time information in an online format, so you don't have to wait for a report to access and analyze data. Use a drill around on any field in the application where the drill around icon is available to access information about your setup, invoices, vendors, and more.

### Example

The supervisor of the Accounts Payable department has a question about a currently unreleased invoice. He first wants to determine who entered the invoice, or whether it was interfaced. He drills around on a field on Basic Invoice (AP20.1) and selects Invoice Origin from the Drill Around menu. From this drill around, he can see the invoice was manually entered and which operator entered it. The date, time, batch, and voucher are also available.

*Figure 99. Illustration: Using Drill Around*



## What Is Online Analysis?

---

Accounts Payable includes several online analysis forms that you can use to view real-time information. Use the online analysis forms to view information about invoices, payments, vendor activity, balances, and distributions. The following analysis forms are available:

| <b>To</b>   | <b>Use</b>  |
|---|---|
| Display invoice information for a vendor                              | Invoice Search by Vendor-Invoice (AP90.1)           |
| Display invoice information for a vendor in date order                | Invoice Search by Invoice Date (AP90.2)             |
| Display invoice information for a voucher number                      | Invoice Search by Voucher (AP90.3)                  |
| Display invoice information for a purchase order number               | Invoice Search by Purchase Order (AP90.4)           |
| Display vendor balance information by company                         | Company Vendor Balances (AP90.6)                    |
| Display vendor balance information by vendor group                    | Vendor Group Vendor Balances (AP90.7)               |
| Display transaction information for a vendor                          | Vendor Activity (AP91.1)                            |
| Display bills of exchange for a pay group                             | Bill of Exchange Inquiry (AP91.2)                   |
| Display invoices for a vendor within a vendor group                   | Vendor Invoices (AP92.1)                            |
| Display invoices for a vendor within a pay group                      | Pay Group Invoices (AP92.2)                         |
| Display archived invoices for a vendor by vendor invoice.             | Archived Vendor Invoices (AP93.1)                   |
| Display archived invoices for a vendor by pay group invoice           | Archived Pay Group Invoices (AP93.2)                |
| Display expense and tax distributions for an invoice                  | Invoice Distributions (AP95.1)                      |
| Display invoice distribution information for a general ledger account | GL Account Distributions (AP95.2)                   |
| Display detailed expense distributions for an activity                | Activity Distributions (AP95.3)                     |
| Display archived invoice information by vendor invoice                | Archived Invoice Search by Vendor Invoices (AP96.1) |
| Display archived invoice information by voucher                       | Archived Invoice Search by Voucher (AP96.2)         |
| Display archived invoice information by purchase order                | Archived Invoice Search by Purchase Order (AP96.3)  |

## Example 1: Using Invoice Search by Vendor-Invoice

**TIP** Use drill rounds on inquiry forms to dig for more details.

You just received a letter from your office supply vendor with a complaint that they never received a payment for an invoice numbered 550. You can use Invoice Search by Vendor Invoice (AP90.1) to inquire on invoices for that vendor.

Figure 100. Illustration: Invoice Search by Vendor-Invoice (AP90.1)

| SC | Invoice     | Voucher | Inv Dte  | Due Dte  | Amount    |
|----|-------------|---------|----------|----------|-----------|
|    | 1483459874  | 76      | 01/03/01 | 02/02/01 | 575.25    |
|    | 1489000101  | 21      | 01/31/00 | 02/25/00 | 2,750.00  |
|    | BBL4321 001 | 80      | 01/01/01 | 01/01/01 | 215.00    |
|    | BBL4321 002 | 81      | 02/01/01 | 02/01/01 | 215.00    |
|    | K65332      | 22      | 01/05/00 | 02/05/00 | 15,010.22 |
|    | REC-L6532   | 23      | 01/12/00 | 02/12/00 | 1,243.55  |

## Example 2: Using Vendor Activity

An employee, Elizabeth Eaton, called because she took a business trip in December, but couldn't recall if she had submitted an expense report and been reimbursed for her trip expenses. You can use Vendor Activity (AP91.1) to view all activity for her.

Figure 101. Illustration: Vendor Activity (AP91.1)

| SC | Transaction | Inv Typ | Pmt Code | Date     | Amount    | Curr | Cmt |
|----|-------------|---------|----------|----------|-----------|------|-----|
|    | K65332      | I       |          | 01/05/00 | 15,010.22 | USD  | Add |
|    | REC-L6532   | I       |          | 01/12/00 | 1,243.55  | USD  | Add |
|    | 1489000101  | I       |          | 01/31/00 | 2,750.00  | USD  | Add |
|    | 12359       |         | SYS      | 05/31/00 | 19,003.77 | USD  |     |
|    | BBL4321 001 | I       |          | 01/01/01 | 215.00    | USD  | Add |
|    | 1483459874  | I       |          | 01/03/01 | 575.25    | USD  | Add |
|    | BBL4321 002 | I       |          | 02/01/01 | 215.00    | USD  | Add |

## Example 3: Using Invoice Distributions

You just came across a note on your desk reminding you to that there has been a change in the distribution accounts you should use for new building construction invoices. You can use Invoice Distributions (AP95.1) to inquire on invoice distributions for your construction vendor to make sure the correct accounts were used.



# Report Samples

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The following portion of this chapter provides samples of predefined reports available in Accounts Payable. Use these samples to preview the look and feel of reports. This can help you select the reports you want to run for your organization on an ongoing basis or to identify reports you want to run for unique types of analysis or troubleshooting.

## Vendor, Invoice Audit Report (AP135)

---

Run Vendor, Invoice Audit Report (AP135) to list vendor record changes for vendor groups that have Yes selected in the Audit Vendor Changes field in Vendor Group (AP00.1) or to list released invoice changes for companies that have Yes selected in the Audit Invoice Changes field in Company (AP00.4). This report lists the before and after values of the vendor or invoice fields changed, the time and date of the change, and the operator who made the change. You have the option to delete audit records included on the report.

Figure 103. Report Sample: Vendor-Invoice Audit Report (AP135)

| Vendor Audit Report    |                           | Vendor                |                            |
|------------------------|---------------------------|-----------------------|----------------------------|
| Class                  | SUP                       | Suppliers             | Vendor Class               |
| Date                   | Operator                  | Before Value          | After Value                |
|                        |                           | Field                 | Company                    |
|                        |                           | Time                  | Time                       |
| -----                  |                           |                       |                            |
| Medical Supplies Corp. |                           | 1                     | General                    |
| Vendor location added  |                           |                       |                            |
| 1                      | NJ                        | nj - n10              | 11:31:30 07/20/99 kimh     |
| Vendor location added  |                           |                       |                            |
| kimh                   | 4                         | Paper Suppliers, Inc. | 11:30:49 07/20/99          |
| Vendor added           |                           |                       |                            |
| 09/04/97               | karenl                    | 7                     | UK Office Equipment, PLC   |
| Vendor added           |                           |                       |                            |
|                        |                           |                       | 16:36:37                   |
| Vendor added           |                           |                       |                            |
|                        |                           | 10                    | Maple Leaf Office Supplies |
| Vendor added           |                           |                       |                            |
|                        |                           | 21                    | Office Supplies,           |
| Vendor added           |                           |                       |                            |
|                        |                           | 542                   | Schwanns                   |
| Vendor added           |                           |                       |                            |
|                        |                           | 1000                  |                            |
| Vendor added           |                           |                       |                            |
|                        |                           | 16:28:40 09/04/97     | karenl                     |
| Vendor added           |                           |                       |                            |
| 1019                   | Victor's Office Materials |                       | 16:42:33                   |
| Vendor added           |                           |                       |                            |
| 09/04/97               | karenl                    | 2000                  | Warehouse Equipment        |
| Vendor added           |                           |                       |                            |
| Vendor added           |                           |                       |                            |
| 15:31:05 10/24/97      |                           |                       |                            |

## Invoice Accrual Reconciliation (AP136)

---

Run Invoice Accrual Reconciliation (AP136) to list invoice transactions that make up your invoice accrual account balance as of the date you specify. The report shows the difference between what has been paid and updated through Payment Closing (AP170) or Bill of Exchange Cashing Update (AP180), and what has been expensed through Invoice Distribution Closing (AP175) for each invoice accrual account.

When you run Invoice Accrual Reconciliation (AP136), a reconciliation date is stamped on the record if it is between what has been paid and updated through Payment Closing (AP170) or Bill of Exchange Cashing Update (AP180), and what has been expensed through Invoice Distribution Closing (AP175) for each invoice accrual account. If you run the report multiple times, the reconciliation date does not get reestablished. That is, the time stamp remains the original time the record qualifies in Invoice Accrual Reconciliation (AP136).

The report includes the amount paid, amount distributed, and the difference for each invoice listed. The difference should equal the general ledger invoice accrual account balance as long as no adjustments have been made to the invoice accrual account through the General Ledger application and no transactions have been interfaced to the general ledger from other subsystems for the invoice accrual account specified. This program lists transactions in the Accounts Payable application only.



| 1 General Medical Supplies Corp. PREPAY-123 |                  | -                      |             |
|---|------------------|------------------------|-------------|
| P 06/01/98                                  | 06/01/98         | 06/01/98               | 0.00        |
| 500.00-                                     | USD PREPAY-15647 | P 05/28/98             | 05/28/98    |
| 0.00  | 10,000.00        | 10,000.00-             | USD         |
|   | *** Vendor       | 1 Total                | 500.00      |
| 0.00  | 10,500.00        | 10,500.00-             | USD         |
| Orthopedic Suppliers                        | INV-2-101        | 2 ACME                 |             |
| 700.00                                      | 0.00             | 12/01/99               | 12/01/99    |
|   | *** Vendor       | 2 Total                | 700.00      |
| 700.00                                      | 0.00             | 700.00                 | USD         |
| R Us 12345                                  | -                | 08/16/99               | 01/30/98    |
| 500.00                                      | 0.00             | 500.00                 | USD         |
|   | *** Vendor       | 3 Total                | 500.00      |
| Inc. INV901-21                              | 0.00             | 500.00                 | USD         |
| 11,000.00                                   | -                | 10/01/97               | 10/01/97    |
|   | *** Vendor       | 21 Office Supplies,    |             |
|   | 0.00             | 11,000.00              | USD         |
| 123456                                      | -                | 11,000.00              | USD         |
| 100.00                                      | 0.00             | 12/01/99               | 12/31/99    |
|   | *** Vendor       | 1234 ACME Construction |             |
|   | 0.00             | 100.00                 | USD         |
|   | 0.00             | 100.00                 | USD         |
|   | 0.00             | 100.00                 | USD         |
| Accrual Code ACCR Total                     | 12,300.00        | 10,500.00              | *** Invoice |
| 1,800.00                                    | USD              | *** Company 4321       |             |
| Total                                       | 12,300.00        | 10,500.00              | 1,800.00    |

## Vendor Group, Company Listing (AP200)

---

Run Vendor Group, Company Listing (AP200) to list vendor group, vendor class, or company information defined in Company (AP00.4) or create an abbreviated vendor listing. Select one or more listing options.

Name LGE Corporation  
 Vendor Group 4321 LGE Corporation Vendor Group Address 1  
 123 Pleasant Drive Base Currency  
 USD US Dollars Address 2 Address 3 Address 4  
 Postal Code City or Addr5 Minneapolis  
 St/Prov MN 55413 Country Workflow No Batch Release:  
 Yes Auto Batch Number: Yes Last Batch 18 Batch Control  
 No Invoice Approval: Yes Auto Voucher Nbr: Yes Last Voucher  
 58 Duplicate Vouchers No Numeric Vouchers Yes Approval  
 Exists: Yes Release Out of Bal: No Cash Code 4321  
 Bank Account 12-900000 Cash Account 101  
 11200 Bank ID and Name 256135 First Nat'l  
 Bank Invoice Accrual Code ACCR Accrual Account 101  
 21200 Income Withholding Code INCWTHOLD Accrual Account 101  
 23200 W/H Rate 31.000 Discount Code  
 DISCOUNT Discount Account 101 45000 Posting Option  
 Summary Returns Debit Memo No  
 Audit Invoice Changes Yes ERS Auto Release  
 Yes Default Distribution Reference Invoice  
 ERS Location Control No Employee Expense Reconciliation Matching  
 EDI Auto Release Yes Tax Recovery on Discount  
 No Process Level 4321 Name  
 LGE Corporation Process Level Cash Code  
 4321 Address 1 1300 Godward Street  
 Address 2 Invoice Accrual Code ACCR Address  
 2 Income Withholding Code INCWTHOLD Address 3 Discount Code  
 DISCOUNT Address 4  
 Postal Code Pay Group 4321 City or Addr5  
 Minneapolis St/Prov MN 55413 Country  
 United States

|                      |                     |                         |           |
|----------------------|---------------------|-------------------------|-----------|
| Process Level        | ACME                | Name                    | Acme      |
| Process Level        | 1300 Godward Street | Cash Code               | Address   |
| 1                    | Address 2           | Income Withholding Code | Address   |
| Invoice Accrual Code | Address 2           | Income Withholding Code | Address   |
| 3                    | Discount Code       | Address 4               | Pay Group |
| Discount Code        | Address 4           | Pay Group               | 4321      |
| Postal Code          | Minneapolis         | St/Prov MN              | 55413     |
| Addr5                | United States       | Process Level           | FIRST     |
| First Process Level  | Address 1           | Process Level           | Name      |
| Cash Code            | Address 1           | Invoice Accrual Code    | Address 2 |
| Invoice Accrual Code | Address 2           | Income                  | Income    |
| Withholding Code     | Address 3           | Discount Code           | Address 4 |
| Discount Code        | Address 3           | Postal Code             | Pay Group |
| Postal Code          | City or Addr5       | City or Addr5           | St/Prov   |
| 4321                 | Country             | Country                 | Country   |

## Pay Group Listing (AP201)

---

Run Pay Group Listing (AP201) to list pay group information. You can create a listing for one or all pay groups.

Figure 106. Report Sample: Pay Group Listing (AP201)

|               |         |                    |      |                    |                 |               |             |                 |
|---------------|---------|--------------------|------|--------------------|-----------------|---------------|-------------|-----------------|
| Vend          | Post    | Base               | Cash | Pmt                | Last            | BOE           | Accr        | Group           |
| Co            | Curr    | Code               | Code | Status             | BOE Nbr         | Code          | 4321        | USD             |
| SYS           | Active  |                    | 0    | Address Name       | LGE Corporation | Address 1     |             | 4321            |
|               |         |                    |      | 123 Pleasant Drive | Address 2       | Address 3     | Address 4   | City or Addr5   |
|               |         |                    |      | Minneapolis        | State or Prov   | MN            | Postal Code | 55413           |
| Acctg         | Company | Process Level      |      | 4321               | LGE Corporation | Process Level |             | LGE Corporation |
| ACME          |         | Acme Process Level |      |                    | LGE Corporation | Process Level | FIRST       | First           |
| Process Level |         | LGE                |      |                    |                 |               |             | LGE Corporation |

## Process Group Listing (AP202)

---

Run Process Group Listing (AP202) to list process groups. To print process groups only, select the Summary report option. To print vendors assigned to each process group, select the Detail report option. To create a list of vendors that do not have a process group assigned, select "none" in the Process Group field and select the Detail report option.

