SedonaOffice
The #1 Financial Software for Security Companies

Accounts

Payable

Reference Guide

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Accounts Payable Setup

G/L Account Defaults (AP)

The *G/L Account Defaults* allows you to specify default General Ledger accounts to be used for processing accounts payable transactions. No manual journal entries should be made into any of the accounts on this form.

You will select default G/L Accounts for Accounts Payable, Primary Checking Account, Inventory Receipt Account, Customer Refunds Account, Inter-Branch Billing Account, Pre-Pay A/P, and an A/P Discount account from your Chart of Accounts.

GL Accounts for A/P

GL Setup for A/P

Accounts Payable	20000	
	Accounts Payable*	
Primary Checking	10010	
	Primary Checking Account*	
Inventory Receipt	20010	
	Inventory Receipts*	
Customer Refunds	23000	
	Customer Refunds*	
Inter-Branch Billing	20020	
	Inter-Branch Bills*	
Pre-Pay Account	14000	
	Prepaid A/P*	
Discount Account	69010	
	Discount Expense*	

A/P Setup Processing

The *Setup Processing* for Accounts Payable form allows you to specify default information related to Purchase Orders, Check Printing, GST Tax information for accounts payable bills (Canadian use only), and other accounts payable related information.

Purchase Order Setup

- **Auto Create PO Numbers** - select whether you want the system to automatically assign Purchase Order Numbers or if you will enter your own numbers. If you decide to let the system automatically assign Purchase Order Numbers, you will need to enter the starting PO Number.

- **Next PO Number** – If you have selected to auto create PO numbers, you must enter a starting PO number.

Check Options

- **Allow Printed and Voided Checks to be Edited** – If this option is selected, a User will be able to make changes to a printed or voided accounts payable check.
- **Show Account Balance** – Selecting this option will print the Vendor open accounts payable balance on the stub of accounts payable checks.

GST Information

This section is used for companies operating in Canada only.

- **GST Number** – Enter the government issued Goods and Services Tax identification number for your company.
- **GST Rate** – Enter the current GST tax rate that will be used on accounts payable bills and credits.
- **GST Pay Account** – Select the general ledger account number to use for posting GST tax on accounts payable bills and credits.

Other

- **Enter Separate Posting Date for Bills and Credits** – Selecting this option will enable a posting date field on the accounts payable bills and credits form. This allows you to enter the date you want the transaction to post to the general ledger. Normally the general ledger posting date is the date of the accounts payable bill or credit. The posting date entered must be in an accounting period with an open or re-opened status.
- **Auto Update Purchase Price when Billed** – If this option is selected, when an accounts payable bill is entered for an inventory parts receipt and the amount being billed is different that the amount at which the parts were received, the application will automatically update the current purchase cost of the part for the vendor when the bill is saved.

- **Allow Receipt of Part Over Shipments** – If this option is selected, the system will allow you to receive more parts on a purchase order then were actually ordered. Uncheck this option if you want to only receive the quantity that was ordered and no more.

Shipping Methods

Shipping Methods are appear on Purchase Orders and are selectable from the list that is created in this setup table. The shipping method is the method in which you want your Vendor to ship materials to your warehouse.

Tax Agency

A *Tax Agency* is a jurisdiction to whom your company will remit sales tax that was collected from your customers. Tax Agencies may be a state, county, city or any other entity to whom sales tax is remitted.

If your company does not collect and remit sales tax to a government agency, you should still set up a Tax Agency for the state in which your main office is located.

Vendor Type

The *Vendor Type* setup table provides a means to classify your Vendors, and may be used for reporting purposes. The Vendor Type is a required field on each Vendor record.

The sample list of Vendor Types delivered with your database contains three "protected" vendor types. Each of these has a special functionality within the software application and cannot be deleted or modified.

- **Parts Supplier** – Used to identify Vendors from whom your company purchases inventory parts.
- **Sales Tax Agency** – Used only for municipalities to whom you remit sales tax that was collected from your customers.
- **Service Provider** – Used for subcontractors your company uses to Service your customer systems on a service ticket. If a Vendor is created and the vendor type of Service Provider is selected, an entry is also made into the Service Company setup table. This vendor type is _**not**_ to be used for subcontractors used for installation jobs.

