Enter a Vendor Invoice

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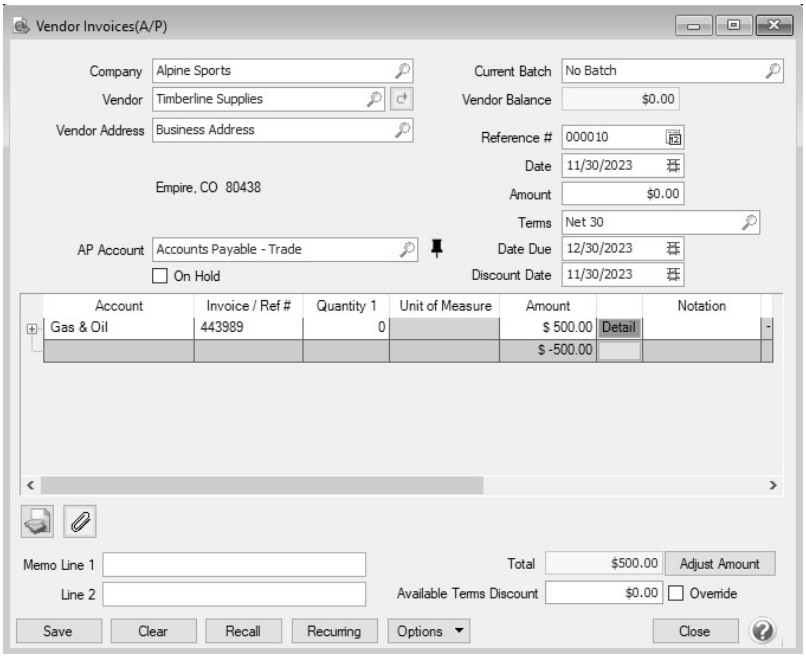
Vendor Invoices (A/P) increase an Accounts Payable or Credit Card Liability account for purchases of goods or services paid at a later date. Creating a vendor invoice (A/P) transaction records the expense even though no cash has left the business at the time you enter the vendor invoices (A/P) transaction. The expense will display on an Income Statement report or other accrual report, but will not affect a cash report such as the Cash Flow report. When the vendor invoice is paid, the accounts payable and cash account balances will decrease.

A credit card charge creates an expense that is treated the same as an accounts payable transaction except on user defined government reports. Credit card charges are treated as cash for tax purposes. Tax reports include credit card charges in the period of the charge.

If this vendor invoices is for a recurring charge (for example, a recurring utility bill), you may want to create the transaction as a recurring transaction instead of a normal a/p invoice. Please refer to the Recurring Transaction document for more information.

Enter a Vendor Invoice:

1. On the **Processes** menu, point to **Purchases**,and then select **Vendor Invoices (A/P)**.



2. In the **Company/Fund** box, enter the company/fund name that this accounts payable is for.
3. In the **Vendor** box, enter the vendor name that this accounts payable is due to. The name and default address for this name will display. If you enter a name into the Vendor box and it does not exist, the Lookup screen automatically displays, from this screen you can either Create a New Name or Create a One-Time Use Name.

This documentation is for informational purposes only. For specific accounting guidance, please contact your accountant.

If your **File** > **Preferences** > **Defaults** > > **Lookup Field Settings** are set to **Use Auto-Complete**, and you change a name after detail is entered on the lines of a transaction, the transaction is cleared and any transaction action (leave the transaction empty, recall the last transaction, or load the default recurring transaction) for the new name will occur.

4. To select a different address for this name, click the Lookup icon in the **Vendor Address** box, select the address, and then click **OK**.
5. The **AP Account** will display. If the Push Pin icon toggle is "pinned" ( ), the AP Account displays from the previous entry. When the Push Pin is not "unpinned" ( ), if available, the vendor default AP Account displays from the Setup > Vendors > General tab or if not available the default Accounts Payable account set up in File > Preferences > Vendor Invoices > Default Accounts displays. This AP Account can be changed.

Note: If you are entering a credit card purchase, change the AP Account to a Credit Card Liability account.