Figure 107. Report Sample: Process Group Listing (AP202)

| Process Group           | Group       | Vendor | Name                          | Process Group | Vendor      | City |
|-------------------------|-------------|--------|-------------------------------|---------------|-------------|------|
| 4321 - LGE Corporation  | ACME        | 1008   | National Construction Workers |               | Boston      |      |
|                         | MA          | ACME   | 1010 Fred's Surveying         |               |             |      |
| Coon Rapids             | MN          | ACME   | 1011 AT&T Inc.                |               |             |      |
| Water and Sewer         | St. Louis   | MO     | ACME                          | 1012          | Minneapolis |      |
| States Electric         | Minneapolis | MN     | ACME                          | 1013          | Northern    |      |
| U.S. Federal Government | Minneapolis | MN     | ACME                          | 1014          |             |      |
|                         | Washington  |        | DC                            |               |             |      |

## Accounts Payable Codes Listing (AP205)

---

Run Accounts Payable Codes Listing (AP205) to list accounts payable codes. You can list bill of exchange accrual codes, invoice accrual codes, distribution codes, authority codes, income codes, hold codes, discount codes, or income withholding codes. Select at least one listing option.

To list accounts payable codes defined for a specific company, use the By Company form tab. To list codes for all companies, use the All Codes form tab. To list hold codes defined for a vendor group, use the By Vendor Group form tab.

Figure 108. Report Sample: Accounts Payable Codes Listing (AP205)

```

Accr Code  Accrual Account  Description  ---  Accounts Payable
-----  -----  -----  ---  -----
*****  *****  *****  *****  *****
Dist Code Co  Distribution Account  Amount  Units  Description
Percent Activity  Acct  Asset Nbr  Asset Temp
ELECTRIC 4321  - 55000  0.00  0.00
0.00 0.000 0.000 0.000 0.000 0.000 0.00
0.00 0.00 0.00 0.00 0.00 0.00 0.00
* Code Total 0.000 0.000 0.000 0.000 0.000 0.00
* * * Code Total * * * Code Total * * * Code Total
*****
Authority Code Description -----
MGR Manager SUP Supervisor *****
Discount Code Co --- Discount Account --- Description
Status -----
----- DISCOUNT 4321 101 45000 0 Accounts Payable
Discounts Active Income Withhold Code Co ----- Accrual Account
----- Description 23200 0 Accr Federal Withholding Active
Status INCWTHOLD 4321 101

```

## Vendor Listing (AP210)

---

Run Vendor Listing (AP210) to list vendor information defined in Vendor (AP10). You can select a basic, expanded, or summary report option. You can include vendor balances, comments, certifications, and alternate location information on the listing.

Also, you can include only vendors who have an alternate pay vendor defined for invoice payment.

Figure 109. Report Sample: Vendor Listing (AP210)

```

Vendor Listing - Basic Report ***** Vendor
1 Vendor Name Best Price Vending Contact
Mr. J. Buffet Vendor Class OFF Search Name
ABC OFFICE SUPPLIES Telephone 01 612-555-0000 2500
Legal Name ABC OFFICE SUPPLIES Address 1 500 Oak Street Origin Date
Fax 10/26/99 Address 2 Creation Date 10/26/99 Address
3 EDI Nbr
Normal Remit To Address 4
Pmt Terms Normal Purch
From City or Addr5 Chicago IL 68005 Tax ID County Income
Cash Code Country Income Code Tax Code Operator bre
W/H N Match Table
Handling Code Email Address jbuffet@abc.com URL Address abc.com
***** Vendor 2 Vendor Name ACME
Construction Contact Bud Nelson
Vendor Class GEN Search Name ACME CONSTRUCTION
Telephone 612-451-3000 2200 Legal Name ACME CONSTRUCTION
Address 1 1 North Main Street Fax
Origin Date 10/26/99 Address 2
Telex
Creation Date 10/26/99 Address 3
EDI Nbr
Remit To Address 4 Normal
2% 10 net 30 Pmt Terms 2%N30
MN 55125 Tax ID County Hennepin Normal Purch From City or Addr5 Minneapolis
Income Code Cash Code Country
US Income W/H Y
Tax Code Operator bre
Match Table Handling Code Email
Address URL Address

```

## Comments Listing (AP212)

---

Run Comments Listing (AP212) to list vendor comments defined in Vendor Comments (AP12.1), invoice comments, and distribution records with comments and statuses defined in Distribution Adjustments (AP30.2). Select at least one listing option.

Figure 110. Report Sample: Comments Listing (AP212)

| Vendor Comments   | Date Range        | Date Comment Entered | Type                     |
|---|-------------------|----------------------|--------------------------|
| 1013 Northern States Electric   | 06/09/00 12/31/20 | 06/09/00             |                          |
| Mike Hart in facilities would like to get a copy of the monthly invoice from Northern States. | 06/09/00 12/31/20 | 06/09/00             |                          |
| *****   | 06/09/00 12/31/20 | 06/09/00             | Paper Suppliers,         |
| Inc. *****  | 06/09/00 12/31/20 | 06/09/00             | This vendor previously   |
| did business  | 06/09/00 12/31/20 | 06/09/00             | under the name Worldwide |
| Paper, Inc.   | 06/09/00 12/31/20 | 06/09/00             |                          |

## Open Payables Report (AP230)

---

Run the Open Payables Report (AP230) to list released invoices for a vendor group, pay group, or invoice company. Use the listing to review invoice totals and details for accuracy. Use Invoice Adjustments (AP30) to correct invoice errors or cancel an invoice.

Figure 111. Report sample: Open Payables Report (AP230)l

| Open Payables Report as of 06/09/00 |              |   |          |            |                |          |             |             |                 |
|-------------------------------------|--------------|---|----------|------------|----------------|----------|-------------|-------------|-----------------|
| Pay                                 |              |   | Currency |            | USD            |          | US Dollars  |             |                 |
| Typ                                 | Gip          | Voucher                                   | Date     | Inv/BOE    | Due            | Disc     | Invoice/BOE | Invoice/BOE | Invoice/BOE     |
| Amount                              | Discount     | Amount                                    | Date     | Date       | Amount         | Rate     | Amount      | Amount      | Amount          |
| 1                                   |              | General Medical Supplies Corp. PREPAY-123 |          |            |                |          |             |             |                 |
| 32                                  | 06/01/98     | 06/01/98                                  | 500.00-  | 1 Y 4321   | 31             | 05/28/98 | 05/28/98    | 500.00-     |                 |
| 0.00                                | PREPAY-15647 | 10,000.00-                                |          |            |                |          |             |             |                 |
| ** Vendor                           |              | 10,000.00-                                |          | 1 USD      | Total          |          |             | 10,500.00-  |                 |
| 10,500.00-                          |              | 0.00                                      |          |            |                |          |             |             |                 |
| *** Invoice/BOE Count               |              |   |          |            |                |          |             |             |                 |
| Eaton AD100                         |              | -   | 1 M 4321 | 2          | 1004 Elizabeth |          |             |             |                 |
|                                     |              | 500.00-                                   | 12/01/99 | 11/15/99   | 11/15/99       | 11/15/99 |             |             |                 |
| -                                   | 1 M 4321     | 200.00-                                   |          |            | 0.00           | ADV-1004 |             | 200.00-     |                 |
| ** Vendor                           | 1004 USD     | Total                                     |          | 700.00-    |                |          |             | 700.00-     |                 |
| 0.00                                |              |   |          |            |                |          |             |             | ***             |
| Invoice/BOE Count                   |              |   |          |            |                |          |             |             |                 |
| *** Company                         | 4321 USD     | Total                                     |          | 11,200.00- |                |          |             | 11,200.00-  | *** Invoice/BOE |
| 0.00                                |              |   |          |            |                |          |             |             |                 |
| Count                               |              |   |          |            |                |          |             |             | 4               |

## Invoice Payment Approval Edit (AP236)

---

Run Invoice Payment Approval Edit (AP236) to list released invoices that require approval in Invoice Payment Approval (AP36.1) before they can be scheduled for payment. A released invoice requires approval if the company has approval criteria defined in the Company Approval subform and No selected in the Workflow field on Company (AP00.4), and the invoice amount is greater than or equal to the amount defined in the Company Approval subform. Upon approval, the released invoices become available for payment.

Figure 112. Report sample: Invoice Payment Approval Edit (AP236)

```
Invoice Approval Edit Report
                                     For Company 4321
Computer Generated Solutions Authority Code MGR Voucher Invoice Amount
Vendor Name
Status Approved Due Date 54 INV-2-100 11,000.00 Released No
4321 ACME CONSTRUCTION
      12/01/99 Total For Authority Code MGR
      11,000.00
```

## Hold Payments Report (AP240)

---

Run Hold Payments Report (AP240) to list invoices or vendors on hold. Use Invoice Hold Selection (AP40.1) or Vendor Hold Selection (AP40.2) to remove invoices or vendors from hold, if needed.

When you remove a hold code from an invoice, the invoice becomes available for payment. When you remove a hold code from a vendor, all invoices for the vendor become available for payment.

Figure 113. Report sample: Hold Payments Report (AP240)

| Invoice Hold Report | Process Level | Hold Code                      | PREP Prepayment Hold | Invoice                   |
|---------------------|---------------|--------------------------------|----------------------|---------------------------|
| PL Voucher          | Auth          | Inv Date                       | Due Date             | Invoice Description       |
| Payment Amount      | Curr          | PO Number                      |                      |                           |
| -----               | -----         | -----                          | -----                | -----                     |
|                     | 1             | General Medical Supplies Corp. |                      | Sam Walton                |
|                     | 312           | 555-1212                       | PREPAY-123           | - 1 4321                  |
| 32                  | 06/01/98      | 06/01/98                       | tooling prepayment   | 500.00-                   |
| USD                 | PREPAY-15647  | - 1 4321                       |                      | 05/28/98 05/28/98 Down    |
| payment for catscan |               | 10,000.00- USD                 |                      | 1004 Elizabeth Eaton      |
| AD100               |               | - 1 4321                       | MGR                  | 11/15/99 11/15/99 Advance |
| for travel          |               | 500.00- USD                    |                      |                           |

## Cash Forecasting (AP250)

---

Run Cash Forecasting (AP250) to create an aged trial balance report for a company, pay group, or vendor group to forecast cash requirement needs. Released invoices that fall within the aging dates you define are included on the report. To create aging periods for past due invoices, type negative values in the Aging Period fields. When you remove a hold code from an invoice, the invoice becomes available for payment. When you remove a hold code from a vendor, all invoices for the vendor become available for payment.



## Bank Account Payment History (AP255)

---

Run Bank Account Payment History (AP255) to list manual and system-generated payments for a pay group.

Figure 115. Report sample: Bank Account Payment History (AP255)

| Cash Code 4321 Bank 256135 |                       | Vendor          |                       | Invoice                   |                       | Payment         |             |
|----------------------------|-----------------------|-----------------|-----------------------|---------------------------|-----------------------|-----------------|-------------|
| Currency                   | USD                   | Payment Code    | SYS                   | Vendor                    | Invoice               | Discount Amount | Net Payment |
| Auth PL                    | Due Date              | Dsc Date        | Scheduled Amount      | Scheduled Amount          | Discount Amount       | Net Payment     | Voucher     |
| Amount                     | -----                 | -----           | -----                 | -----                     | -----                 | -----           | -----       |
| 200                        | Payment Date 01/01/00 | Vendor          | 2                     | ACME Orthopedic Suppliers |                       |                 |             |
|                            | Status Reconciled     | 2 INV-2-101     |                       | 53 MGR                    |                       |                 |             |
| 4321                       | 12/01/99              | 700.00          |                       | 0.00                      |                       | 700.00          |             |
|                            |                       |                 |                       | *** Payment Total         |                       |                 |             |
| 700.00                     |                       | 0.00            |                       | 700.00                    |                       |                 |             |
| 201                        | Payment Date 01/01/00 | Vendor          | 3                     | Bandaid R Us              |                       |                 |             |
|                            | Status Reconciled     | 3 12345         |                       |                           |                       |                 |             |
| 50                         | 4321 08/31/99         | 500.00          |                       | 0.00                      |                       |                 |             |
|                            |                       |                 |                       | ***                       |                       |                 |             |
| 500.00                     |                       |                 |                       | 500.00                    |                       |                 |             |
|                            | Payment Total         | 500.00          |                       | 0.00                      |                       | 500.00          |             |
|                            | Payment Number        | 202             | Payment Date 01/01/00 | Vendor                    | 1234                  |                 |             |
|                            | ACME Construction     |                 | Status Reconciled     | 1234                      | 123456                |                 |             |
|                            |                       | 54              | 4321 12/01/99         |                           | 100.00                |                 |             |
|                            |                       |                 |                       |                           |                       |                 |             |
| 0.00                       |                       | 100.00          |                       |                           |                       |                 |             |
|                            | *** Payment Total     | 100.00          |                       | 0.00                      |                       |                 |             |
| 100.00                     |                       |                 |                       | 203                       | Payment Date 01/01/00 | Vendor          |             |
|                            | 1004                  | Elizabeth Eaton |                       |                           | Status Reconciled     | 1004            |             |
|                            | ADV-1004              |                 |                       | MGR 4321                  | 12/01/99              |                 |             |
| 200.00                     |                       | 0.00            |                       | 200.00                    |                       |                 |             |
|                            |                       |                 |                       | *** Payment Total         |                       | 200.00          |             |
| 0.00                       |                       | 200.00          |                       | 207                       | Payment Date 01/01/00 | Vendor          |             |
|                            | Vendor                | 1004            | Elizabeth Eaton       |                           | Status Reconciled     |                 |             |
|                            | 1004                  | AD100           |                       | MGR 4321                  | 11/15/99              |                 |             |
|                            |                       | 500.00          |                       | 500.00                    |                       |                 |             |
|                            |                       |                 |                       | *** Payment Total         |                       | 500.00          |             |
|                            |                       | 0.00            |                       | 500.00                    |                       |                 |             |

## Cash Payment Register (AP265)

---

Run Cash Payment Register (AP265) to list invoice payments for a pay group. Select Current in the Report Option field to include payments created in your current cash payment cycle, payments not processed by Payment Closing (AP170).