Vendor Type

Vendor Type

Vendor Type	Description	Inactive	
Credit Card	Credit Card	N	
Employee	Employee	N	
Government Agency	Government Agency	N	
Insurance	Insurance	N	
Office Supplies	Office Supplies	N	
Outside Services	Outside Services	N	
Parts Supplier	Parts Supplier	N	
Professional	Professional Services	N	
Sales Tax Agency	Sales Tax Agency	N	
Service Provider	Service Provider	N	
Sub Contractor	Sub Contractor	N	
Unknown	Unknown	N	
Utilities	Utilities	N	

☐ Include Inactive

Vendor Type Edit

☐ Inactive

Vendor Type   Service Provider

Description   Service Provider

[Apply]   [New]   [Delete]

Terms

A default *Term Code* is assigned to each Vendor record. For each accounts payable bill that is entered, the terms code assigned to the vendor will be the default, however, you may override the Terms Code on any bill.

General

- **Term Code**: Enter a Terms Code that is easily identifiable by the user that will be making selections during data entry.
- **Description**: Enter a description for the Terms Code.

Aging Based On

- **Invoice Aging Date (A/R Only)**: Is used for Aging purposes. This determines at which point Invoices will appear as past due.
- **Due Date**: The number of days from the invoice date that the invoice is due to be paid.

A/P Discounts

If the term code is to be used for an Accounts Payable term and the Vendor offers discount terms, you will enter the number of days in which the invoice must be paid and the percentage that will be deducted from the bill amount for the discount.

- **Discount Days**: The number of days from the bill date that the discount is valid.
- **Discount %**: The discount percentage you will be taking from the bill amount.

Vendors

If using the Accounts Payable module, you will need to create one record for each *Vendor* from whom you receive bills for materials or services. The Vendor records created will be selectable from the drop down list when creating Purchase Orders, entering Vendor bills or receiving parts.

Required fields on the Vendor setup form are: Vendor Code, Vendor Type, Name, Address, Branch, Category, Terms.

The SedonaSetup form for Vendors is currently being redesigned. You will need to create your Vendor records from the main application. Navigate to the main application menu tree and select Accounts Payable/Vendors. Press the new button at the bottom of the Vendor List to enter a new Vendor. Press the Save button when finished.

Accounts Payable Processing (Overview)

The accounts payable system within Sedona Office is designed to be used with the use of Purchase Orders. If your company has elected not to use Purchase Orders, you may still enter and pay bills, however will lose much of the tracking and reporting functionality provided by the use of Purchase Orders.

```
                        ┌──────────────┐
                        │   Vendor     │
                        └──────────────┘
              ┌──────────────┴──────────────┐
      ┌───────────────┐              ┌───────────────┐
      │ Inventory Parts│             │ Expense Items │
      └───────────────┘              └───────────────┘
                        ┌──────────────┐
                        │Purchase Order│
                        └──────────────┘
                        ┌──────────────┐
                        │Receive Purchase│
                        │    Order     │
                        └──────────────┘
                        ┌──────────────┐
                        │Create Bill From│
                        │   Receipt    │
                        └──────────────┘
                        ┌──────────────┐
                        │   Pay Bills  │
                        └──────────────┘
                        ┌──────────────┐
                        │ Print Checks │
                        └──────────────┘
```
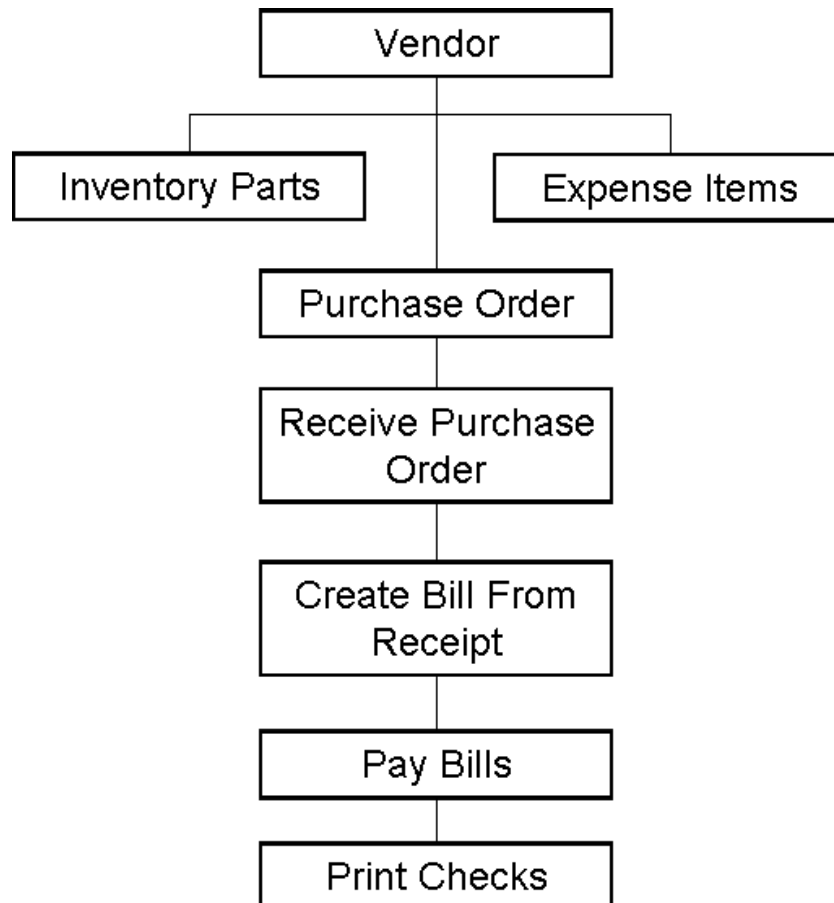
Purchase Orders