6. Select the **On Hold** check box if you do not want this invoice available to be selected for payment. Invoices can be placed on hold if you do not want the invoice selected for payment in the Payments or Pay Invoices Due screens (for example, the quantity has been received, but was at a higher cost than was originally quoted and you don't want the accounts payable department to accidentally pay this invoice until your dispute has been resolved or you only received partial shipment and your policy is not to pay invoices until an entire shipment is received). Held invoices are not added to the vendor balance and display on the Open Invoice Report. The On Hold Status of a held invoice can be changed (using the Processes > Purchases > Place Invoices On Hold button) to reactivate it.
7. In the **Current Batch** box, leave the No Batch selection to update balances in real-time (immediately) or enter a batch name to update balances at a later time. For more information, see the Batch vs. Real-Time Transactions topic.
8. The **Vendor Balance** box displays the current balance in the AP Account if the AP Account is in the Accounts Payable account category and the Credit Card Balance box displays the credit card balance if the AP Account is in the Credit Card account category.
9. In the **Reference** #box, enter the vendor invoice number. If you want the value you enter in this box to automatically be copied to the Invoice/Ref # box each time an Account is entered in the Data Entry Grid, click the Options button and select **Copy Reference # to Invoice/Ref #.**
10. In the **Date** box, enter the invoice date.
11. In the **Amount** box, enter the amount of the entire invoice.
12. If applicable, select a payment term in the **Terms** box. The terms will calculate a due date for the invoice. Terms is optional.
13. The **Date Due** box will display the date calculated from the payment term selected. You can also manually overwrite the date due.
14. The **Discount Date** box will display the calculated discount date from the payment term selected. You can change the discount date.
15. Enter information into the Vendor Invoices (A/P) Entry grid.
    - Select the **Account** that the amount or a portion of the amount, should be charged to.
    - Specify the **Amount** that should be assigned to that account.
    - A **Notation** can also be entered if you'd like to specify a description of what was purchased. The Notation field is optional.
16. Enter additional lines in the grid for each account that should charged for this transaction. If you want to repeat the previous line's Invoice/Ref# entry, right-click in the Invoice/Ref # column and select **Repeat Previous Value**.
17. Enter information into the Vendor Invoices (A/P) Entry grid. The Vendor Invoices (A/P) Entry grid can be customized for your specific data entry situation. If an account is entered with an amount that did not have a distribution previously set up, the Distribution column displays None in the color Gray.. If an account is entered with an amount that had a distribution previously set up, the Distribution column displays the name of the distribution in the color Orange. If you

want to display the details of a distribution click the Orange column. If you decide that this entry should not be distributed, you can remove the check mark in the Use Distribution check box on the Account Distributions screen or select another distribution.Distributions allow you to assign transaction amounts to several profit centers, production centers, projects, production years, production series, or production center detail combinations by percentage. Distributions are assigned to one or many accounts. For example, electricity expense has a distribution that assigns 35% to profit center 1, 25% to profit center 2, and 40% to profit center 3. The same distribution could be assigned to all your different utility expenses..

18. If you click the **Detail** button in the data entry grid, you can enter additional details about the transaction, for example for some of the fields you chose not to display on the data entry grid such as associated account and profit center.
19. If you want to reorder the lines you entered on the transaction in a particular order, include the **Line Sequence** column in your data entry grid. Each line will automatically be assigned a line sequence number. The first line is assigned 10, the second 20, and so on. To reorder the lines, change the sequence number to the order in which you want the lines to print or display. For example, if you want the second line to print before the first line, change the line sequence to be 5, 6, 7, 8 or 9. To view the reordered lines, click Options, and then select Refresh.



Note: It is not necessary to view the lines, if you click Save after the transaction is complete your lines will be reordered. When you assign a line sequence number, it will automatically be renumbered after the lines are reordered back to 10, 20, and so on to make it easy for future reordering.



Note: If you want to attach a document to this transaction, see the Attach Documents to Transactions topic for detailed information.

20. In the **Memo Line 1** box, enter a memo line that you want to print immediately after the date when the check is printed for this invoice.
21. In the **Memo Line 2** box, enter a memo line that you want to print immediately after Memo Line 1 on the check.



Note: If you'd prefer to display Freight and Sales Tax fields in place of the Memo fields, click the ***Options*** *button and select* ***Show Other Charges Fields***. These fields will work with the Freight Expense and Sales Tax Expense accounts you enter as defaults in File > Preferences > Vendor Invoices > Default Accounts preference so you do not have to enter the Freight Expense and Sales Tax Expense accounts as a line item on the invoice, you will just need to enter the amounts in the Freight and Sales Tax fields. To redisplay the Memo fields, click ***Options*** *and select* ***Show Memo Fields***.

22. The **Total Amount** box displays the total of all of the lines in the Vendor Invoices (A/P) Entry grid. If this amount is different than the Amount box, click Adjust Amount.
23. The **Available Terms Discount** box displays the discount amount calculated by adding all of the invoice detail lines together and then multiplying the result by the payment term discount percentage. If you want to change the available term discount amount, enter the new amount. The Override check box will automatically be selected when the available terms discount amount is changed. If you clear the Override check box, the available terms discount amount will be recalculated. If you subsequently edit the invoice and make changes to the detail lines, the discount will not be recalculated if you previously overrode the available terms discount amount.
24. When the transaction is complete, click **Save**.

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