Figure 116. Report sample: Cash Payment Register (AP265)

| Process Level | 4321     | LGE Corporation | Process Level | Cash Code                 |
|---------------|----------|-----------------|---------------|---------------------------|
| SYS           | 4321     | Payment         | Currency      | USD                       |
| To            | Amount   | Name            | City          | Status                    |
|               | 208      | 4321            | 21            | Office Supplies, Inc.     |
|               | 03/25/00 | Processed       | 12,000.00     | USD                       |
|               |          |                 |               | *** Payment Code          |
|               |          |                 |               | SYS Totals                |
|               |          |                 |               | 1                         |
|               |          |                 |               | 12,000.00                 |
|               |          |                 |               | Total Reconciled Payments |
|               |          |                 |               | 0.00                      |
|               |          |                 |               | Total Void Payments       |
|               |          |                 |               | 0.00                      |
|               |          |                 |               | *** Cash Code             |
|               |          |                 |               | 4321 Totals               |
|               |          |                 |               | 1                         |
|               |          |                 |               | 12,000.00                 |
|               |          |                 |               | Total Reconciled Payments |
|               |          |                 |               | 0.00                      |
|               |          |                 |               | Total Void Payments       |
|               |          |                 |               | 0.00                      |
|               |          |                 |               | *** Pay Group             |
|               |          |                 |               | 4321 USD                  |
|               |          |                 |               | 1                         |
|               |          |                 |               | 12,000.00                 |
|               |          |                 |               | Total Reconciled          |
|               |          |                 |               | 0.00                      |
|               |          |                 |               | Total Void Payments       |

## Vendor Payment History (AP270)

---

Run Vendor Payment History (AP270) to list vendor payment history for a company, pay group, or vendor group.

Figure 117. Report sample: Vendor Payment History (AP270)

| Payment Invoice Amount | Pmt Cash Discount Amount | Inv Date                  | Pmt Date          | Number            | D                 | W | Cd | Code | Payment   |
|------------------------|--------------------------|---------------------------|-------------------|-------------------|-------------------|---|----|------|-----------|
| Construction 123456    |                          | L H Net Payment Amount    | Vendor            | 1234              | ACME              |   |    |      |           |
| SYS 4321               | 100.00                   | 12/01/99                  | 01/01/00          | 202               |                   |   |    |      |           |
| :                      | 54                       | Proc Level : 4321         | 123456789         | 100.00            | Voucher           |   |    |      |           |
| 05/31/98               | 12362                    | SYS 4321                  | 5,000,000.00      | 0.00              |                   |   |    |      | 01/31/98  |
| 5,000,000.00           | Voucher :                | 16                        | Proc Level : 4321 | 136-539A          |                   |   |    |      |           |
|                        | 01/01/98                 | 05/31/98                  | 12362             | SYS 4321          | 10,000.00         |   |    |      |           |
| 136584                 | 0.00                     | 10,000.00                 | Voucher :         | 13                | Proc Level : 4321 |   |    |      |           |
| 10,000.00              | 0.00                     | 01/01/98                  | 05/31/98          | 12362             | SYS 4321          |   |    |      |           |
| 12                     | Proc Level : 4321        | 39634                     | 10,000.00         | Voucher :         | 10,000.00         |   |    |      |           |
| 12362                  | SYS 4321                 | 10,000.00                 | 0.00              | 01/01/98          | 05/31/98          |   |    |      | 10,000.00 |
| Voucher :              | 14                       | Proc Level : 4321         | 45A               | 0.00              |                   |   |    |      | 01/01/98  |
| 05/31/98               | 12362                    | SYS 4321                  | 10,000.00         | 0.00              |                   |   |    |      |           |
| 10,000.00              | Voucher :                | 15                        | Proc Level : 4321 | D1-9-09348        |                   |   |    |      |           |
|                        | 09/12/97                 | 05/31/98                  | 12362             | SYS 4321          | 100,000.00        |   |    |      |           |
| 0.00                   | 100,000.00               | Voucher :                 | 19                | Proc Level : ACME |                   |   |    |      |           |
| D1-9-09355             | 0.00                     | 09/01/97                  | 05/31/98          | 12362             | SYS 4321          |   |    |      |           |
| 100,000.00-            | 0.00                     | 100,000.00-               | Voucher :         | 100,000.00-       | Voucher :         |   |    |      |           |
| 20                     | Proc Level : 4321        | 5,040,100.00              | 0.00              | *** Vendor        |                   |   |    |      |           |
| 1234                   | Totals                   | 5,040,100.00              | 0.00              | 5,040,100.00      |                   |   |    |      |           |
| Vendor                 | 2                        | ACME Orthopedic Suppliers | INV-2-101         |                   |                   |   |    |      |           |
| 12/01/99               | 01/01/00                 | 200                       | SYS 4321          | 700.00            |                   |   |    |      |           |
| 0.00                   | 700.00                   | Voucher :                 | 53                | Proc Level : 4321 |                   |   |    |      |           |
| 700.00                 | 0.00                     | *** Vendor                | 2                 | Totals            |                   |   |    |      |           |
|                        |                          |                           |                   | 700.00            |                   |   |    |      |           |

## Invoice Distribution History (AP275)

---

Run Invoice Distribution History (AP275) to list historical invoice distributions processed by Invoice Distribution Closing (AP175) for a company.

Figure 118. Report sample: Invoice Distribution History (AP275)

| Invoice Distribution History for 01/01/98 thru 12/31/99 |                |                |                   |                   |               |                |             |           |  |
|---|----------------|----------------|-------------------|-------------------|---------------|----------------|-------------|-----------|--|
| General Ledger Account Report                           |                |                |                   |                   |               |                |             |           |  |
| Post  | Accr Tax       | C Co           | Date              | Code              | Code          | Reference      | Activity    | Orig      |  |
| Cat   | Invoice        |                |                   | I                 | Amount        | Amount         | Units       |           |  |
| -   | 10CAFEDSIGN    | 03070          | 123456789         |                   | 4321          | 01/31/98       | ACCR        | 123456789 |  |
|   | 0.00 Vendor :  | 1234           | ACME Construction | 4321              | 01/31/98      | ACCR           | 50,000.00   |           |  |
|   | 123456789      | 10CAFEEKITCHEN | 03010             | 123456789         |               |                |             |           |  |
|   | 225,000.00     | 0.00 Vendor :  | 1234              | ACME Construction |               |                |             |           |  |
|   | 4321           | 01/31/98       | ACCR              | 123456789         | 10CAFEDSIGN   | 03010          | 123456789   |           |  |
|   | -              | 225,000.00     |                   |                   | 0.00 Vendor : | 1234           | ACME        |           |  |
|   | Construction   | 4321           | 01/31/98          | ACCR              | 123456789     | 20CAFEDSIGN    | 0.00 Vendor |           |  |
|   | 03070          | 123456789      |                   |                   | 50,000.00     |                |             |           |  |
|   | :              | 1234           | ACME Construction | 4321              | 01/31/98      | ACCR           | 123456789   |           |  |
|   | 20CAFEEKITCHEN | 03010          | 123456789         |                   |               |                |             |           |  |
|   | 0.00 Vendor :  | 1234           | ACME Construction | 4321              | 01/31/98      | ACCR           | 225,000.00  |           |  |
|   | 123456789      | 20CAFEDSIGN    | 03010             | 123456789         |               |                |             |           |  |
|   | 225,000.00     | 0.00 Vendor :  | 1234              | ACME Construction | 4321          | 01/31/98       | ACCR        |           |  |
|   | 01/31/98       | ACCR           | 123456789         | 30CAFEDSIGN       | 03070         | 123456789      |             |           |  |
|   | -              | 50,000.00      |                   |                   | 0.00 Vendor : | 1234           | ACME        |           |  |
|   | Construction   | 4321           | 01/31/98          | ACCR              | 123456789     | 30CAFEEKITCHEN | 0.00 Vendor |           |  |
|   | 03010          | 123456789      |                   |                   | 225,000.00    |                |             |           |  |
|   | :              | 1234           | ACME Construction | 4321              | 01/31/98      | ACCR           | 123456789   |           |  |
|   | 30CAFEDSIGN    | 03010          | 123456789         |                   |               |                |             |           |  |
|   | 0.00 Vendor :  | 1234           | ACME Construction |                   |               |                | 225,000.00  |           |  |

## Vendor Labels (AP290)

---

Run Vendor Labels (AP290) to create address labels for selected vendors. The labels are designed to print three across the page.





## Chapter 26

# Using Attribute Matrix Attributes

---

This chapter describes the Lawson Attribute Matrix application and provides information on setting up attributes for use with Accounts Payable. Attribute Matrix is a powerful tool that increases processing, reporting, and inquiry capabilities.

# Concepts in this Chapter

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**NOTE** To skip directly to the procedures, see ["Procedures in this Chapter"](#) on page 366.

The following concepts provide background and conceptual information for the procedures in this chapter.

- ["What is Attribute Matrix?"](#) on page 360
- ["What is an Attribute?"](#) on page 361
- ["What is an Element?"](#) on page 362
- ["Where Can I Use Attributes?"](#) on page 362
- ["What is a List?"](#) on page 363

## What is Attribute Matrix?

---

**NOTE** The system code for Attribute Matrix is IF.

Attribute Matrix is a powerful tool used to increase reporting, inquiry, and processing capabilities. Attribute Matrix can be integrated within the following Lawson applications:

- Accounts Payable
- Accounts Receivable
- Asset Management
- Billing
- Billing and Revenue Management
- Cash Ledger
- General Ledger
- Inventory Control
- Invoice Matching
- Lease Management
- Order Entry
- Project and Activity Accounting
- Purchase Order
- Requisitions
- Strategic Ledger
- Warehouse
- Work Order

### Attribute Matrix and Accounts Payable

Accounts Payable uses attributes for the following purpose:

- Allows you to easily group vendors with similar attributes for analysis and reporting

## What is an Attribute?

---

An attribute is a field that holds information you can use to group records for reporting, inquiry, and processing. Specifically, attributes hold information about:

- Activities for Project and Activity Accounting and Billing and Revenue Management
- Accounting units and accounts for Accounts Payable, General Ledger, Inventory Control, Purchase Order
- Assets for Asset Management
- Cash codes for Accounts Payable and Cash Ledger
- Customers for Accounts Receivable, Order Entry, Billing, Warehouse
- Items for Inventory Control, Purchase Order, Order Entry, Warehouse, Work Order, Requisitions
- Leases for Lease Management
- User analyses for Strategic Ledger
- Vendors for Accounts Payable, Invoice Matching, Purchase Order

### **Example: Using Attributes with Vendors**

For example, you may want to find all vendors who sell a specific type of product, for example vendors who sell clothes, housewares, or over-the-counter drugs. Using vendor attributes, you can run a report for all vendors who sell clothes.

Another example would be finding vendors with a geographic location or a person responsible.

## What is an Element?

An element defines the maximum number of characters and the data type for an attribute value. An element must be assigned to every attribute and the element must exist before you can define an attribute that uses that element.

An element can be Lawson-defined or user-defined. You can define the following types of elements:

- Alpha type (up to 32 characters)
- Numeric type (up to 18 characters)
- Date type (eight characters)

**NOTE** Lawson-defined elements are pre-loaded, along with Lawson-defined attributes, using Attribute, Element Load (MX100).

You can have more than one attribute use an element. The following table shows an additional example of Lawson-defined attributes and corresponding Lawson-defined elements:

| Attribute    | Element      | Type  | Size |
|--------------|--------------|-------|------|
| Vendor Class | Vendor Class | Alpha | 4    |

You can also create user-defined elements within the data type and size restrictions listed above. User-defined elements can be more generic than Lawson-defined elements, and can be associated with more than one attribute. This table shows examples of user-defined attributes and user-defined elements:

| Attribute | Element   | Type    | Size |
|-----------|-----------|---------|------|
| State     | Alpha 10  | Alpha   | 10   |
| Manager   | Numeric 5 | Numeric | 5    |

You can also associate a Lawson-defined element with a user-defined attribute. For example, you might use the Vendor element (Lawson-defined, Alpha 9) with the user-defined attribute of Manager, to group vendors who are managed by the same person.

## Where Can I Use Attributes?

**NOTE** An attribute can be used with more than one object type.

An object type identifies where an attribute can be used. Each attribute must be associated with at least one object type. Object types are Lawson-defined. The following table lists the object types that can be associated with attributes in Accounts Payable:

| Object type | For attributes assigned to |
|-------------|----------------------------|
| ACCNT       | Accounts                   |
| ACCTU       | Accounting units           |
| CSHCD       | Cash Code                  |
| VENDR       | Vendors                    |

**NOTE** Ignore the following object types: AMBKS, AMITM, APVND, ICLOC, ICITM, and POBUY. These object types are used only by Lawson-defined data mart attributes and cannot be assigned by users.

The following additional object types are available to be associated with attributes in other Lawson applications:

| <b>Object type</b> | <b>For attributes assigned to</b> | <b>In this application</b>  |
|--------------------|-----------------------------------|---|
| ASSET              | Assets                            | Asset Management  |
| ACCNT              | Accounts                          | Accounts Payable, General Ledger, Inventory Control, Purchase Order                 |
| ACCTU              | Accounting units                  | Accounts Payable, General Ledger, Inventory Control, Purchase Order                 |
| CSHCD              | Cash Code                         | Accounts Payable and Cash Ledger  |
| CUST               | Customer                          | Accounts Receivable, Order Entry, Billing, Warehouse                                |
| GLTRN              | General Ledger transactions       | General Ledger  |
| ITEM               | Item                              | Inventory Control, Purchase Order, Order Entry, Warehouse, Work Order, Requisitions |
| LEASE              | Leases                            | Lease Management  |
| ANLYS              | User analyses                     | Strategic Ledger  |
| SLTRN              | Strategic Ledger transactions     | Strategic Ledger  |
| VENDR              | Vendor                            | Accounts Payable, Invoice Matching, Purchase Order                                  |

## Using Attributes with Vendors

When you use attributes with vendors, you have the flexibility to store additional information and select specific vendors for reports, inquiries and processing. The previous example shows how you can run reports based on vendors who sell a specific product type.

## What is a List?

A list lets you filter information based on attributes. For example, you can create a list that includes any vendors who only sell clothes.

Lists can be automatic or manual. Automatic lists can be defined using a combination of user-defined and Lawson-defined attributes.

## Using Lists

Lists are used in Accounts Payable for reporting and inquiry. The following examples describe some of the places you can use lists to select vendors:

- Invoice Search by Vendor, Invoice (AP90.1)
- Vendor Listing (AP210)
- Mass Vendor Update (AP110)
- Vendor Merge (AP115)
- Vendor Reorder Advice (IC140)
- Replenishment by Requisition PO's (IC142)
- Mass PO Issue (PO120)
- Buyer Expediting Report (PO223)

Also in Accounts Payable, you use lists to select accounting units and accounts:

- Departmental Procurement Expense Selection Inquiry (MM80)
- Departmental Procurement Expense Report (MM280)

You can use lists to select cash codes:

- Cash Requirements (AP150)
- Payment Forms Creation (AP155)
- Payment Tape Creation (AP160)
- Electronic Payment File Creation (AP161)
- Cash Payment Register (AP265)

## Automatic Lists

To create an automatic list, you select attributes belonging to the object type of your choice (for example, ACCNT, ACCTU, CSHCD, or VENDR) and define value ranges for these attributes. Attribute Matrix automatically builds a list of members that meet the criteria specified in the list. Automatic lists are updated automatically any time you use the list.