A Purchase Order is used to order inventory parts or services from a Vendor. A Purchase Order may be created from a Job, a Service Ticket, the Purchase Order List or the Vendor record. Purchase Orders may be linked to a Job Number or a Service Ticket Number for costing purposes.

Purchase Order for a Service Ticket

New Purchase Order

| Vendor Code | Branch | Category | ☐ Print Now |
| ADI | CA | Service | ☐ Direct Expense |

Purchase Order

ADI
231 West 42nd St
New York, NY 10024
Phone: (800) 555-4321
Fax:

Ship To:
122 Magnolia
Riverside, CA 92505

☐ Acknowledged   Edit Address   Drop Ship

Warehouse	CT 202
PO Number	1037
Order Date	1/19/2009
Ship Date	
Method	Pickup
Tracking #	
Parts Due Date	
Service Ticket	7009

Dervishian Medical

☐ Select from All Parts

No Special Order Parts Allowed

Parts | Expenses

Parts List

Part	Description	Vendor Part	Quantity	Cost	Amount	Rcvd	BO
6137	6137 Large Keypad	6137	1	67.40	$67.40		☐
*							☐

Memo: All bills submitted for payment must reference a Purchase Order number.

Total Cost	$67.40
Received Cost	$0.00

☐ Closed   OK   Cancel

Purchase Order for Stock Parts

Purchase Order Receipt

Receiving a Purchase Order creates a Receipt record that is later used to create the Accounts Payable Bill. A list of Purchase Order Receipts is viewable from the Vendor Explorer.

The User receiving the Purchase Order will enter the date of the receipt in the *Receive Date* field, verify the number of parts ordered and received. Typically, the Invoice or Shipping Document number is entered into the Reference field by the User.
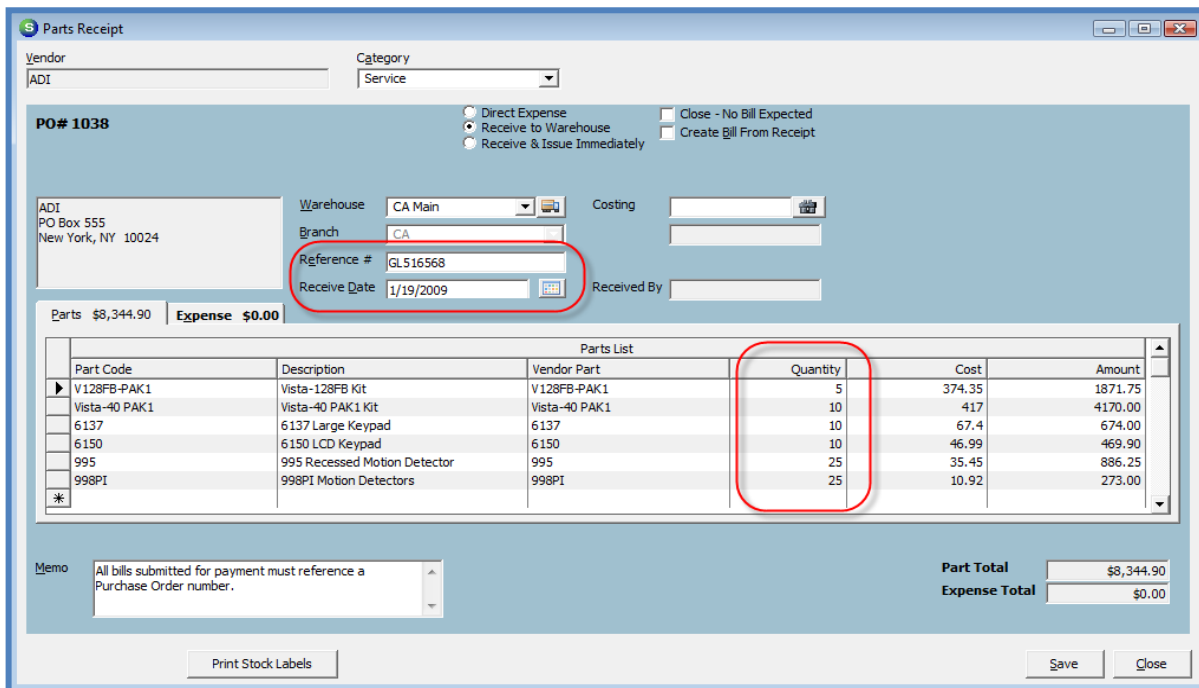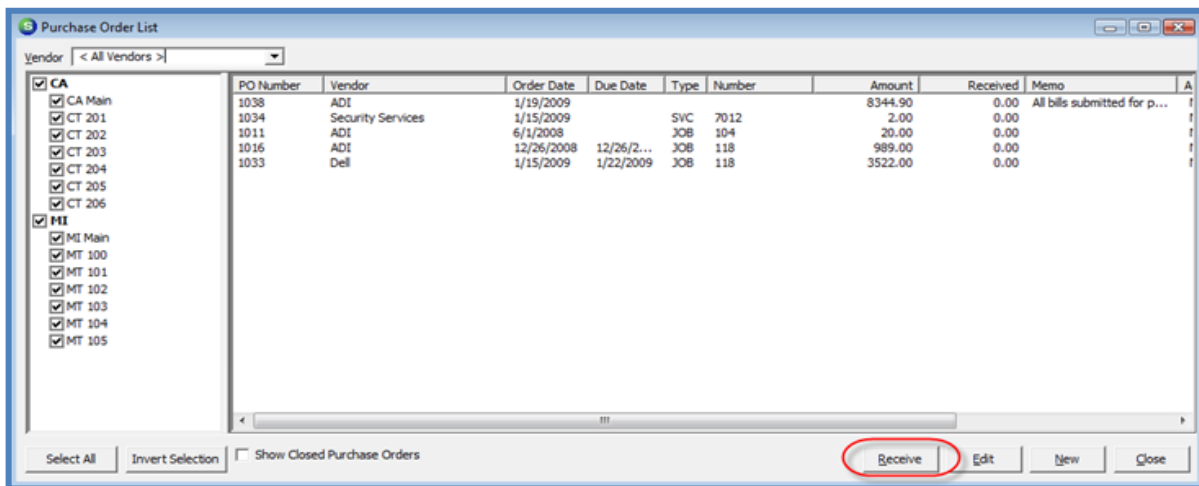
G/L Transaction from the Parts Receipt

Vendor Explorer – Receipts List

When viewing the list of Purchase Order Receipts for a Vendor, the items displayed in a red font indicate a bill was entered for that receipt.