## Automatic List Example

This example shows how you could create an automatic list that lets you group vendors.

1. Create the following user attribute:

|                   |              |
|-------------------|--------------|
| <b>Attribute:</b> | Product Type |
| <b>List Name:</b> | Product Type |

|                     |                                |
|---------------------|--------------------------------|
| <b>Object type:</b> | Vendor (VENDR)                 |
| <b>Element:</b>     | Alpha 30                       |
| <b>Values:</b>      | Housewares, clothes, cosmetics |

2. For each vendor, add the value Clothes to the attribute Product Type for the vendor.
3. Create a list named Product Type with the following attribute value range.

**Product Type:** Clothes to Clothes

4. Select the Product Type list on reports or inquiries to include only vendors who sell clothes.

## Manual Lists

A manual list lets you select specific vendors. Manual lists are not based on attributes. For example, you can select individual vendors without identifying an attribute that is common to all of them. The only members of a manual list are those you define.

Creating a manual list, as the name implies, is a manual process. Any changes to the list, such as adding or removing vendors, must also be done manually. For these reasons, manual lists are not often used to create large lists.

You can convert an automatic list to a manual list. A common practice is to create an automatic list first, convert it to a manual list, and then manually add or remove a few select items. It's important to note that you *cannot* convert a manual list back to an automatic list.

# Procedures in this Chapter

---

To make use of attributes, you must set up attributes in Attribute Matrix and assign values to the attributes. Use one of the following procedures to complete required setup.

- ["Loading Lawson-Defined Attributes and Elements" on page 366](#)
- ["Defining an Attribute" on page 366](#)
- ["Assigning Attribute Values to a Vendor" on page 369](#)
- ["Defining an Automatic List" on page 369](#)
- ["Defining a Manual List" on page 371](#)
- ["Interfacing Valid Attribute Value Ranges to Attribute Matrix" on page 373](#)

## Loading Lawson-Defined Attributes and Elements

---

**NOTE** Loading Lawson-defined attributes is a procedure you only need to perform once.

Before you define attributes, you must load the Lawson-defined attributes and elements. If you will be using transaction attributes, you must also load the available subledger fields that can be linked to any application that uses attributes. Use this procedure to load Lawson-defined data used when defining attributes.

### **STEPS** To load Lawson-defined attributes

1. Run Attribute, Element Load (MX100) to load attributes and elements required in Attribute Matrix and used in other subsystems.
2. If you will use transaction attributes, run Subledger Attribute Load (GL106) to load available subledger fields that can be linked to transactions.

## Defining an Attribute

---

To define an attribute, you need to give it a name and associate it with an element and object type. Optionally, you can assign valid values to the attribute and indicate whether an attribute is required. Use this procedure to define attributes.



**Need More Details?** Check out the following concepts:

- ["What is Attribute Matrix?" on page 360](#)
- ["What is an Attribute?" on page 361](#)
- ["Where Can I Use Attributes?" on page 362](#)

---

**STOP** Before defining attributes, load Lawson-defined attribute definitions and available subledger fields for transaction analysis. For detailed procedures, see ["Loading Lawson-Defined Attributes and Elements" on page 366](#).

---

**STEPS To define an attribute**

**TIP** Choose Define in the Element Name field on Attribute (MX00.1) to define an element.

1. If an appropriate element for the attribute does not exist, use Element (MX00.2) to define the element. Consider the following fields.

|                     |   |
|---------------------|---|
| <b>Element Name</b> | Type a name for the element. A user-defined element name does not have to match the attribute name, since the element can be used by several attributes.  |
| <b>Data Type</b>    | Select one of the following data types: <ul style="list-style-type: none"><li>• A (Alpha)</li><li>• D (Date)</li><li>• N (Numeric)</li></ul>  |
| <b>Field Size</b>   | Type a field size. The maximum field size depends on the data type: <ul style="list-style-type: none"><li>• Alpha (up to 32 characters)</li><li>• Date (eight characters)</li><li>• Numeric (up to 18 characters)</li></ul> |

2. Use Attribute (MX00.1) to define the attribute. Consider the following fields.

|                       |   |
|-----------------------|---|
| <b>Attribute</b>      | This field contains the attribute's name.   |
| <b>Column Heading</b> | Leave this field blank, it is used only for transaction attributes.                             |
| <b>Element Name</b>   | Select a Lawson-defined or user-defined element to identify the attribute's data type and size. |

|  |   |
|--|---|
| <b>From Value/Through Value fields</b> | You can assign ranges of valid values to the attribute. Defining valid values ensures consistency for data entry. If you do not define valid values, any entry valid for the attribute's data type and size will be accepted. |
|--|---|

**TIP** Defining valid values makes your lists more accurate.

**TIP** To interface valid attribute value ranges from a non-Lawson system use Attribute Valid Value Interface (MX160). For details, see "[Interfacing Valid Attribute Value Ranges to Attribute Matrix](#)" on page 373.

- After adding the attribute, choose the Objects button to open the Associate Attribute to Objects (MX00.3) and assign valid object types to the attribute. Consider the following fields.

**Object Type** Select the object types you want to assign to the attribute. The object type determines where you can use the attribute. For Accounts Payable, you can assign the following object types:

- Account (ACCNT)
- Accounting unit (ACCTU)
- Cash code (CSHCD)
- Vendor (VENDR)

You can assign several object types to the same attribute.

---

**Required** Indicate whether the attribute is required. If you select Yes, a message appears on the Attributes subform (from the Attributes button) on Vendor (AP10.1) until the field is populated. This is a reminder message, not a hard edit. You can add or change a vendor even if required attributes are not defined.

## Followup Tasks

- After defining the attribute, assign attribute values to vendors. Several methods are available. For detailed procedures, see "[Assigning Attribute Values to a Vendor](#)" on page 369.

## Related Reports and Inquiries

| To  | Use                       |
|---|---------------------------|
| View a listing of elements  | Element Listing (MX200)   |
| View a listing of attributes (Lawson- or user-defined) for an object type | Attribute Listing (MX201) |

# Assigning Attribute Values to a Vendor

---

After defining attributes for the Vendor (VENDR) object type, you can assign attribute values to a vendor. This procedure describes the process for assigning attribute values to a user-defined attribute within a vendor.

---

**STOP** Define attributes before assigning values.

---

## **STEPS** To assign attribute values to a vendor

1. Access Vendor (AP10.1). Select the vendor to which you want to assign attributes.

Choose the Attributes button and the Attributes subform displays.

2. Assign attribute values to a vendor. Consider the following field.

|              |  |
|--------------|--|
| <b>Value</b> | Type or select a value in this field to assign attribute values to the vendor. |
|--------------|--|

## Related Reports and Inquiries

| To  | Use                       |
|---|---------------------------|
| View a listing of attributes (Lawson- or user-defined) for an object type | Attribute Listing (MX201) |

## Options for Assigning Attribute Values

- Choose the Attributes button on Vendor (AP10.1) and then choose the By Attribute button to access Values by Attribute (AP03.2). Use this subform to assign attribute values for one attribute to multiple vendors. All eligible vendors display, and you can populate attribute values for the attribute specified.
- Run Attribute Value Population (MX500) to assign a user-defined attribute value to vendors in an attribute list. This program lets you overwrite previously assigned attribute values.

# Defining an Automatic List

---

An automatic list is a group of vendors that have common attribute values. You can use automatic lists to select vendors for processing, reporting and inquiries. To create a manual list, see "[Defining a Manual List](#)" on page 371.



**Need More Details?** Check out the following concepts:

- "[What is a List?](#)" on page 363

---

**STOP** Attributes must exist before you can use them in a list. You should also assign values to any vendor that will become a member of the list.

---

**STEPS To define an attribute list**

1. Access List (MX10.1).
2. Choose the New List button to access Define List (MX10.2) where you will define header information for the new list. Consider the following fields.

|                    |  |
|--------------------|--|
| <b>Object Type</b> | An attribute list must be associated with an object type. For Accounts Payable, select Account (ACCNT), Accounting Unit (ACCTU), Cash Code (CSHCD), or Vendor (VENDR). |
|--------------------|--|

---

|             |   |
|-------------|---|
| <b>List</b> | Type a name and description for the new list. |
|-------------|---|

---

|                                   |   |
|-----------------------------------|---|
| <b>Sort By Attribute form tab</b> | If you want to define a sort order for attributes in the list, select attributes in the sequence you want to use for sorting. |
|-----------------------------------|---|

---

|                       |  |
|-----------------------|--|
| <b>Audit form tab</b> | Use the Audit form tab to display the user who created the list, the date the list was last changed, and the date the list was last updated. |
|-----------------------|--|

3. After adding the new list, you automatically navigate back to List (MX10.1). Use this form to define the attribute criteria for vendors you want in the list. Consider the following fields.

---

|                  |  |
|------------------|--|
| <b>Attribute</b> | Select the attribute or attributes you want. |
|------------------|--|

---

|                    |  |
|--------------------|--|
| <b>Value Range</b> | For each attribute that you select, enter a value range. |
|--------------------|--|

---

|                 |  |
|-----------------|--|
| <b>Or Group</b> | If you leave this field blank, the relationship between the attributes is an AND relationship, meaning that a vendor is eligible for the list if it satisfies all the attribute values. You can type any alphanumeric character to indicate an OR relationship, meaning that a vendor is eligible for the list if it satisfies any of the attribute values. See " <a href="#">Or Group Logic Tables</a> " on page 371. |
|-----------------|--|

**NOTE** If you need to change the Or Group field value, you must first delete the attribute line, then re-enter it with the new Or Group value.

**NOTE** As long as the list remains automatic, it is updated dynamically whenever you use it.

4. To view the vendors that meet the list's eligibility criteria, choose the Preview button to access Query List Members (AP03.3).

## Optional Procedure for Creating an Automatic List

- Choose the Copy button on Define List (MX10.2) to access List Copy (MX10.3). Use this subform to create a new list by copying an existing one and making changes.

## Related Reports and Inquiries

| To   | Use                         |
|--|-----------------------------|
| View a listing of attribute lists                          | List Listing (MX210)        |
| View the members of a list or all lists for an object type | List Member Listing (MX223) |

## Or Group Logic Tables

Use the Or Group field on List (MX10.1) to create an and/or condition between attributes. This determines if the attributes are grouped or treated individually. If you leave this field blank, and defaults, which connects two statements with an and condition. You can type any alphanumeric character in the field to create an or condition.

You can include combinations of and and or conditions. And conditions link value ranges together as one condition. Or conditions are used to establish multiple sets of criteria that are applied separately.

If you have multiple conditions in a list, use an or in the Or Group field to separate the conditions. Selection criteria above or below an or condition are applied separately. The following table shows how attribute and or group combinations can be combined to create conditional statements.

| If the Attribute on the preceding or subsequent line is | And the Or Group on the preceding or subsequent line is | Result        |
|---|---|---------------|
| EQUAL   | EQUAL   | Not valid     |
| EQUAL   | NOT EQUAL   | Or condition  |
| NOT EQUAL   | EQUAL   | And condition |
| NOT EQUAL   | NOT EQUAL   | Or condition  |

## Defining a Manual List

You can create manual lists, where you add and maintain list members manually. Manual lists can contain any vendor you want to use as part of a set, and can be used anywhere automatic lists are used. Use this

procedure to define a manual list. To create an automatic list, see "[Defining an Automatic List](#)" on page 369.



**Need More Details?** Check out the following concepts:

- "[What is a List?](#)" on page 363

**STEPS To define a manual list**

1. Access List (MX10.1).
2. Choose the New List button to access Define List (MX10.2) where you will define header information for the new list. Consider the following fields.

|                    |  |
|--------------------|--|
| <b>Object Type</b> | An attribute list must be associated with an object type. For Accounts Payable, select Vendor (VENDR). |
|--------------------|--|

|             |   |
|-------------|---|
| <b>List</b> | Type a name and description for the new list. |
|-------------|---|

|   |   |
|---|---|
| <b>Sort By Attribute and Audit form tab</b> | These form tabs do not apply to manual lists. Leave the Sort by Attribute fields blank. |
|---|---|

3. After adding the new list, you automatically navigate back to List (MX10.1). Choose the New List button again to return to Define List (MX10.2).
4. Choose the Manual List button to access Manual Vendor List (AP03.4).
5. To view the list members, choose the Preview button on Define List (MX10.2) or use Query List Members (AP03.3).

### Optional Procedure for Creating a Manual List

You can convert an automatic list to a manual list. This lets you use an automatic list as the starting point, which can be a time saver, while still giving you the flexibility of adding or removing individual vendors.

---

**IMPORTANT** This procedure is irreversible. You cannot convert a manual list back to automatic.

---

**TIP** To preserve the automatic list, copy it to a new list name using Copy, then convert the new list to a manual list.

1. Access List (MX10.1) and select the list you want to convert.
2. Choose the New List button to access Define List (MX10.2).
3. Choose the Manual List button to access Manual Vendor List (AP03.4).
4. Choose the Convert to Manual button on Manual Vendor List (AP03.4) to convert the automatic list to a manual list.

### Related Reports and Inquiries

| To   | Use                         |
|--|-----------------------------|
| View a listing of automatic or manual list information     | List Listing (MX210)        |
| View the members of a list or all lists for an object type | List Member Listing (MX223) |

## Interfacing Valid Attribute Value Ranges to Attribute Matrix

---

You can interface a non-Lawson file of valid attribute value ranges and attach them to attributes in Attribute Matrix. The valid value ranges are used to verify values you enter for the attribute. For example, an attribute of Opening Date might have a valid value range of 01/01/1995 to 12/31/2001. The application would not allow you to enter a date of 01/01/1990. Use this procedure to replace or add to existing value ranges that are used to validate values you enter for an attribute.

---

**STOP** The attributes for which you are interfacing values must already be defined in the Attribute Matrix application.

---

### **STEPS** To interface valid attribute values

1. Prepare a comma-separated value (CSV) file containing the vendor attribute information you want to interface. The file fields must match the order and data type of the fields in the MXVALREL file. This file layout is available on the internet support site.
2. Transfer the CSV file to the server where your Lawson environment resides.
3. Use the Import command to load the item data from the CSV file into the Attribute file. For instructions on using the Import command, see *Lawson Administration: Server Setup and Maintenance*.
4. Run Attribute Valid Value Listing (MX260) to verify the value ranges before interfacing those records.
5. View and edit the records in MXVALREL, using Attribute Valid Value Maintenance (MX60.1). You can add, change, or delete any records.
6. Run Attribute Valid Value Interface (MX160) to load valid attribute value ranges to Attribute Matrix. This program moves records from the MXVALREL file to the MXVALIDATE file, unless errors are found.
7. View the report generated by MX160. If it contains errors:
  - a. Correct the records, using MX60.1.
  - b. Run MX160 again.
  - c. Repeat this step until the report shows no errors.