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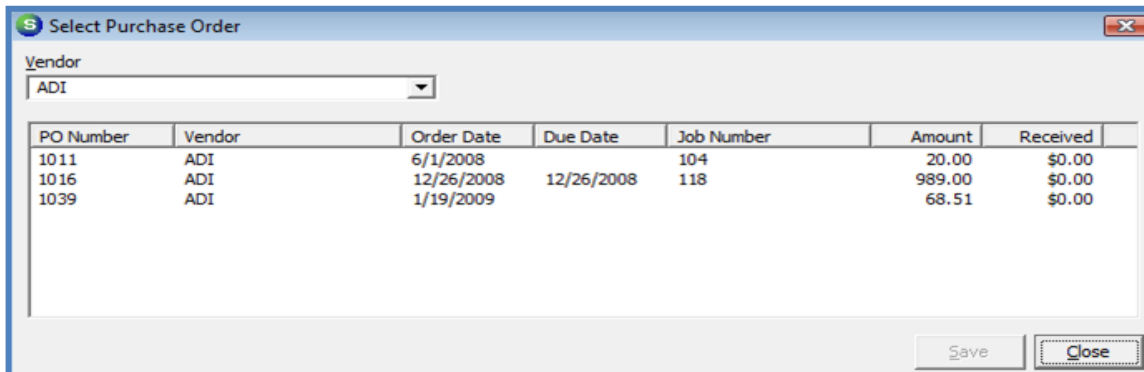
Entering Accounts Payable Bills

Bill from a Purchase Order

When entering a new bill, the User may be prompted with one or two messages:

- Vendor has open Purchase Orders…
- Vendor has open Inventory Receipts…
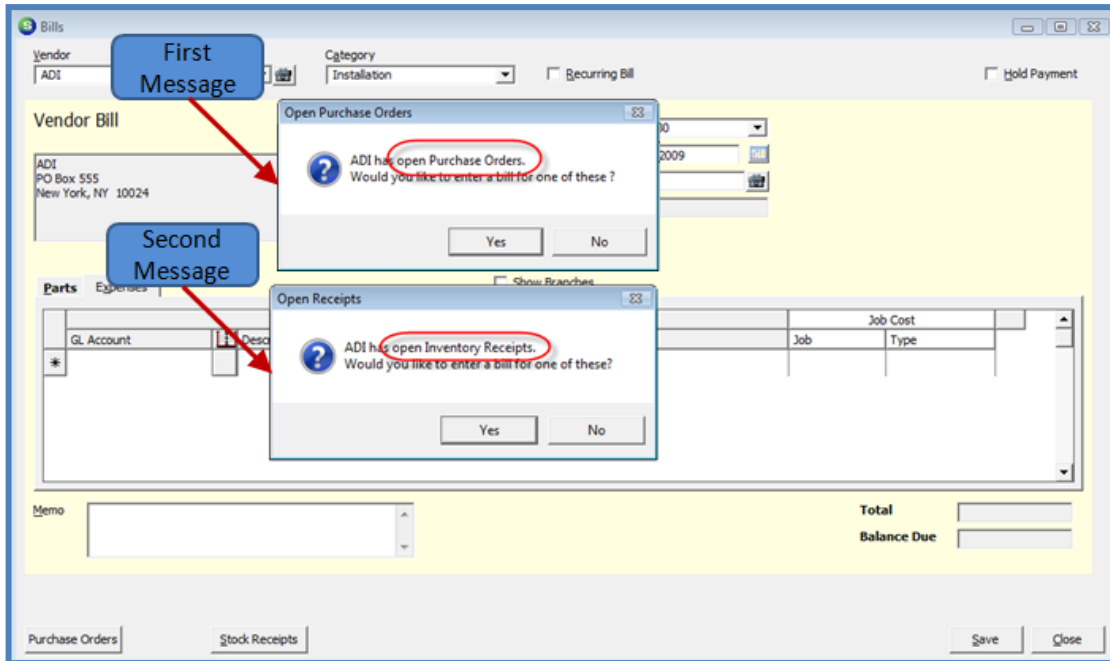
If *Yes* is selected to the Open Purchase Orders message, a list of all open Purchase Orders will be displayed from which to make a selection.

Vendor Bill Created from a Purchase Order

Bills

Vendor: ADI

Category: G & A

☐ Hold Payment

Vendor Bill for PO# 1039

ADI
PO Box 555
New York, NY 10024

Branch: CA
Reference #: ZF54684
Bill Date: 1/19/2009
Amount: $68.51
Eligible for Discount Amt

Terms: Net 30
Payment Due: 2/18/2009
Costing: 000

☐ Show Branches

Parts $0.00 | Expense $68.51

	General Ledger					Job Cost	
GL Account		Description	Amount	Category	Job	Type	
60480		Miscellaneous Hardware	68.51	G & A		O	

Memo: All bills submitted for payment must reference a Purchase Order number. Hardware for warehouse CA-Main.

Total: $68.51
Balance Due: $68.51

Purchase Orders | Stock Receipts | Save | Close

If *Yes* is selected to the Open Inventory Receipts message, a list of all open Inventory Receipts will be displayed from which to make a selection.

Vendor Bill Created from an Inventory Receipt

G/L Transaction from A/P Bill (created from a Parts Receipt)

Journal Entry

Register No. 384   Register Type: BILL

Journal Information

Branch	CA
Date	1/19/2009
Primary Account	20000
	*Accounts Payable**
Reference	VZ651651

☑ Show Job Costing   ☑ Show Branches

General Ledger

Account		Description	Debit	Credit	Memo	Branch	Ca
▶ 20000		Accounts Payable*		8,344.90	All bills submitted	CA	
20010		Inventory Receipts*	8,344.90		Vista-128FB Kit	CA	

Paying Bills

Accounts Payable Bills may be paid individually using the Write Checks function within the Accounts Payable module, or several bills are marked for payment using the Pay Bills function, also located within the Accounts Payable module.

You have the option to select bills for payment from one branch or all branches. You also have the option of paying the bills with a credit card. Credit card payment will be discussed in the following section.

If you have Vendor Credits that you want to apply to bills, you must select that one Vendor during an individual bill payment session.

When selecting bills for payment, you may pay the entire amount of the bill that is due or change to a lesser amount if you are making a partial payment.

G/L Transaction from Bill Payment

For each Vendor selected for payment in the Pay Bills form, one entry will be made to the General Ledger.

Account Register

Account Code	20000
	Accounts Payable*
From Date	1/19/2009
Thru Date	1/19/2009
Branch	
Reg Type	

Reg No.	Date	Type	Reference	Name	Branch	Amount	Balance
385	1/19/2009	CREDIT	CM65165	ADI	CA	25.00	-38,129.62
388	1/19/2009	XTFR	MQ651651	ADI	MI	500.00	-37,629.62
389	1/19/2009	BILLPYMT		Cal-Osha	CA	375.00	-37,254.62
390	1/19/2009	BILLPYMT		City of Plymouth	CA	125.00	-37,129.62
391	1/19/2009	XTFR	100	City of Plymouth	MI	125.00	-37,004.62

Journal Entry

Register No. 389   **Register Type:** **BILLPYMT**

Journal Information

Branch	CA
Date	1/19/2009
Primary Acccount	10010
	Primary Checking Account*
Reference	

☑ Show Job Costing   ☑ Show Branches

	General Ledger				
Account	Description	Debit	Credit	Memo	Branch
10010	Primary Checking Account*		375.00		CA
20000	Accounts Payable*	375.00			CA

Paying Bills / Applying Vendor Credits

When paying bills and using Vendor Credits, in the Pay Bills form, you must select the Vendor in the header area of the form of the Vendor for which you want to use credits.

Using a Vendor Credit without Generating a Check

When saving the payment, a message will be displayed indicating no check will be generated for the transaction.
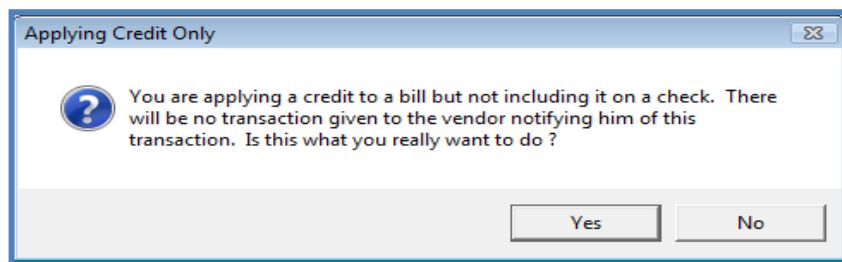
G/L Transaction from Applying a Vendor Credit to a Bill (no check generated)

Because an open Vendor Credit applies as a debit to Accounts Payable, there is no GL activity posted when applying an open vendor credit to an open bill.