# Using Lawson Analytics to Create Data Marts

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This chapter provides an overview of Lawson Analytics function. You use the Analytics products to create multidimensional databases and analyze the data in those databases.

## What Is Lawson Analytics?

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**TIP** Your implementation might use some or all of the Analytics components.

Analytics is a Lawson product that joins applications and technology to provide you with a powerful reporting and analysis solution. The many calculations and other analytical features within Analytics make it an excellent decisions solution for all roles within an organization.

Analytics is made up of:

- the Analytic Architect (IA) application
- an Online Analytical Processing (OLAP) database
- the Scorecard reporting tool

### Analytic Architect

The Analytic Architect application is the backbone of Analytics. Analytic Architect lets you use data marts types to define, extract, transform, and load Lawson data from the Lawson application database into the Hyperion Essbase OLAP Server or the Microsoft SQL Server Analysis Services. In addition to creating OLAP databases, Analytic Architect can create CSV or Star Schema output for use with a variety of reporting tools.

For more information about the Analytic Architect application, see the *Analytic Architect User Guide*.

### OLAP Database

**NOTE** An OLAP database is also called a cube or data mart.

The data you extract with Analytic Architect is consolidated, summarized, and then transferred to an online analytical processing (OLAP) database. You can use either Hyperion Essbase or Microsoft SQL Server Analysis Services as your OLAP database.

### Scorecard

Scorecard is a Lawson-developed analytic tool that allows you to build different configurations of your data that is stored in an OLAP database. With Scorecard you can view your business data, run “what-if” scenarios, pivot data, create charts, drill down into the data, and use DrillAround© to access related data in the Lawson application.

For more information about Scorecard, see the *Scorecard User Guide*.

## Financial (FIN) Data Mart

---

The Financial Data Mart is a multidimensional database that lets you view your General Ledger data from a variety of angles for analysis and decision making.

You can define the dimensions for the Financial Data Mart on Financial Data Mart Setup (GLDM.1).

The following dimensions are required for the Financial Data Mart.

| <b>Dimension</b> | <b>Description</b>   |
|------------------|--|
| Organization     | A company, specific level of company, or a group of companies (two optional views).            |
| Accounts         | Specific Chart of Accounts (with optional second Chart of Accounts).                           |
| Periods          | Period totals, period year-to-date totals, quarter totals, quarter year-to-date, yearly total. |
| Years            | Historical years (with optional variance calculation % / \$).                                  |

For more information about defining the Financial Data Mart, see the *Analytic Architect User Guide*.

## Appendix A

# General Ledger Posting

---

This appendix provides examples of several accounts payable transactions and describes the general ledger distributions that are created as a result of the transactions. It also addresses common questions related to distribution posting and invoice accrual account balancing.

---

**STOP** Several programs are used to close a pay cycle, an accounting period, and year-end. Each program impacts general ledger posting and balancing.

---

## Programs that Create General Ledger Transactions

---

In the Accounts Payable application, the following six programs create transactions that are posted to the Lawson General Ledger application.

- Payment Closing (AP170)
- Invoice Distribution Closing (AP175)
- Match Discount Accrual (AP176)
- Bill of Exchange Distribution Posting (AP185)
- Invoice Reinstatement (AP190)
- Unrealized Gain/Loss (AP191)

These six programs create general ledger transactions, which are stored in the General Ledger Transaction file. If you use the General Ledger application, you must run Journal Posting (GL190) to post the journal entries to the account balances. The transaction date determines to which general ledger period an entry is posted. The transaction date is either the payment date, posting date, void date, or cancel date, depending on the kind of entry being posted.

## Accounts Defined

---

The following transaction examples include a variety of accounts that are used in the posting process. Generic descriptions are used to represent these accounts, such as the cash account or the discount account. The following table shows where you would define the specific accounts that your organization wants to use as cash accounts, discount accounts, and more.

| <b>Account Description</b>            | <b>Define this account using</b>        |
|---------------------------------------|---|
| Accounts Payable or Accrual           | Invoice Accrual Code (AP05.2)           |
| Bill of Exchange                      | Bill of Exchange Accrual Code (AP05.1)  |
| Cash                                  | Company-Cash Code Relationship (CB00.3) |
| Discount                              | Discount Code (AP05.7)                  |
| Employee Expense Accrual              | Category (EE05.1)                       |
| Intercompany Payable                  | Intercompany Relationships (GL25.1)     |
| Intercompany Receivable               | Intercompany Relationships (GL25.1)     |
| Prepaid                               | Invoice Accrual Code (AP05.2)           |
| Realized Loss                         | Currency Gain Loss Accounts (CU03.1)    |
| Reportable Income Withholding Accrual | Income Withholding Code (AP05.8)        |
| Unrealized Loss                       | Currency Gain Loss Accounts (CU03.1)    |

For more information about using codes to assign defaults at various levels in your organization, see "[How Do Accounts Payable Codes Default?](#)" on page 119.

## Base Currency Invoice

---

The following examples show the general ledger transactions created from a base currency invoice paid with a base currency cash payment. Assume the following information about the sample invoice:

|                                      |        |
|--------------------------------------|--------|
| <b>Invoice amount</b>                | 100.00 |
| <b>Discount amount</b>               | 10.00  |
| <b>Reportable income withholding</b> | 27.00  |
| <b>Withholding rate</b>              | 30%    |

## Invoice Distribution Closing (AP175) Transactions

This program creates general ledger entries for accruing the invoice liability.

| <b>Account Description</b> | <b>Debit</b> | <b>Credit</b> |
|----------------------------|--------------|---------------|
| Expense Account #1         | 50.00        |               |
| Expense Account #2         | 50.00        |               |
| Accounts Payable           |              | 100.00        |

## Payment Closing (AP170) Transactions

This program creates general ledger entries for the cash payments.

| <b>Account Description</b>               | <b>Debit</b> | <b>Credit</b> |
|--|--------------|---------------|
| Accounts Payable                         | 100.00       |               |
| Cash                                     |              | 63.00         |
| Discount                                 |              | 10.00         |
| Reportable Income<br>Withholding Accrual |              | 27.00         |

## Invoice Reinstatement (AP190) Transactions

This program creates general ledger entries for voided payments.

| <b>Account Description</b>               | <b>Debit</b> | <b>Credit</b> |
|--|--------------|---------------|
| Cash                                     | 63.00        |               |
| Discount                                 | 10.00        |               |
| Reportable Income<br>Withholding Accrual | 27.00        |               |
| Accounts Payable                         |              | 100.00        |

## Nonbase Currency Invoice

The following example shows the general ledger transactions created from a nonbase currency invoice paid with a base currency payment. Assume the following information about the sample invoice:

|   |                        |
|---|------------------------|
| <b>Base currency</b>                      | USD - US Dollars       |
| <b>Invoice currency</b>                   | CAD - Canadian Dollars |
| <b>Exchange rate on invoice date</b>      | 2.000 (multiplier)     |
| <b>Exchange rate on date AP191 is run</b> | 3.000 (multiplier)     |

|  |                    |
|--|--------------------|
| <b>Exchange rate on payment date</b>       | 3.500 (multiplier) |
| <b>Invoice amount</b>                      | 100.00 (CAD)       |
| <b>Base invoice amount on invoice date</b> | 200.00 (USD)       |
| <b>Base invoice amount on report date</b>  | 300.00 (USD)       |
| <b>Base invoice amount on payment date</b> | 350.00 (USD)       |

## Unrealized Gain/Loss (AP191) Transactions

This program creates general ledger entries in the company base currency for an unrealized gain or loss. This example shows an unrealized loss because the exchange rate increased from the time the invoice was issued. (Note the change from 2.000 to 3.000.) A decrease would result in an unrealized gain.

| <b>Account Description</b> | <b>Debit</b> | <b>Credit</b> |
|----------------------------|--------------|---------------|
| Unrealized Loss            | 100.00       |               |
| Accounts Payable           |              | 100.00        |

## Payment Closing (AP170) Transactions

After the invoice is paid, this program reverses the unrealized loss entry and creates a realized gain or loss general ledger transaction in the company base currency to reflect any exchange rate change between the invoice date and payment date.

| <b>Account Description</b> | <b>Debit</b> | <b>Credit</b> |
|----------------------------|--------------|---------------|
| Accounts Payable           | 300.00       |               |
| Realized Loss Account      | 150.00       |               |
| Cash                       |              | 350.00        |
| Unrealized Loss Account    |              | 100.00        |

## Multiple Currency

---

The following example shows the general ledger transactions created from a nonbase currency invoice paid with a different nonbase currency payment. Assume the following information about the sample invoice and currencies:

|   |                    |
|---|--------------------|
| <b>Invoice amount in base currency</b>          | 1,500.00 (USD)     |
| <b>Invoice amount in invoice currency</b>       | 1,000.00 (GBP)     |
| <b>Invoice amount in bank account currency</b>  | 7,600.00 (FRF)     |
| <b>GBP to USD exchange rate on invoice date</b> | 1.500 (multiplier) |
| <b>GBP to USD exchange rate on payment date</b> | 2.000 (multiplier) |
| <b>GBP to FRF exchange rate on payment date</b> | 7.600 (multiplier) |

### Invoice Distribution Closing (AP175) Transactions

This program creates general ledger entries for accruing the invoice liability.

| <b>Account Description</b> | <b>Debit</b>  | <b>Credit</b> |
|----------------------------|---------------|---------------|
| Expense Account            | 1500.00 (USD) |               |
| Accrual Account            |               | 1500.00 (USD) |

### Payment Closing (AP170) Transactions

After the invoice is paid, this program creates general ledger entries for the cash payment and creates a realized gain or loss general ledger transaction in the company base currency to reflect any exchange rate change between the invoice date and payment date.

| <b>Account Description</b> | <b>Debit</b>  | <b>Credit</b> |
|----------------------------|---------------|---------------|
| Accounts Payable           | 1500.00 (USD) |               |
| Realized Loss              | 250.00 (USD)  |               |
| Cash                       |               | 7600.00 (FRF) |

## Intercompany Transaction

---

You can expense an invoice to multiple companies even though only one company is responsible for the payment. The system keeps all companies in balance by using intercompany receivable and payable accounts defined for each company in the General Ledger application.

If Company A pays an invoice, but expenses a part of the invoice to Company B, the system automatically creates an intercompany receivable distribution to Company A and an intercompany payable distribution to Company B for the expensed amount. These distributions are created from the intercompany expense distribution line you enter for the invoice.

The following example shows the general ledger distributions created from an intercompany expense invoice. Although this example uses only one intercompany distribution, you can enter multiple intercompany distributions. Assume the following information about the invoice: Company A receives and pays a 100.00 invoice of which 70.00 is to be expensed to Company A and 30.00 to Company B.

### Invoice Distribution Closing (AP175) Transactions

This program creates general ledger entries for accruing the invoice liability.

#### Company A

| Account Description                 | Debit | Credit |
|-------------------------------------|-------|--------|
| Expense Account                     | 70.00 |        |
| Intercompany Receivable (Company B) | 30.00 |        |
| Accounts Payable                    |       | 100.00 |

#### Company B

| Account Description              | Debit | Credit |
|----------------------------------|-------|--------|
| Expense Account                  | 30.00 |        |
| Intercompany Payable (Company A) |       | 30.00  |

### Payment Closing (AP170) Transactions

This program creates general ledger entries for the invoice payment.

| Account Description          | Debit  | Credit |
|------------------------------|--------|--------|
| Accounts Payable (Company A) | 100.00 |        |
| Cash (Company A)             |        | 100.00 |

# Prepayment Transaction

---

You use prepayment transactions when you pay in advance for goods or services. Once you create the prepayment and run Payment Closing (AP170), the application creates an offsetting credit memo, which you apply to the invoice once you receive it.

The following example shows how a prepayment is processed in Accounts Payable. Assume that a vendor requires a \$50 down payment for an item that costs \$100. Assume also that the accrual account associated with the accrual code applied to the prepayment is a prepaid expense account.

## Payment Closing (AP170) Transactions

This program creates general ledger entries for the prepayment.

| <b>Account Description</b> | <b>Debit</b> | <b>Credit</b> |
|----------------------------|--------------|---------------|
| Prepaid                    | 50.00        |               |
| Cash                       |              | 50.00         |

When you receive the \$100 invoice from the vendor, you apply the \$50 system-generated credit memo to the invoice, so the payment to the vendor is only \$50. Payment Closing (AP170) creates general ledger entries for the invoice payment with the credit memo applied.

| <b>Account Description</b> | <b>Debit</b> | <b>Credit</b> |
|----------------------------|--------------|---------------|
| Accounts Payable           | 100.00       |               |
| Cash                       |              | 50.00         |
| Prepaid                    |              | 50.00         |

## Recurring Invoice Transaction

---

When you pay a recurring invoice, Payment Closing (AP170) or Recurring Invoice Update (AP193) create another invoice to the vendor for the same amount. The next invoice is scheduled for payment based on the defined frequency of payments. Because rent payments are usually paid on a schedule for a fixed amount, they are a good example of how you can use the recurring invoice feature of the Accounts Payable application.

The following example shows how the system processes a recurring invoice.

|                       |          |
|-----------------------|----------|
| <b>Invoice number</b> | 1A       |
| <b>Invoice amount</b> | 100.00   |
| <b>Invoice date</b>   | 01/01/00 |
| <b>Due date</b>       | 01/05/00 |
| <b>Posting date</b>   | 01/31/00 |

When you release this invoice into the system as a recurring invoice, the invoice number becomes 1A-1 because the system assigns a 1 to the invoice suffix field. Assuming you have set up the invoice to recur weekly, Payment Closing (AP170) creates the following invoice with a released status.

|                       |          |
|-----------------------|----------|
| <b>Invoice number</b> | 1A-2     |
| <b>Invoice amount</b> | 100.00   |
| <b>Due date</b>       | 02/01/00 |
| <b>Posting date</b>   | 02/05/00 |

Notice that the system added 1 to the Invoice Suffix field to make this recurrence a unique invoice. The system also increments the invoice due date, posting date, invoice date, and discount date by the frequency of the recurrence. All other parameters are the same as the original invoice.

The invoice continues to recur until the system has created the number of defined recurrences. You can set up an invoice to recur weekly, monthly, at the end of the month, quarterly, semiannually, or yearly up to 99 times. After the system creates a new invoice recurrence, you can change any of the dates and the system continues the same frequency based on the new dates.

## Employee Expense Transaction

---

When you release employee advances, expenses, and paybacks in the Employee Expense application, the application sends released status invoice records to Accounts Payable for processing. Employee advances are processed for payment like prepayment invoices, and employee-paid expenses and paybacks are processed like accounts payable invoices. Company-paid expenses remain in the Employee Expense application.

Assume the following information about this example:

|                              |               |
|------------------------------|---------------|
| <b>Employee Expense</b>      | 150.00        |
| <i>Company-paid portion</i>  | <i>100.00</i> |
| <i>Employee-paid portion</i> | <i>50.00</i>  |

### Company Expense Posting (EE175) Transactions

Company Expense Posting (EE175) creates journal entries to expense distribution accounts assigned to released company-paid expenses. Assume in this example that the company-paid expenses are assigned to one expense account.

| <b>Account Description</b> | <b>Debit</b> | <b>Credit</b> |
|----------------------------|--------------|---------------|
| Expense Account            | 100.00       |               |
| Accrual Account            |              | 100.00        |

### Invoice Distribution Closing (AP175) Transactions

Invoice Distribution Closing (AP175) creates journal entries in the general ledger accounts assigned to the employee-paid expense distributions. Assume in this example that the employee-paid expenses are assigned to two expense accounts.

| <b>Account Description</b> | <b>Debit</b> | <b>Credit</b> |
|----------------------------|--------------|---------------|
| Expense Account #1         | 25.00        |               |
| Expense Account #2         | 25.00        |               |
| Accrual Account            |              | 50.00         |

### Payment Closing (AP170) Transactions

After the expense is paid, this program creates general ledger entries for the payment.

| <b>Account Description</b> | <b>Debit</b> | <b>Credit</b> |
|----------------------------|--------------|---------------|
| EE Accrual Account         | 50.00        |               |
| Cash Account               |              | 50.00         |

## Bill of Exchange Transaction

---

The following examples show the general ledger transactions created from a base currency invoice that is paid with a base currency bill of exchange. Assume the following information about the sample invoice:

|                                |        |
|--------------------------------|--------|
| <b>Invoice amount</b>          | 100.00 |
| <b>Bill of exchange amount</b> | 100.00 |

---

### Invoice Distribution Closing (AP175) Transactions

This program creates general ledger entries for accruing the invoice liability.

| <b>Account Description</b> | <b>Debit</b> | <b>Credit</b> |
|----------------------------|--------------|---------------|
| Expense Account            | 100.00       |               |
| Accounts Payable           |              | 100.00        |

---

### Bill of Exchange Distribution Posting (AP185) Transactions

If the pay group makes bill of exchange acceptance accounting entries to the general ledger, this program creates general ledger entries for the bill of exchange when the bill of exchange is accepted. This is true only if the pay group is defined for acceptance.

| <b>Account Description</b> | <b>Debit</b> | <b>Credit</b> |
|----------------------------|--------------|---------------|
| Accounts Payable           | 100.00       |               |
| Bill of Exchange           |              | 100.00        |

---

This program creates general ledger entries for the bill of exchange payment when the bill of exchange is cashed.

| <b>Account Description</b> | <b>Debit</b> | <b>Credit</b> |
|----------------------------|--------------|---------------|
| Bill of Exchange           | 100.00       |               |
| Cash                       |              | 100.00        |

---

**IMPORTANT** If the pay group is *not* defined to make bill of exchange acceptance accounting entries, this program creates entries when the bill of exchange is cashed.

---

## What Dates Are Important for General Ledger Distributions?

---

The following are key dates in Accounts Payable that are important for creating general ledger distribution records.

|                     |  |
|---------------------|--|
| <b>Post Date</b>    | Determines the posting date of expense and accrual distributions for an invoice. If an invoice has use tax distributions applied, the distribution date is the posting date for the use tax expense and accrued tax liability distributions.   |
| <b>Payment Date</b> | Determines the posting date for cash, accounts payable, discount, and reportable income accrued withholding distributions. The payment date is assigned in the payment creations forms. You assign a payment date to manually paid invoices when you apply the manual payment number to the invoice. |
| <b>Void Date</b>    | If you void a payment through the Cash Ledger application, the void date you define is the date the reversing payment distributions post to the general ledger. Invoice Reinstatement (AP190) transfers void payment distributions to the General Ledger Transaction file.                           |
| <b>Cancel Date</b>  | This is the posting date for the reversing expense and accrued liability distributions of a canceled invoice. You define a cancel date in Invoice Cancel (AP30.4) when you cancel an invoice.  |

## Posting in Summary Versus Posting in Detail

---

You might elect to post your expense distributions to General Ledger in summary. This approach helps you keep your ledger “general” as the name implies. It is important to note that even if you post to General Ledger in summary, the expense distribution details are always available to you in Accounts Payable.

To post your distributions in summary, you must do two things:

- Select summary as your posting options during setup
- Use one posting date for all invoices in the same accounting period

## Setup

You define your posting option, either summary or detail, in three places. You select a posting option at the account level when defining your chart of accounts in General Ledger, at the company level when defining your accounts payable company, and at the vendor class level using the following forms:

- Chart of Accounts (GL00.1)
- Company (AP00.4)
- Vendor Class (AP00.3)

You can select summary at each level, in which case your posting would be summarized. You can also select a combination of summary (S) and detail (D) posting options with the following results.

| GL Account | Company and/or Vendor Class | Result                               |
|------------|-----------------------------|--------------------------------------|
| S          | S                           | Distributions are posted in summary. |
| S          | D                           | Distributions are posted in detail.  |
| D          | S                           | Distributions are posted in detail.  |
| D          | D                           | Distributions are posted in detail.  |

You can override these selections in the Interface Posting field on Account Options (GL20.3). For more details about detail and summary posting options, see the *General Ledger User Guide*.

## Posting Dates

Check the posting dates assigned to the expense distribution lines. To summarize expense distribution lines for a general ledger account, they must have the same posting date. For the greatest possible summarization, use one posting date for all invoices in the same accounting period.

If you run Invoice Distribution Closing (AP175) more than once in an accounting period, the program is only summarizing expense distribution lines for expense distribution lines available to post through the posting date. If you run AP175 at the end of an accounting period, you achieve the greatest summarization.

## What If My Invoice Accrual Account Is Not Balancing?

If your Invoice Accrual Reconciliation (AP136) balance does not equal the general ledger invoice accrual account balance, use the following questions to explore the reasons why the balances are different, correct errors, and avoid future balancing problems. For more information on the General Ledger programs, see the *General Ledger User Guide*.

## **Did you balance last month?**

If you balance your invoice accrual account monthly and you balanced last month, make sure entries from Payment Closing (AP170), Invoice Distribution Closing (AP175), and Invoice Reinstatement (AP190) were posted to the general ledger.

## **Did you run the correct general ledger report?**

Use Ledger Report (GL290) to balance Invoice Accrual Reconciliation (AP136). The general ledger trial balance report lists transactions posted to a specific general ledger account.

## **Did you run Ledger Report (GL290) and Invoice Accrual Reconciliation (AP136) with the same cut-off date?**

Run both reports with the same cut-off date to include and exclude the same information.

## **Did you post transactions through the end of the period?**

Run Journal Posting (GL190) to post transactions written to the General Ledger Transaction file through the period end. If you do not, Invoice Accrual Reconciliation (AP136) might show transactions as paid or posted, but Ledger Report (GL290) will not show the unposted transactions.

## **Do accounts payable transactions remain unposted?**

Run Journal Edit Listing (GL240) with All in the JE Status field to list unposted transactions. If any transactions with a current posting date remain in the file, the balance shown on Ledger Report (GL290) will be incorrect. Run Journal Posting (GL190) to post the transactions.

You can also use Journal Control (GL45.1) to list journal entries. Use the filter to view only Accounts Payable entries that are released.

## **Does Invoice Accrual Reconciliation (AP136) show transactions paid and not posted?**

Normally, transactions appear as posted and not paid. If the report shows transactions paid and not posted, check the posting date on the report. If the transaction has a current posting date, make sure you have run Payment Closing (AP170), Invoice Distribution Closing (AP175), and Invoice Reinstatement (AP190) to write transactions to the General Ledger Transaction file and run Journal Posting (GL190) to post the transactions. If the transaction has a future posting date, make sure you entered the correct date. If the report shows many transactions with incorrect posting dates, consider setting up system control in General Ledger. For more information on system control, see the *General Ledger User Guide*. You can use AP Inquiries (AP90) and AP Distribution Inquiry (AP95) to review invoice, payment, and distribution details.

## **Does Invoice Accrual Reconciliation (AP136) show old due dates on transactions posted and not paid?**

Check the due dates on the report for transactions posted and not paid. If a transaction shows an old due date, find out why the invoice has not been paid or if it was paid with a future payment date. You can use AP Inquiries

(AP90) and AP Distribution Inquiry (AP95) to review invoice, payment, and distribution details.

**Does Invoice Accrual Reconciliation (AP136) show transactions partially paid?**

Use AP Inquiries (AP90) and AP Distribution Inquiry (AP95) to review transactions that show the posted amount not equal to the invoice amount. Invoices are never partially distributed. Make sure partially paid transactions are correct.

**Does Ledger Report (GL290) show a higher or lower balance than Invoice Accrual Reconciliation (AP136)?**

A higher balance on Ledger Report (GL290) often indicates that a Payment Closing (AP170) or Invoice Distribution Closing (AP175) canceled transaction was not posted. A higher balance on Invoice Accrual Reconciliation (AP136) often indicates an Invoice Distribution Closing (AP175) or Period Closing (AP190) transaction was not posted. Of course, the reason for not balancing might be due to a combination of these and other issues.

**Did all transactions with a system code other than AP, AD, and AC get backed out of the Ledger Report (GL290) balance?**

Invoice Accrual Reconciliation (AP136) shows only accounts payable transactions. The Ledger Report (GL290) balance might include transactions with a GL source code. For example, if you ran Payment Closing (AP170) and it ended in error, it will not write transactions to the General Ledger Transaction file. You have to create a journal entry in General Ledger to debit the accrual account. This transaction should remain in the Ledger Report (GL290) balance because Invoice Accrual Reconciliation (AP136) lists the transactions as paid.

**Did you use the accrual account as an expense account during invoice entry?**

If you post an invoice with the accrual account entered as an expense account, the accrual account will be understated. Run Invoice Distribution History (AP275) for your accrual account to find out if this happened.

**Did you use the invoice accrual code on prepayments or employee advances and expenses?**

Consider defining an invoice accrual code and account to use on prepayments and employee advances only. When you pay prepayments and advances, make the debit entry to a prepaid asset account, not the accrual account. If you use the same invoice accrual code, the accrual account might be severely understated. Make sure you enter offsetting invoices and employee expenses with the same invoice accrual code as the prepayment or employee advance.

**Did the posting date on an invoice accrual account transaction change?**

If you changed a transaction posting date in Journal Control (GL45), Invoice Accrual Reconciliation (AP136) will not reflect the new posting date. For example, an Accounts Payable transaction might have posted with a date of 06/01/00, but you later changed the date in General Ledger to 07/01/00. This

transaction would appear in Accrual Reconciliation (AP136) for June and in Ledger Report (GL290) for July.

**Did you select the same accrual account on more than one invoice accrual code?**

Ledger Report (GL290) shows the total accrual account balance. If you run an individual Invoice Accrual Reconciliation (AP136) report for each invoice accrual code, the sum of the reports shows the total accrual account balance.

**Was the general ledger accrual balance converted?**

If the accrual balance was converted, the accounts payable detail must also be converted for Invoice Accrual Reconciliation (AP136) to accurately reflect the balance. If the accounts payable detail was not converted, subtract the original balance from the ending balance on the Ledger Report (GL290) report.



# Appendix B

## File Formats

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This appendix describes the layouts of the following payment files:

- ["Payment Files Produced by Payment Tape Creation \(AP160\)"](#) on page 393
- ["Payment Files Produced by Electronic Payment Creation \(AP161\)"](#) on page 396

All the files are created in Working Storage under a directory identical to their name in the following directories:

- UNIX directory: `$LAWDIR/productline\work`
- Windows directory: `%LAWDIR%\productline\work`

### Payment Files Produced by Payment Tape Creation (AP160)

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Payment Tape Creation (AP160) creates a tape file in one of the following formats:

- [ACH Format - File Name AP160ACHTAPE](#)
- [BACS Format - File Name AP160BACSTAPE](#)

#### ACH Format - File Name AP160ACHTAPE

The ACH payment file contains a file header record, a file control record, a company/batch header record, a company/batch control record, and an entry detail record.

##### ACH File Header Record

| Field              | Position | Data type/size    |
|--------------------|----------|-------------------|
| Record Type Code   | 1        | Numeric (1)       |
| Priority Code      | 2-3      | Numeric (2)       |
| Destination Bank   | 4-13     | Alphanumeric (10) |
| Sending Bank       | 14-23    | Alphanumeric (10) |
| File Creation Date | 24-29    | Numeric (6)       |
| File Creation Time | 30-33    | Numeric (4)       |
| File ID Modifier   | 34       | Alphanumeric (1)  |
| Record Size        | 35-37    | Numeric (3)       |
| Blocking Factor    | 38-39    | Numeric (2)       |
| Format Code        | 40       | Numeric (1)       |
| Destination Name   | 41-63    | Alphanumeric (23) |
| Sender's Name      | 64-86    | Alphanumeric (23) |

| <b>Field</b>   | <b>Position</b> | <b>Data type/size</b> |
|----------------|-----------------|-----------------------|
| Reference Code | 87-94           | Alphanumeric (8)      |

### **ACH File Control Record**

| <b>Field</b>              | <b>Position</b> | <b>Data type/size</b> |
|---------------------------|-----------------|-----------------------|
| Record Type Code          | 1               | Numeric (1)           |
| Batch Count               | 2-7             | Numeric (6)           |
| Block Count               | 8-13            | Numeric (6)           |
| Entry Count               | 14-21           | Numeric (8)           |
| Entry Hash                | 22-31           | Numeric (10)          |
| Total Debit Entry Amount  | 32-43           | Numeric (10.2)        |
| Total Credit Entry Amount | 44-55           | Numeric (10.2)        |
| Filler                    | 56-94           | Alphanumeric (39)     |

### **ACH Company/Batch Header Record**

| <b>Field</b>               | <b>Position</b> | <b>Data type/size</b> |
|----------------------------|-----------------|-----------------------|
| Record Type Code           | 1               | Numeric (1)           |
| Service Class Code         | 2-4             | Numeric (3)           |
| Company Name               | 5-20            | Alphanumeric (16)     |
| Company Discretionary Data | 21-40           | Alphanumeric (20)     |
| Company ID                 | 41-50           | Alphanumeric (10)     |
| Standard Entry Class Code  | 51-53           | Alphanumeric (3)      |
| Company Entry Description  | 54-63           | Alphanumeric (10)     |
| Company Description        | 64-69           | Alphanumeric (6)      |
| Effective Entry Date       | 70-75           | Numeric (6)           |
| Filler                     | 76-78           | Alphanumeric (3)      |
| Originator Status Code     | 79              | Numeric (1)           |
| Originating DFI ID         | 80-87           | Alphanumeric (8)      |
| Batch Number               | 88-94           | Numeric (7)           |

### ACH Company/Batch Control Record

| Field                         | Position | Data type/size    |
|-------------------------------|----------|-------------------|
| Record Type Code              | 1        | Numeric (1)       |
| Service Class Code            | 2-4      | Numeric (3)       |
| Entry Count                   | 5-10     | Numeric (6)       |
| Entry Hash                    | 11-20    | Numeric (10)      |
| Total Debit Entry Dollar Amt  | 21-32    | Numeric (10.2)    |
| Total Credit Entry Dollar Amt | 33-44    | Numeric (10.2)    |
| Company ID                    | 45-54    | Alphanumeric (10) |
| Filler                        | 55-73    | Alphanumeric (19) |
| Filler                        | 74-79    | Alphanumeric (6)  |
| Originating DFI ID            | 80-87    | Alphanumeric (8)  |
| Batch Number                  | 88-94    | Numeric (7)       |

### ACH Entry Detail Record

| Field                    | Position | Data type/size    |
|--------------------------|----------|-------------------|
| Record Type Code         | 1        | Numeric (1)       |
| Transaction Code         | 2-3      | Numeric (2)       |
| Receiving DFI ID         | 4-11     | Numeric (8)       |
| Check Digit              | 12       | Numeric (1)       |
| DFI Account Number       | 13-29    | Alphanumeric (17) |
| Amount                   | 30-39    | Numeric (8.2)     |
| Identification Number    | 40-54    | Alphanumeric (15) |
| Receiving Company Name   | 55-76    | Alphanumeric (22) |
| Discretionary Data       | 77-78    | Alphanumeric (2)  |
| Addenda Record Indicator | 79       | Numeric (1)       |
| Trace Number             | 80-94    | Alphanumeric (15) |

### BACS Format - File Name AP160BACSTAPE

The BACS payment file contains a user header record and a detail record.

### BACS User Header Record

| Field                                  | Position    | Data type/size                              |
|--|-------------|---|
| Record ID                              | 1-4         | Alphanumeric (4)                            |
| BACS Processing Day<br>Filler Year Day | 5 6-7 8-10  | Alphanumeric (1)<br>Numeric (2) Numeric (3) |
| Receiver ID                            | 11-20       | Alphanumeric (10)                           |
| Currency Code                          | 21-22       | Numeric (2)                                 |
| Country Code                           | 23-28       | Numeric (6)                                 |
| Work Code                              | 29-37       | Alphanumeric (9)                            |
| File Number                            | 38-40       | Alphanumeric (3)                            |
| Filler                                 | 41-47       | Alphanumeric (7)                            |
| Audit ID Audit-1 Audit-2               | 48-50 51-54 | Alphanumeric (3)<br>Numeric (4)             |
| Free field                             | 55-80       | Alphanumeric (26)                           |

### BACS Entry Detail Record

| Field                       | Position | Data type/size    |
|-----------------------------|----------|-------------------|
| Vendor Bank Sort Code       | 1-6      | Numeric (6)       |
| Vendor Bank Account<br>Nbr  | 7-14     | Numeric (8)       |
| Vendor Account Type         | 15       | Numeric (1)       |
| Transaction Code            | 16-17    | Numeric (2)       |
| Payor Bank Sort Code        | 18-23    | Numeric (6)       |
| Payor Bank Account<br>Nbr   | 24-31    | Numeric (8)       |
| Free Format                 | 32-35    | Numeric (4)       |
| Transaction Amount          | 36-46    | Numeric (9.2)     |
| Vendor Name                 | 47-64    | Alphanumeric (18) |
| Vendor Reference            | 65-82    | Alphanumeric (18) |
| Destination Account<br>Name | 83-100   | Alphanumeric (18) |

## Payment Files Produced by Electronic Payment Creation (AP161)

Electronic Payment File Creation (AP161) creates an electronic payment file and an electronic remittance file in one of the following formats:

- [EDI Format](#)

- [SWIFT Format](#)
- [ETEBAC Format - File Name AP161ETEBAC](#)

## EDI Format

The EDI format conforms to EDI 820 specifications.

### EDI Payment File - File Name AP161ELECTPMT

#### Company/Bank Record

| Field             | Position | Data type/size    |
|-------------------|----------|-------------------|
| Record Type       | 1        | Numeric (1)       |
| Payor Name        | 2-31     | Alphanumeric (30) |
| Payor Address 1   | 32-61    | Alphanumeric (30) |
| Payor Address 2   | 62-91    | Alphanumeric (30) |
| Payor Address 3   | 92-121   | Alphanumeric (30) |
| Payor Address 4   | 122-151  | Alphanumeric (30) |
| Payor Address 5   | 152-169  | Alphanumeric (18) |
| Payor State/Prov  | 170-171  | Alphanumeric (02) |
| Payor Postal Code | 172-181  | Alphanumeric (10) |
| Payor Country     | 182-211  | Alphanumeric (30) |
| Bank Name         | 212-271  | Alphanumeric (60) |
| Bank Address 1    | 272-301  | Alphanumeric (30) |
| Bank Address 2    | 302-331  | Alphanumeric (30) |
| Bank Address 3    | 332-361  | Alphanumeric (30) |
| Bank Address 4    | 362-391  | Alphanumeric (30) |
| Bank Address 5    | 392-409  | Alphanumeric (18) |
| Bank State/Prov   | 410-411  | Alphanumeric (02) |
| Bank Postal Code  | 412-421  | Alphanumeric (10) |
| Bank Country      | 422-451  | Alphanumeric (30) |

#### Payment Record

| Field         | Position | Data type/size    |
|---------------|----------|-------------------|
| Record Type 2 | 1        | Numeric (01)      |
| ID Number     | 2-4      | Numeric (03)      |
| Vendor Number | 5-13     | Alphanumeric (09) |
| EDI Number    | 14-28    | Alphanumeric (15) |
| Vendor Class  | 29-31    | Alphanumeric (03) |
| Handle Code   | 32       | Alphanumeric (01) |

| <b>Field</b>                       | <b>Position</b> | <b>Data type/size</b> |
|------------------------------------|-----------------|-----------------------|
| Check Amount                       | 33-50           | Numeric (16.2)        |
| Credit/Debit Flag                  | 51              | Alphanumeric (01)     |
| Payment Method Code                | 52-54           | Alphanumeric (03)     |
| Payment Format                     | 55-57           | Alphanumeric (03)     |
| DFI ID Qualifier                   | 58-59           | Alphanumeric (02)     |
| Originating DFI ID Number          | 60-74           | Alphanumeric (15)     |
| Account Number Qualifier           | 75-76           | Alphanumeric (02)     |
| Originating Account Number         | 77-111          | Alphanumeric (35)     |
| Originating Company ID             | 112-121         | Alphanumeric (10)     |
| Receiving DFI ID Qualifier         | 122-123         | Alphanumeric (02)     |
| Receiving DFI ID Number            | 124-138         | Alphanumeric (15)     |
| Receiving Account Number Qualifier | 139-140         | Alphanumeric (02)     |
| Receiving Account Number           | 141-175         | Alphanumeric (35)     |
| Effective Entry Date               | 176-181         | Numeric (06)          |
| Business Function Code             | 182-184         | Alphanumeric (03)     |
| Trace Type                         | 185-186         | Alphanumeric (02)     |
| Reference Number                   | 187-196         | Alphanumeric (10)     |
| Entity ID Code                     | 197-198         | Alphanumeric (02)     |
| Currency Code                      | 199-203         | Alphanumeric (05)     |
| Exchange Rate                      | 204-215         | Numeric (12)          |
| Date Qualifier                     | 216-218         | Alphanumeric (03)     |
| Check Date                         | 219-224         | Numeric (06)          |
| Entity Identifier Code             | 225-226         | Alphanumeric (02)     |
| Payor Name                         | 227-256         | Alphanumeric (30)     |
| Orig Entity Identifier Code        | 257-258         | Alphanumeric (02)     |
| Payee Name                         | 259-288         | Alphanumeric (30)     |
| Legal Name                         | 289-368         | Alphanumeric (80)     |
| Remit to Location                  | 369-372         | Alphanumeric (04)     |

| <b>Field</b>          | <b>Position</b> | <b>Data type/size</b> |
|-----------------------|-----------------|-----------------------|
| Vendor Account Number | 373-402         | Alphanumeric (30)     |
| Payee Address 1       | 403-432         | Alphanumeric (30)     |
| Payee Address 2       | 433-462         | Alphanumeric (30)     |
| Payee Address 3       | 463-492         | Alphanumeric (30)     |
| Payee Address 4       | 493-522         | Alphanumeric (30)     |
| Payee Address 5       | 523-540         | Alphanumeric (18)     |
| Payee State/Prov      | 541-542         | Alphanumeric (02)     |
| Payee Postal Code     | 543-552         | Alphanumeric (10)     |
| Payee Country         | 553-582         | Alphanumeric (30)     |
| Vendor User Field 1   | 583-602         | Alphanumeric (20)     |
| Vendor User Field 2   | 603-622         | Alphanumeric (20)     |
| Vendor User Field 3   | 623-642         | Alphanumeric (20)     |
| Vendor User Field 4   | 643-662         | Alphanumeric (20)     |
| Vendor User Field 5   | 663-682         | Alphanumeric (20)     |
| Vendor User Field 6   | 683-702         | Alphanumeric (20)     |

### **EDI Remittance File - File Name AP161ELECTREM**

The EDI remittance record contains a header record and a detail record.

#### **Header Record**

| <b>Field</b>            | <b>Position</b> | <b>Data type/size</b> |
|-------------------------|-----------------|-----------------------|
| Record Type             | 1               | Numeric (1)           |
| Record ID               | 2-4             | Numeric (3)           |
| Vendor Number           | 5-13            | Alphanumeric (9)      |
| EDI Number              | 14-28           | Alphanumeric (15)     |
| Handle Code             | 29              | Alphanumeric (1)      |
| Check Amount            | 30-47           | Numeric (18)          |
| Currency Code           | 48-52           | Alphanumeric (5)      |
| Credit/Debit Flag       | 53              | Alphanumeric (1)      |
| Payment Method Code     | 54-56           | Alphanumeric (3)      |
| Payment Format          | 57-59           | Alphanumeric (3)      |
| Trace Type              | 60-61           | Alphanumeric (2)      |
| Reference Number        | 62-71           | Alphanumeric (10)     |
| Date Qualifier          | 72-74           | Alphanumeric (3)      |
| Payment Date            | 75-80           | Numeric (6)           |
| Payor Entity Identifier | 81-82           | Alphanumeric (2)      |

| <b>Field</b>            | <b>Position</b> | <b>Data type/size</b> |
|-------------------------|-----------------|-----------------------|
| Payor Name              | 83-112          | Alphanumeric (30)     |
| Payee Entity Identifier | 113-114         | Alphanumeric (2)      |
| Payee Name              | 115-144         | Alphanumeric (30)     |
| Remit to Location       | 145-148         | Alphanumeric (4)      |
| Legal Name              | 149-228         | Alphanumeric (80)     |
| Vendor Account Number   | 229-258         | Alphanumeric (30)     |
| Payee Address 1         | 259-288         | Alphanumeric (30)     |
| Payee Address 2         | 289-318         | Alphanumeric (30)     |
| Payee Address 3         | 319-348         | Alphanumeric (30)     |
| Payee Address 4         | 349-378         | Alphanumeric (30)     |
| Payee Address 5         | 379-396         | Alphanumeric (18)     |
| Payee State/Prov        | 397-398         | Alphanumeric (2)      |
| Payee Postal Code       | 399-408         | Alphanumeric (10)     |
| Payee Country           | 409-438         | Alphanumeric (30)     |
| Vendor User Field 1     | 439-458         | Alphanumeric (20)     |
| Vendor User Field 2     | 459-478         | Alphanumeric (20)     |
| Vendor User Field 3     | 479-498         | Alphanumeric (20)     |
| Vendor User Field 4     | 499-518         | Alphanumeric (20)     |
| Vendor User Field 5     | 519-538         | Alphanumeric (20)     |
| Vendor User Field 6     | 539-558         | Alphanumeric (20)     |
| Vendor Fax Prefix       | 559-564         | Alphanumeric (6)      |
| Vendor Fax Number       | 565-579         | Alphanumeric (15)     |
| Vendor Fax Extension    | 580-584         | Alphanumeric (5)      |
| Vendor Email Address    | 585-644         | Alphanumeric (60)     |

### **Detail Record**

| <b>Field</b>               | <b>Position</b> | <b>Data type/size</b> |
|----------------------------|-----------------|-----------------------|
| Record Type                | 1               | Numeric (1)           |
| Reference Number Qualifier | 2-4             | Alphanumeric (3)      |
| Invoice Number             | 5-26            | Alphanumeric (22)     |
| Invoice Suffix             | 27-29           | Numeric (3)           |
| Check Number               | 30-39           | Alphanumeric (10)     |
| Invoice Type               | 40              | Alphanumeric (1)      |
| Invoice Net Payment        | 41-58           | Numeric (18)          |

| <b>Field</b>            | <b>Position</b> | <b>Data type/size</b> |
|-------------------------|-----------------|-----------------------|
| Invoice Gross Amount    | 59-76           | Numeric (18)          |
| Invoice Discount Amount | 77-94           | Numeric (18)          |
| Invoice Currency        | 95-99           | Alphanumeric (5)      |
| PO Number               | 100-113         | Alphanumeric (14)     |
| PO Release Number       | 114-117         | Numeric (4)           |
| PO Code                 | 118-121         | Alphanumeric (4)      |
| Date Qualifier          | 122-124         | Alphanumeric (3)      |
| Invoice Date            | 125-130         | Numeric (6)           |
| Voucher Number          | 131-140         | Alphanumeric (10)     |
| Process Level           | 141-145         | Alphanumeric (5)      |
| Reason Code             | 146-149         | Alphanumeric (4)      |
| Reason Code Description | 150-179         | Alphanumeric (30)     |
| Invoice User Field 1    | 180-199         | Alphanumeric (20)     |
| Invoice User Field 2    | 200-219         | Alphanumeric (20)     |
| Invoice User Field 3    | 220-239         | Alphanumeric (20)     |
| Invoice User Field 4    | 240-259         | Alphanumeric (20)     |
| Invoice User Field 5    | 260-279         | Alphanumeric (20)     |

### **Comment Record**

| <b>Field</b> | <b>Position</b> | <b>Data type/size</b> |
|--------------|-----------------|-----------------------|
| Record Type  | 1               | Numeric (1)           |
| Comment      | 2-41            | Alphanumeric (40)     |

### **Payment Totals Record**

| <b>Field</b>         | <b>Position</b> | <b>Data type/size</b> |
|----------------------|-----------------|-----------------------|
| Record Type          | 1               | Numeric (1)           |
| Net Payment Amount   | 2-19            | Numeric (18)          |
| Gross Payment Amount | 20-37           | Numeric (18)          |
| Discount Amount      | 38-55           | Numeric (18)          |

## **SWIFT Format**

The SWIFT payment and remittance files contain a header record (record type 1) and one or more detail records (record type 2).

## SWIFT Payment File - File Name AP161SWIFTPMT

The following tables describe the type 1 and type 2 record layouts for the SWIFT payment file.

### Record Type 1

| Field                   | Position | Data type/size    |
|-------------------------|----------|-------------------|
| Record Type             | 1        | Numeric (01)      |
| Effective Date          | 2-9      | Numeric (08)      |
| Bank ID                 | 10-24    | Alphanumeric (15) |
| Bank Name               | 25-84    | Alphanumeric (60) |
| Branch Name             | 85-144   | Alphanumeric (60) |
| Bank Account Number     | 145-179  | Alphanumeric (35) |
| Bank Country            | 180-209  | Alphanumeric (30) |
| Bank Country Code       | 210-211  | Alphanumeric (02) |
| Foreign Change Code     | 212      | Numeric (01)      |
| Payment Format          | 213-215  | Alphanumeric (03) |
| Organization Identifier | 216-230  | Alphanumeric (15) |
| Payment Instructions 1  | 231-265  | Alphanumeric (35) |
| Payment Instructions 2  | 266-300  | Alphanumeric (35) |
| Payment User Field 1    | 301-330  | Alphanumeric (30) |
| Payment User Field 2    | 331-360  | Alphanumeric (30) |
| Company Name            | 361-390  | Alphanumeric (30) |
| Company Address Line 1  | 391-420  | Alphanumeric (30) |
| Company Address Line 2  | 421-450  | Alphanumeric (30) |
| Company Address Line 3  | 451-480  | Alphanumeric (30) |
| Company Address Line 4  | 481-510  | Alphanumeric (30) |
| Company City            | 511-528  | Alphanumeric (18) |
| Company Country         | 529-558  | Alphanumeric (30) |
| Company Country Code    | 559-560  | Alphanumeric (02) |

### Record Type 2

| Field            | Position | Data type/size    |
|------------------|----------|-------------------|
| Record Type      | 1        | Numeric (01)      |
| Order Number     | 2-13     | Alphanumeric (12) |
| Account ISO Code | 14-16    | Alphanumeric (03) |

| <b>Field</b>                   | <b>Position</b> | <b>Data type/size</b> |
|--------------------------------|-----------------|-----------------------|
| Originating Account Number     | 17-51           | Alphanumeric (35)     |
| Order ISO Code                 | 52-54           | Alphanumeric (03)     |
| Check Amount                   | 55-72           | Numeric (18)          |
| Vendor Charge Code             | 73              | Alphanumeric (01)     |
| Vendor Payment Form            | 74-75           | Alphanumeric (02)     |
| Vendor Priority Code           | 76              | Alphanumeric (01)     |
| Vendor Payment Category Code   | 77-82           | Alphanumeric (06)     |
| Vendor Giro Number             | 83-97           | Alphanumeric (15)     |
| Vendor Credit Card Number      | 98-113          | Alphanumeric (16)     |
| Vendor Bank Instructions 1     | 114-148         | Alphanumeric (35)     |
| Vendor Bank Instructions 2     | 149-183         | Alphanumeric (35)     |
| Vendor Bank Instructions 3     | 184-218         | Alphanumeric (35)     |
| Vendor Bank Instructions 4     | 219-253         | Alphanumeric (35)     |
| Vendor Bank Entity             | 254-268         | Alphanumeric (15)     |
| Vendor Bank Account            | 269-303         | Alphanumeric (35)     |
| Vendor Name                    | 304-333         | Alphanumeric (30)     |
| Vendor Address Line 1          | 334-363         | Alphanumeric (30)     |
| Vendor Address Line 2          | 364-393         | Alphanumeric (30)     |
| Vendor Address Line 3          | 394-423         | Alphanumeric (30)     |
| Vendor Address Line 4          | 424-453         | Alphanumeric (30)     |
| Vendor City                    | 454-471         | Alphanumeric (18)     |
| Vendor State                   | 472-473         | Alphanumeric (02)     |
| Vendor Postal Code             | 474-483         | Alphanumeric (10)     |
| Vendor Country                 | 484-513         | Alphanumeric (30)     |
| Vendor Country Code            | 514-515         | Alphanumeric (02)     |
| Vendor Building Society        | 516-533         | Alphanumeric (18)     |
| Vendor Building Soc Acct Nbr   | 534-551         | Alphanumeric (18)     |
| Vendor Bank SWIFT ID           | 552-563         | Alphanumeric (12)     |
| Vendor Bank Cross Border Ident | 564             | Alphanumeric (01)     |

| <b>Field</b>                            | <b>Position</b> | <b>Data type/size</b> |
|---|-----------------|-----------------------|
| Vendor Bank Currency                    | 565-569         | Alphanumeric (05)     |
| Vendor Bank Name                        | 570-629         | Alphanumeric (60)     |
| Vendor Bank Branch Name                 | 630-689         | Alphanumeric (60)     |
| Vendor Bank Address line 1              | 690-719         | Alphanumeric (30)     |
| Vendor Bank Address line 2              | 720-749         | Alphanumeric (30)     |
| Vendor Bank Address line 3              | 750-779         | Alphanumeric (30)     |
| Vendor Bank Address line 4              | 780-809         | Alphanumeric (30)     |
| Vendor Bank City                        | 810-827         | Alphanumeric (18)     |
| Vendor Bank State                       | 828-829         | Alphanumeric (02)     |
| Vendor Bank Postal Code                 | 830-839         | Alphanumeric (10)     |
| Vendor Bank Country                     | 840-869         | Alphanumeric (30)     |
| Vendor Bank Country Code                | 870-871         | Alphanumeric (02)     |
| Vendor Intermediary Bank Entity         | 872-886         | Alphanumeric (15)     |
| Vendor Intermediary Bank Account Number | 887-921         | Alphanumeric (35)     |
| Vendor Intermediary Bank Currency       | 922-926         | Alphanumeric (05)     |
| Vendor Intermediary Bank Name           | 927-986         | Alphanumeric (60)     |
| Vendor Intermediary Bank Branch Name    | 987-1046        | Alphanumeric (60)     |
| Vendor Intermediary Bank Address 1      | 1047-1076       | Alphanumeric (30)     |
| Vendor Intermediary Bank Address 2      | 1077-1106       | Alphanumeric (30)     |
| Vendor Intermediary Bank Address 3      | 1107-1136       | Alphanumeric (30)     |
| Vendor Intermediary Bank Address 4      | 1137-1166       | Alphanumeric (30)     |
| Vendor Intermediary Bank City           | 1167-1184       | Alphanumeric (18)     |
| Vendor Intermediary Bank State          | 1185-1186       | Alphanumeric (02)     |

| <b>Field</b>                                      | <b>Position</b> | <b>Data type/size</b> |
|---|-----------------|-----------------------|
| Vendor Intermediary<br>Bank Postal Code           | 1187-1196       | Alphanumeric (10)     |
| Vendor Intermediary<br>Bank Country               | 1197-1226       | Alphanumeric (30)     |
| Vendor Intermediary<br>Country Code               | 1227-1228       | Alphanumeric (02)     |
| Vendor Intermediary<br>Bank SWIFT ID              | 1229-1240       | Alphanumeric (12)     |
| Vendor Intermediary<br>Bank Cross Border<br>Ident | 1241            | Alphanumeric (01)     |
| Vendor Intermediary<br>Charge Code                | 1242            | Alphanumeric (01)     |
| Vendor Intermediary<br>Payment Form               | 1243-1244       | Alphanumeric (02)     |
| Vendor Intermediary<br>Priority Code              | 1245            | Alphanumeric (01)     |
| Vendor Intermediary<br>Payment Category<br>Code   | 1246-1251       | Alphanumeric (06)     |

### **SWIFT Remittance File - File Name AP161SWIFTREM**

The following tables describe the type 1 and type 2 record layouts for the SWIFT remittance file.

#### **Record Type 1**

| <b>Field</b>          | <b>Position</b> | <b>Data type/size</b> |
|-----------------------|-----------------|-----------------------|
| Record Type           | 1               | Numeric (1)           |
| Vendor ID             | 2-10            | Alphanumeric (9)      |
| Vendor Name           | 11-40           | Alphanumeric (30)     |
| Vendor Address line 1 | 41-70           | Alphanumeric (30)     |
| Vendor Address line 2 | 71-100          | Alphanumeric (30)     |
| Vendor Address line 3 | 101-130         | Alphanumeric (30)     |
| Vendor Address line 4 | 131-160         | Alphanumeric (30)     |
| Vendor City           | 161-178         | Alphanumeric (18)     |
| Vendor State          | 179-180         | Alphanumeric (2)      |
| Vendor Postal Code    | 181-190         | Alphanumeric (10)     |
| Vendor Country        | 191-220         | Alphanumeric (30)     |
| Vendor Country Code   | 221-222         | Alphanumeric (2)      |
| Vendor Fax Prefix     | 223-227         | Alphanumeric (5)      |

| <b>Field</b>         | <b>Position</b> | <b>Data type/size</b> |
|----------------------|-----------------|-----------------------|
| Vendor Fax Number    | 228–242         | Alphanumeric (15)     |
| Vendor Fax Extension | 243–247         | Alphanumeric (5)      |
| Vendor Email Address | 248–307         | Alphanumeric (60)     |
| Check Amount         | 308-325         | Numeric (18)          |
| Check Date           | 326-333         | Numeric (8)           |
| Check Number         | 334-343         | Alphanumeric (10)     |

### **Record Type 2**

| <b>Field</b>               | <b>Position</b> | <b>Data type/size</b> |
|----------------------------|-----------------|-----------------------|
| Record Type                | 1               | Numeric (1)           |
| Invoice Number             | 2-23            | Alphanumeric (22)     |
| Invoice Suffix             | 24–26           | Numeric (3)           |
| Net Payment                | 27–44           | Numeric (18)          |
| Gross Payment              | 45–62           | Numeric (18)          |
| Discount Amount            | 63–80           | Numeric (18)          |
| PO Number                  | 81–94           | Alphanumeric (14)     |
| PO Release Number          | 95–98           | Numeric (4)           |
| PO Code                    | 99–102          | Alphanumeric (4)      |
| Invoice Date               | 103–110         | Numeric (8)           |
| Voucher Number             | 111–120         | Alphanumeric (10)     |
| Process Level              | 121-125         | Alphanumeric (5)      |
| Reason Code                | 126-128         | Alphanumeric (3)      |
| Reason Code<br>Description | 129-158         | Alphanumeric (30)     |

## **ETEBAC Format - File Name AP161ETEBAC**

The AP161ETEBAC file comprises three record types:

- An issuer record,
- One or more receiver records, and
- A total record

### **ETEBACFILE Issuer Record - Code 03**

| <b>Field</b>   | <b>Position</b> | <b>Data type/size</b> | <b>Comments</b> |
|----------------|-----------------|-----------------------|-----------------|
| Record Code    | 1-2             | Numeric (2)           | Value = 03      |
| Operation Code | 3-4             | Numeric (2)           | Value = 02      |
| Reserved       | 5-12            | Alphanum (8)          |                 |

| <b>Field</b>            | <b>Position</b> | <b>Data type/size</b> | <b>Comments</b> |
|-------------------------|-----------------|-----------------------|-----------------|
| Issuer ID               | 13-18           | Alphanumeric (6)      | Value = spaces  |
| Spaces                  | 19-25           | Alphanumeric (7)      |                 |
| Date (Day)              | 26-27           | Numeric (2)           |                 |
| Date (Month)            | 28-29           | Numeric (2)           |                 |
| Date (Year)             | 30-31           | Numeric (2)           |                 |
| Issuer Company Name     | 32-55           | Alphanumeric (24)     |                 |
| Reserved                | 56-87           | Alphanumeric (32)     |                 |
| Issuer Bank Branch Code | 88-92           | Alphanumeric (5)      |                 |
| Issuer Bank Account     | 93-103          | Alphanumeric (11)     |                 |
| Reserved                | 104-119         | Alphanumeric (16)     |                 |
| Reserved                | 120-150         | Alphanumeric (31)     |                 |
| Issuer Bank Code        | 151-155         | Alphanumeric (5)      |                 |
| Reserved                | 156-161         | Alphanumeric (6)      |                 |
| Filler                  | 162             | Alphanumeric (1)      | Value = 0A      |

### **ETEBACFILE Receiver Record - Code 06**

| <b>Field</b>          | <b>Position</b> | <b>Data type/size</b> | <b>Comments</b> |
|-----------------------|-----------------|-----------------------|-----------------|
| Record Code           | 1-2             | Numeric (2)           | Value = 06      |
| Operation Code        | 3-4             | Numeric (2)           | Value = 02      |
| Reserved              | 5-12            | Alphanumeric (8)      |                 |
| Issuer ID             | 13-18           | Alphanumeric (6)      |                 |
| Payer Reference       | 19-30           | Alphanumeric (12)     |                 |
| Receiv. Company Name  | 31-54           | Alphanumeric (24)     |                 |
| Address               | 55-74           | Alphanumeric (20)     |                 |
| Reserved              | 75-86           | Alphanumeric (12)     |                 |
| Rec. Bank Branch Code | 87-91           | Alphanumeric (5)      |                 |
| Receiver Bank Account | 92-102          | Alphanumeric (11)     |                 |
| Amount                | 103-118         | Numeric (16)          |                 |
| Description           | 119-149         | Alphanumeric (31)     |                 |
| Receiver Bank Code    | 150-154         | Alphanumeric (5)      |                 |

| <b>Field</b> | <b>Position</b> | <b>Data type/size</b> | <b>Comments</b> |
|--------------|-----------------|-----------------------|-----------------|
| Reserved     | 155-160         | Alphanum (6)          |                 |
| Filler       | 161             | Alphanum (1)          | Value = 0A      |

**ETEBACFILE Total Record - Code 08**

| <b>Field</b>   | <b>Position</b> | <b>Data type/size</b> | <b>Comments</b> |
|----------------|-----------------|-----------------------|-----------------|
| Record Code    | 1-2             | Numeric (2)           | Value = 08      |
| Operation Code | 3-4             | Numeric (2)           | Value = 02      |
| Reserved       | 5-12            | Alphanum (8)          |                 |
| Issuer ID      | 13-18           | Alphanum (6)          |                 |
| Reserved       | 19-30           | Alphanum (12)         |                 |
| Reserved       | 31-54           | Alphanum (24)         |                 |
| Reserved       | 55-78           | Alphanum (24)         |                 |
| Reserved       | 79-86           | Alphanum (8)          |                 |
| Reserved       | 87-91           | Alphanum (5)          |                 |
| Reserved       | 92-102          | Alphanum (11)         |                 |
| Amount         | 103-118         | Numeric (16)          | Total amount    |
| Reserved       | 119-149         | Alphanum (31)         |                 |
| Reserved       | 150-154         | Alphanum (5)          |                 |
| Reserved       | 155-160         | Alphanum (6)          |                 |
| Filler         | 161             | Alphanum (1)          | Value = 0A      |

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