Paying Bills with a Credit Card

You have the option of paying a Vendor Bill with a Credit Card. When paying a bill with a Credit Card, the bills you are selecting for payment are transferred to the Credit Card Vendor's account. These bills transferred to the Credit Card Vendor will be an item you can reconcile when you receive your credit card statement. You must first have a G/L Account set up to use this functionality.

G/L Account Setup for A/P Credit Card Payments

For each credit card that you want to use for paying bills, you must setup a unique G/L account number with the account type of CC. When selecting the Account Type of CC, a Vendor field is displayed below the account type field. Select which Vendor you wish to link to the credit card account.

Printing Checks

Once Bills have been selected for payment, they will appear in the check printing queue. When the Print Checks List is opened, all checks are selected to be printed. If you want to print selected checks in the list, you would de-select the checkbox to the left of the check you do not want to print at this time.
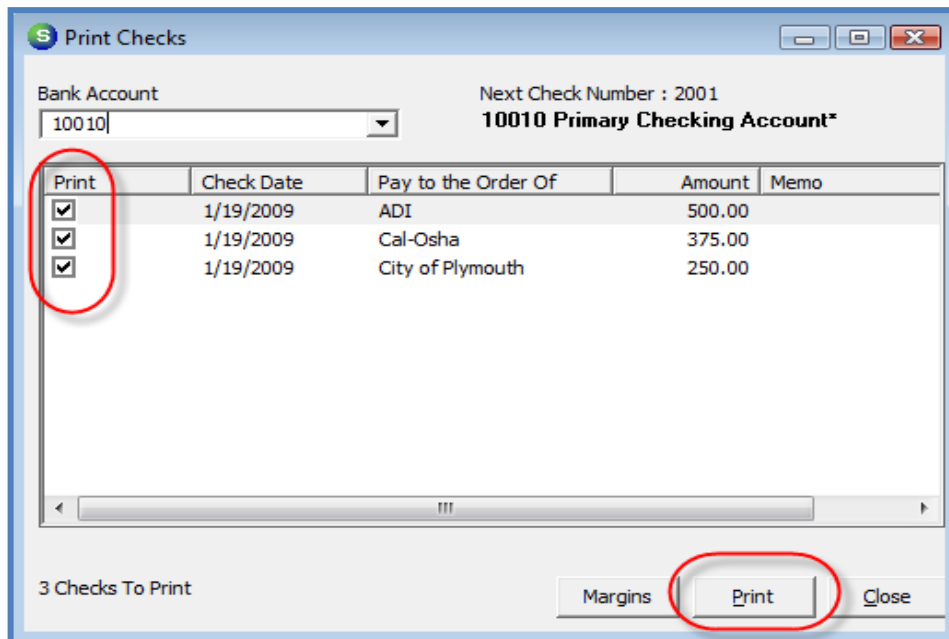
Sample A/P Check

2002

1/19/2009 $375.00

****Three Hundred Seventy*Five Dollars and Zero Cents********************************

Cal-Osha
PO Box 52559
San Leandro, California 94579

Cal-Osha	01/19/2009		2002
Bills Paid Allocation			
Bill #	**Date**	**Discount Taken**	**Amount Applied**
35216	1/15/2009		375.00
		Check Amount:	375.00

Cal-Osha	01/19/2009		2002
Bills Paid Allocation			
Bill #	**Date**	**Discount Taken**	**Amount Applied**
35216	1/15/2009		375.00
		Check Amount:	375.00

Manual Check Writing – Write Checks Function

In addition to printing checks after using the Pay Bills function, Sedona Office provides the functionality to write and print checks from the Write Checks menu option of the Accounts Payable menu for the following situations:

- To Vendors without going through the Pay Bills function.
- To Vendors where payments are automatically deducted from your bank account.
- To Companies or individuals that have not been set up as a Vendor.
- To a Customers for a refund. *Functionality exists from the Customer Explorer record to initiate a refund check to a customer.

Writing a Check to a Vendor

When opening the Write Checks form and selecting the Vendor option button, and selecting a particular Vendor, any open bills that for the Vendor will be displayed in the Bills section. You may select one or multiple bills to pay or enter a check for parts and/or expense items by filling in the information on either of these forms.

Once the information for the check has been entered or selected, you may press the Print button to print the check now, or select the In Print Queue option to print the check later.

Writing a Check to a Non-Vendor

When opening the Write Checks form and selecting the *Other* option button, and selecting a particular Vendor, any open bills that for the Vendor will be displayed in the Bills section. You may select one or multiple bills to pay or enter a check for parts and/or expense items by filling in the information on either of these forms.

Once the information for the check has been entered, you may press the Print button to print the check now, or select the In Print Queue option to print the check later.

Recurring Payments

If you pay a Vendor on a periodic basis and want a reminder to generate the payment each month, you may set up a Recurring Payment for any number of Vendors. Recurring Payments are created using the Write Checks function. When marking a check as a Recurring Payment, the user is prompted to select how frequently the check should be generated and whether the checks should stop generating on a particular date or continue generating indefinitely.

When Recurring Payments have been set up, they are displayed in the Recurring Items list which is accessible from the Accounts Payable module options.
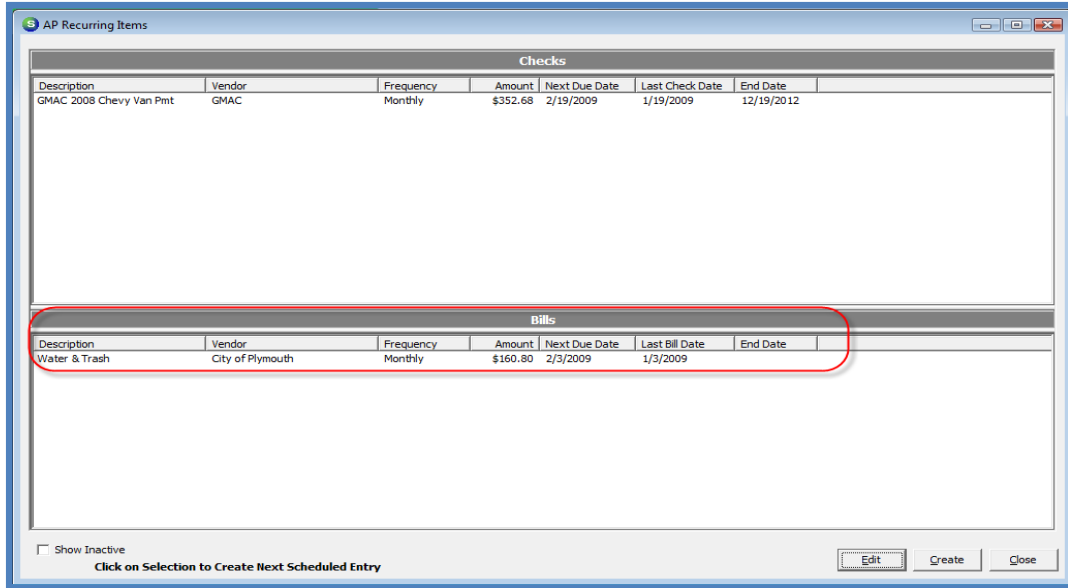
Recurring Bills

Sedona Office provides the functionality to setup *Recurring Bills* which are paid on a regular basis for expenses such as utilities, rent, loans etc. One initial bill is created and the frequency and length of time you want to have this bill automatically created is selected. If the payment changes each time, such as in the case of a utility bill, you may make the modification when generating the bill. These recurring items are viewable from the Recurring Items menu option of the Accounts Payable menu.

Using this functionality saves time in data entry for bills that are manually entered every month or another frequency.

When Recurring Bills have been set up, they are displayed in the Recurring Items list which is accessible from the Accounts Payable module options.

Notes: