

## Club Office Accounts Payable

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## A/P Concept

Club Office utilizes an invoice-based paper check method for accomplishing the accounts payable process. For user convenience, the payables system can be used in both a multiple invoice entry mode where checks are printed later or in an instant, on-demand single check mode.

1. Invoices are entered into the system and verified as correct. (Because an invoice must also be linked to a vendor, it is often necessary to create the proper vendor number before invoices from that vendor may be entered into the system.)
2. The verified invoices are “posted” to the general journal. The posting process debits the designated expense account(s) and credits the payables liability account. Alternately, a configuration option to post invoices immediately as they are saved is also available.
3. One or more posted invoices may then be selected to be paid.
4. Checks in payment of the “selected” invoices may then be printed. Issuing payables checks debits the payables liability account and credits the designated bank (cash) account in the general journal.

## Configuration

As with all Club Office screens, remember to click MODIFY first, make the changes and click OK to save them.

### Access Levels

Set up appropriate user access levels for inquiry, updating, closing the month and closing the year. It's suggested that closing the year be reserved for a very high level user.

### G/L Acct: A/P

This is the general ledger account to which total payables are to be posted to keep the G/L in balance. Some controllers would refer to this account as “accrued payables” or “short term payables.”

ADMIN @ Configuration

File Reports Info Help

Company Accounts Payable Fixed Assets Inventory POS Configuration  
Membership Accounts Receivable General Ledger Payroll User rights Event Manager Exit

Accounts Payable Configuration

Adjust 1099 Printing Modify OK/Save Done/Exit

40 Access - Inquire ONLY:  
50 Access - Update/Edit Invoices:  
50 Access - Issue Checks  
50 Access - Post to G/L:  
50 Access - Close Year:  
2010.000 G/L Acct: A/P  
1030.000 G/L Acct: A/P cash from bank  
N Use PostNet Bar code? (Y/N)

Hide bank reconciliation totals  
 New Invoice Instant Post on 'Save'  
 Bypass instant journal reports?

### **G/L Acct: A/P cash from bank**

This is the bank checking account from which payables are paid.

### **Use PostNet Bar code? (Y/N)**

Type Y if checks and address labels are to include the PostNet bar code; N to disable it. For facilities that produce a lot of mailings, using the PostNet bar code can reduce postal expense.

### **Hide bank reconciliation totals**

Check this box if you wish to use other means to reconcile your checking account instead of using the Club Office A/P checkbook. If you do this by other means, it's probably a good idea to check this box as it hides the totals that otherwise would look quite confusing and actually be meaningless.

### **New Invoice Instant Post on 'Save'**

Check this box to cause the system to post the invoice to the general journal at the same time it is saved into the A/P system. This eliminates the need to "post" them as a batch.

### **Bypass instant journal reports?**

A G/L posting report is displayed when invoices are posted to the general journal. Some users may wish to bypass seeing these reports if they also have turned on the *instant post on 'save'* feature (above). Check this box to bypass the reports.

### **Interaction of A/P and Club Office Payroll**

Link A/P and Payroll check registers

As a convenience to users that use different bank accounts for issuing payables checks and payroll checks, payroll checks do not normally show in the A/P checkbook. However, users who use the same checking account for both payables and payroll may want payroll activity to also show in the A/P checkbook. The COMPANY control configuration screen includes a check box that can link the two. Checking the box also coordinates check numbers so that there is no overlap.

### **Interaction of Check Issue Dates and G/L Accounting Periods**

The Club Office general ledger organizes and posts journal entry data by the fiscal year and accounting period to which that the journal entries are assigned. However, many reports throughout the Club Office system, including general ledger and accounts payable can also be produced based on a *range of dates irrespective of the accounting period and fiscal year to which the reported transactions are linked*. For example, G/L journal entries are marked with the date and time that the entries were made. This time stamp creates a form of day-by-day audit trail, so to speak, of how the organization's finances have been affected by sales and expenses. *But it's important to understand that the time stamp only shows when the transaction was physically entered into the general journal and not necessarily what accounting period the journal entry's value is to be recognized*. Therefore, if you wish to have the most trouble-free system, it will greatly benefit your accounts payable operation if you:

- Enter payables invoices on a timely basis. Decide whether the Club Office "invoice date" is to be the date as printed on the invoice from the vendor, the date you received the invoice or the date you entered the invoice into the computer. Decide on a method and use it consistently.
- Do the same with the Club Office "due date."
- Understand that the date the invoice is "posted" to the general journal may be different the general ledger period to which the invoice has been assigned, and that this will likely affect reports that are printed using the date range option versus those printed by G/L period. Remember that the posting process affects expense and liability values.

- Understand that the date an invoice is paid by check through the payables system may also be different from the general ledger period and that similar issues occur as they relate to printing various reports using the date range option. However, since issuing payables checks also affects cash, you will find it easier to manage your cash if the issue date of your payables checks matches the G/L period to which those checks belong.
- For the system to produce accurate financial reports, it's very important that invoices be entered and posted into the system on a timely basis regardless of your decision of whether or when they are to be paid. Invoices that are in a file folder but not entered and posted into the Club Office A/P system will lead to inaccurate financial reporting.

### Best Practices – Partial Payments

If it is your intent to partially pay an invoice or if an invoice is to be paid in installments, the original invoice must be divided into multiple invoices as in the following example:

The original invoice was #12345 for \$100 to vendor #82 and you want to pay it over two installments, one month at \$25 and the other month at \$75:

1. Create invoice #**12345A** for \$25 to vendor #82
2. Create invoice #**12345B** for \$75 to vendor #82.

Note that the letters **A** and **B** have been added to the invoice number to keep them unique within the A/P system.

### Best Practices – Inventory

Consider that inventory is either fully expensed when purchased or held as an asset until it is sold. There isn't a right or wrong choice, but the person responsible for performing the A/P process must be given direction as to the accounting method you want him/her to use because it changes the way inventory is ultimately reported in your club's financial picture. Also consider that in practice, the accounting of inventory for resale is usually managed differently than inventory for a restaurant/bar setting: while it may be practical to show tangible pro shop inventory (shirts, hats, golf clubs, etc.) as an asset, it may not be practical to show perishable food items such as heads of lettuce, pounds of hamburger the same way. (Note: an inventory module configuration setting can cause the inventory system to generate G/L journal entries automatically. If you account for various inventory items differently as described above, the "automatic" mode should NOT be used.)

**Case 1: All inventory expensed.** The A/P person would normally assign the invoice to the appropriate cost of goods sold G/L account. (The inventory system would NOT be set to create cost of goods journal entries as items are sold since they've already been expensed at the point of purchase; the "I will make my own journal entries" inventory configuration option would be chosen.)

**Case 2: Some inventory expensed, some held as assets.** The A/P person needs to be given clear direction as to which items are to be expensed when purchased and which are to be held as assets so that they may properly be entered into the system.

**Case 3: All inventory as assets.** If all inventory are to be carried as assets until sold (unlikely, but possible), the invoices should be entered as the inventory are received and the inventory option "Let the inventory module create journal entries automatically" should be selected. The A/P person should assign all inventory-related purchases to the same G/L liability account for "accrued inventory payables" as configured in the inventory system.

**Case 4: Modified inventory as assets procedure.** If inventory is to be held as an asset until sold but there is no intent to record receipts of some or all of the inventory to be sold (e.g. for mixed drinks such as Bloody Marys, etc.) then the inventory asset accounts are

normally charged when the invoices are recorded. The inventory system should be set to “Automatically create journal entries” *but only if a cost is also assigned to the related inventory items* so that cost is recorded when the item is sold. If cost values have not been assigned to each item when it is sold, the inventory system should *NOT* be set to automatically create journal entries; instead, manual journal entries must be created each month based on the taking of a physical inventory of product on hand.

# Accounts Payable Menu

## Vendors

You'll find all the vendor-related information here, plus ways to review paid and unpaid invoices and checks issued to a specific vendor.

## Invoices

This is where you may enter invoices, allocate expenses to G/L accounts, select which invoices to pay and review lists of invoices in various ways. You can also issue manual checks through the invoice module as well as create vendor accounts on-the-fly.

## Recurring Invoices

Create invoices automatically for ongoing, monthly expenses such as equipment or other rentals, insurance payments, installments, service contracts, etc.

- Whenever Accounts Payable is started and this menu appears, it automatically checks whether any recurring invoices exist that have not yet been generated and creates them automatically. The screen at the right indicates the recurring invoices will be created, after which a report is printed automatically, too:
- Invoices created automatically are not “posted” automatically. They are merely generic invoices that have been generated by the system settings you have assigned and appear in the list of unpaid invoices as if you had entered them individually. They still require “posting” before they will appear in the general journal or before they can be “selected for payment.”

## Checkbook

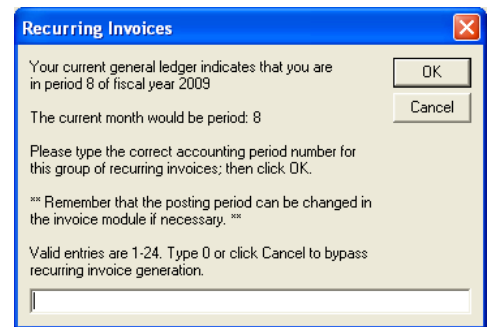
The checkbook is used to issue checks for invoices that have been selected for payment, make bank deposits and reconcile the A/P checking account.

## Check Formatter

The check formatter allows precise control of printed information on the check portion of your payables checks.

- Club Office’s checks are page-oriented and designed for business check stock that is divided into thirds: the top third is the check itself, the middle and bottom thirds contain check stub information such as invoice numbers, values, G/L posting accounts, etc. Suitable check paper stock is readily available in many colors through most banks. (Note: Club Data can also deliver printed check stock usually within a few days instead of weeks; call our office for competitive pricing and availability.)

Click EXIT to quit this module and return to the main Club Office menu.



# A/P Vendor Manager

The vendor manager is used to create, maintain and report on vendor accounts -- the persons or businesses from whom you buy goods and services that support your facilities' operations. It is also used to produce federal 1099 forms at the conclusion of a calendar year.

The screenshot shows the 'ADMIN @ Vendors' window. At the top, there is a menu bar with 'File', 'Reports', 'Info', and 'Help'. Below the menu bar is a toolbar with buttons: 'Add Vendor', 'Cancel', 'Previous', 'Next', 'Modify', 'Save', 'Delete', and 'Exit'. The main area is divided into two sections. The top section is a form for entering vendor information, including fields for Vendor #, Name, Address 1, Address 2, City, State, Zip, Telephone, Fax, Contact, Email Address, Cell Phone/Other, Tax ID, 1099 Type, G/L Acct, YTD Purchases, Current unpaid \$, Terms, and Our account #. The bottom section is a table titled 'Paid Invoices' with columns: Invoice#, Inv Date, Product, Inv Total, Due Date, Check#, Check Date, Check \$, and Per. Below the table, there is a yellow text prompt: 'Select an action button along the top of the screen.'

Invoice#	Inv Date	Product	Inv Total	Due Date	Check#	Check Date	Check \$	Per
JB005	20090620	TeleVideo	\$80.00	20080621	3262	20080620	\$80.00	6
JB003	20090425	Bennington Books	\$100.00	20080426	3232	20080425	\$100.00	4
JB004	20090425	Nyten Sys.	\$100.00	20080426	3232	20080425	\$100.00	4
JB002	20090418	Alexandria Systems	\$100.00	0	3224	20080422	\$100.00	4
JB001	20090414	Farber Watershed	\$100.00	20080415	3219	20080414	\$100.00	4

## Vendor Menu Options

The screenshot shows the 'ADMIN @ Vendors' window with red arrows pointing to various menu options and their descriptions:

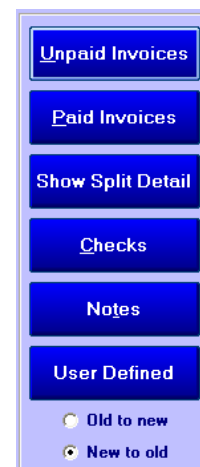
- Add Vendor:** Add a new vendor
- Cancel:** Cancel screen changes or reset display
- Previous:** Go backward or forward from the currently displayed vendor
- Next:** Go backward or forward from the currently displayed vendor
- Modify:** Enable editing the current vendor
- Save:** Save vendor information
- Delete:** Delete current vendor
- Exit:** Exit vendor screen
- Additional functions:** Print reports



### Other menu button options

When a vendor record is on the screen, additional menu buttons appear to the right side that provide other information related to the current vendor. You can choose to see detail information in old-to-new order or new-to-old by checking the option.

- **Unpaid or Paid Invoices:** click these buttons to display invoices for this vendor.
- **Show split detail:** when an invoice is displayed in the grid at the bottom of the screen, you may first select it and then click this button to display the various G/L departments which make up the invoice total. The button then changes to HIDE split detail; clicking it removes the detail overlay from the screen.
- **Checks:** click this button to display a list of checks that have been issued to this vendor.
- **Notes:** this displays a text field that can contain up to 30,000 characters of miscellaneous information about this vendor.
- **User Defined:** this displays a screen where user-specified information can be maintained.



### Vendor Data Field Descriptions

- **Vendor #:** **required**, entry is numerical only and between 1-99999.
- **Name:** **required**, limited to 30 characters
- **Address 1 & 2** – optional, type the street or P.O mailing address into these boxes. Limit: 30 characters each.
- **City:** optional, 30 character limit
- **State:** optional, type the 2-character abbreviation for the state.
- **Zip:** optional, 10 character limit to accommodate the Zip plus 4 zipcode.
- **Telephone:** optional, type in the format XXX-XXX-XXXX
- **Fax:** optional, same format as telephone.
- **Contact:** optional, this is your sales contact at the vendor's company. 30-character limit.
- **Tax ID:** optional, the vendor's federal tax number or Social Security number if the vendor does not have a tax ID. **Required** if an annual 1099 will be printed for this vendor.
- **1099 Type:** Type a 0 if a 1099 should NOT be issued to this vendor at the end of the year. Type 1 is a 1099-MISC. (Note: While Type 2 is a 1099-INT and type 3 is a 1099-DIV, the module currently supports only the 1099-MISC form.) Type 4 is for attorneys.
- **G/L Acct:** optional, this is the general ledger account to which this vendor's payments are normally posted. When you're in this field, press the F-5 key for a lookup of general ledger accounts. When a G/L account is linked to the vendor, it automatically appears when keying invoices to the account. The number can be changed from the default during invoice entry.
- **YTD Purchases:** this is generally a calculated field but it may be edited when the account is first created to establish a current total. This is the value used to determine whether a 1099 should be printed for the vendor (along with the 1099 type setting). Currently, federal regulations specify that \$600 is the threshold value for requiring a 1099.
- **Current unpaid \$:** this is the balance currently owed to this vendor. On new accounts, this must be typed in by the user.
- **Terms:** this is a 20-character text field; you may enter the terms that you have with this vendor. If you wish the system to assist in the calculation of due dates for invoices and your terms are 31 or fewer days, enter the number of term days in this field. Otherwise, it is only a text-holder and will not affect calculations in any way. **Valid examples:** 10 days, 30 days. **Invalid examples:** Net 10, Net 30, etc. The field must begin with a number for the system to calculate a due date. If it begins with other non-numeric characters, it cannot calculate a suitable due date unless your terms are a specific day of the *next* month, in which case you may type YYYYMM in front of the day of the month. Example: a payment

is always due on the 15th of the month: type YYYYMM15 into the box. When keying invoices to this vendor, the invoice module will automatically assign the due date as the next 15th on the calendar. Note that if the invoice is entered on the 12<sup>th</sup> of the *current* month, the *next* 15th would then be in the *current* month, not the next month.

- **Our account #:** This 15-character field is for the account number you have been assigned by the vendor. This number is printed on checks to help assure that your payments are applied to the correct account. This is often helpful so that vendors can adequately credit your account for payments made.

### Create a New Vendor Record

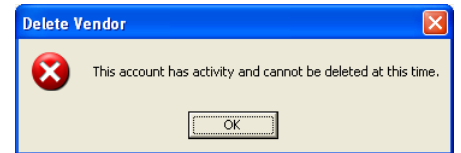
1. Click Add Vendor
2. Enter a vendor number between 1-99999. This is a **required** field of data. To see a list of vendors, press the F-5 key when the cursor is in this field (the field is colored yellow when it is “active”). Press ENTER or TAB to advance to the next field, “Name.”
3. Enter the vendor name. This is a **required** field of data.
4. Continue and enter other fields of information; the gray helpwindow at the bottom of the screen displays related information about the currently active field.
5. Click SAVE when done.

### Editing a Vendor Record

1. Recall the vendor account to the viewing screen.
2. Click MODIFY.
3. Click on the field to change. A field will become yellow when it is being edited.
4. Click SAVE to store the changes when done.

### Deleting a Vendor Record

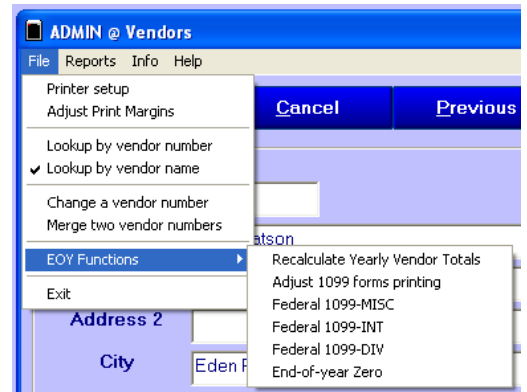
1. Recall the vendor account to the viewing screen.
2. Click MODIFY.
3. Click DELETE, then OK to verify the deletion. Note that the system will not allow deleting a vendor that has had any activity during the current calendar year.



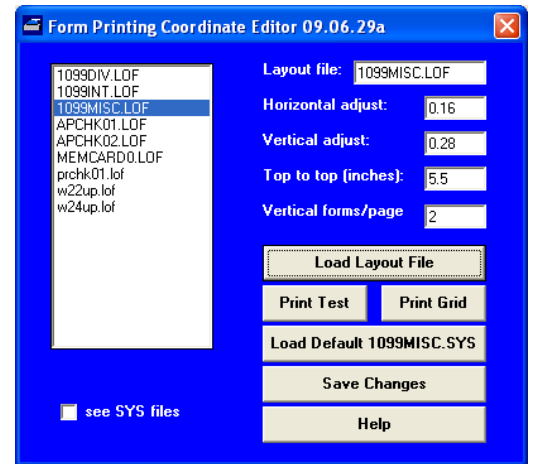
### File Menu Functions

In addition to adjusting the printer settings, the default lookup option can be set for the current session – handy if you’re reviewing the activity for multiple accounts.

- **Change a vendor number:** choose this option to change a vendor to use a different number. The feature changes the vendor number throughout the entire system wherever that vendor number appears.
- **Merge two vendor numbers:** sometimes it may happen that two vendor accounts are created in the system only with slightly different spellings of the name. This allows merging all the activity of one of them with the other throughout the entire system, effectively deleting one of the accounts you no longer want to use.
- **EOY Functions:** this displays a sub-menu of activities that generally are considered at year-end only, such as printing 1099 forms and zeroing the yearly account balances in preparation for a new year.
- **Recalculate Yearly Vendor Totals:** this provides a way to reset vendor totals based on a “from-to” range of dates, and can be a handy utility to use just prior to printing 1099 forms.



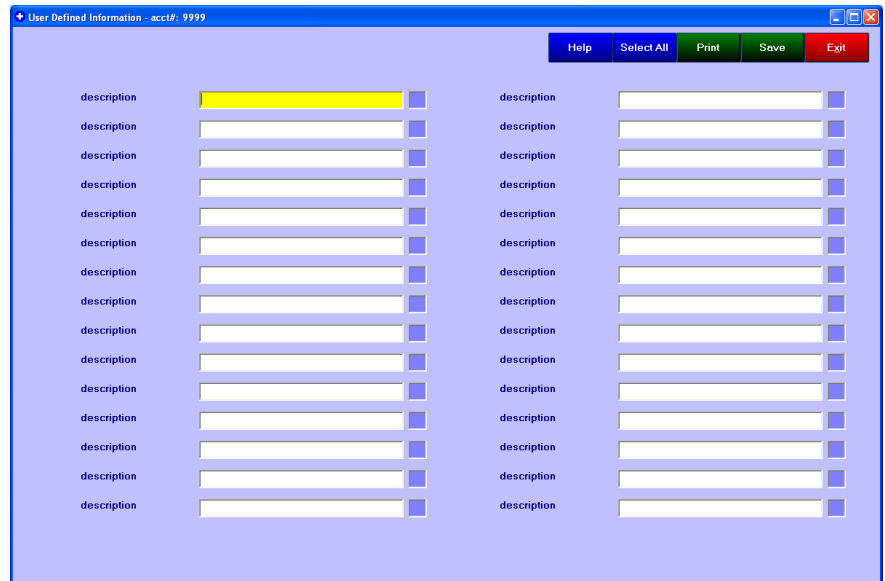
- **Adjust 1099 forms printing:** This option allows setting various printer margins to help you align the 2-up 1099 forms with your printer. More help is available in the Form Printing Coordinate Editor module that appears on the screen. (The editor is also used to adjust printing settings for A/P checks, payroll checks and payroll W2 printing so many form files will appear.) You may also edit these settings from the main A/P configuration screen. Note that some experimentation is necessary until you discover the correct settings for your printer, and it's a good idea to print the tests on blank paper and hold them up to the light over an actual form to determine whether more adjustments are needed. To use the editor:



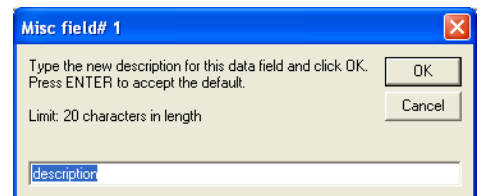
- Click on the desired form from the list that appears in the long white box; the file name denotes the type of form. The name then appears in the Layout file box.
- Click “Load Layout File.” The current horizontal, vertical, top-to-top and forms/page settings will then appear in the respective boxes.
- Change the value(s) as necessary.
- Click Save Changes (you must SAVE the changes before printing a test).
- Click Print Test to try the new settings on a blank piece of paper. Hold the test print against an actual form to test printing location.
- To load the system default settings if you want to start over, click the “Load Default 1099MISC.SYS” button.

### User defined data screen

The user defined data screen provides a way to define and maintain other information about the account that is not already spoken for in the normal data fields. You may determine the description titles of the data fields as well as the data itself. An option to select which field to use as the main sorting field for reporting is also displayed.



- **Change the Field Description Title** - *Double-click* on the field title you want to change. Then type the name of the field into the box that appears. Click OK to save.
- **Change Data** - Select the field of information to change (the box turns yellow) and type the new information. Be sure to click the SAVE button to save the new information.
- **Printing a report for the current vendor**



1. Immediately to the right of the data field is a small light blue square box. Type a number between 1-30 into this field to include that field on the report. If a field is left blank or set to a number either less than 1 or greater than 30, the item will be ignored and not printed in the report. The data field selected as #1 will be used as the sorted order of the report. Shortcut: click the **Select All** button to automatically select all fields for printing. Note that the sorted order is not stored on the system and must be re-entered each time printing is selected.

2. Click the **Print** button. Other options may or may not appear that allow further defining other reporting options.

## Special Considerations/Procedures

### Assigning Vendor Numbers

It is usually helpful to assign vendor numbers in roughly the same order as vendors might be listed alphabetically, leaving open space between the numbers used for later additions. Because runs of payables checks are printed in ascending vendor number order, the checks will then be similar to alphabetical vendor order and may make later reconciliation procedures easier. For example, you might assign number 1100-1199 to vendors whose names start with the letter A, 1200-1299 for the letter B, 1300-1399 for the letter C, etc. If you're a new user to an existing Club Office system, it may be helpful to review the vendor list and try to discern if a numbering convention was used, and if it's not to your liking, use the vendor renumber tool to change it.

### Vendor Names

It's also useful to adopt and maintain a consistent naming convention, too. For example, "John Smith" would appear in the "J" section of an alphabetical listing while "Smith, John" would appear in the "S" section. Naming and spelling differences contribute to doubling-up accounts in the vendor database, and it's a good idea to periodically review your vendor list for duplicate accounts that have happened because of naming convention inconsistencies.

### Issuing Reimbursement Checks

If you need to issue a check as reimbursement to a vendor instead of a check for purchases from that vendor, understand that the A/P system does not distinguish between the two as it relates to the end-of-year balance for printing 1099s. Therefore, we suggest creating two separate accounts for vendors who might fit into this situation: one for the normal purchases and a separate one for reimbursements. This way, the YTD purchases total will be correct on each, and you can use the 1099 TYPE field to specify whether a 1099 should be printed for the vendor account used for purchases.

The 1099 Preview report can be helpful in determining how vendor accounts are set up for printing 1099's and the values in the accounts. Because the report selects paid invoices between a range of dates, to get the current year only, select the from/to dates accordingly (ex: 20090101 to 20091231).

### Recalculate Vendor Balances

This file menu option recalculates vendor balances based on a range of dates by which the invoices were paid. The module updates the YTD purchases and current balance fields of all vendor records. The YTD value represents paid invoices (subject to 1099s) while the current balance represents all invoices for that vendor during the date range selected. The recalculate function can be run at any time -- even during the current year to reconstruct accurate balances based on checks that have been issued to that vendor. This may be necessary if the computer encounters a hardware malady which causes the A/P database file to become corrupted.

## A/P Invoice Manager

The invoice manager is used to enter, edit, select and report on invoiced purchases. The invoice manager has two invoice entry modes: regular invoice mode and manual check mode

- **REGULAR INVOICE MODE:** the user can enter/edit successive invoices from various vendors and later issue the checks from the checkbook module for the invoices which have been posted and selected for payment.
- **MANUAL CHECK MODE:** the user is taken through the entire invoice entry procedure in a linear fashion including the printing of the check for that invoice. This is handy for vendors who need immediate COD payment or for postage, shipping or other immediate payments.

An invoice total can be split between as many as ten general ledger accounts. Because the invoice total must match the total of G/L expenses the screen displays whether an out of balance situation exists and by how much. The invoice may be saved only when the invoice amount matches the amounts applied to valid G/L accounts, i.e. "a zero sum balance."

## Starting the A/P Invoice Manager

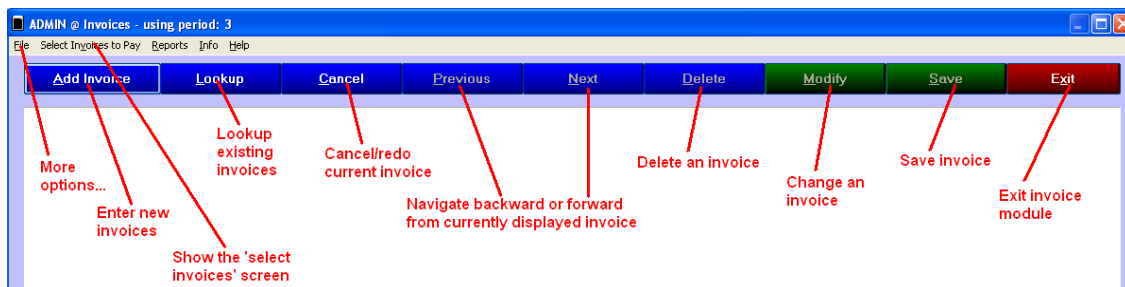
The first message box that appears requests the G/L accounting period to which the group of invoices to be entered will be applied. This is an important choice, because the system uses this setting as the default posting period for the expenses of the set of invoices you're about to create. Remember that periods 1-12 are the "current" fiscal year while periods 13-24 are in the "next" fiscal year. Example: if you're in the last month of your fiscal year (period 12) and you have just received invoices where the expense is to be recognized in the first period of the next fiscal year, you would type 13 into this box.

The software compares the chosen period with the computer's current date and provides a message if there's a mismatch. This is just a notice

## Best Practices – Selecting the G/L Period

When working with a stack of invoices that may apply to many different months, it's best to organize them by their intended G/L accounting period and enter all that belong in the same period as a complete set before entering invoices that belong in a different period. You'll find that this will help minimize errors and actually will help you manage your payables in the long run. The same principle applies when you are ready to pay them!

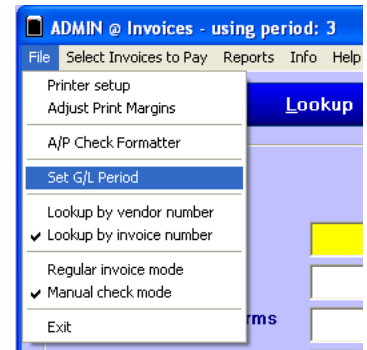
## Invoice Menu Option Buttons



## General A/P Invoice Procedures

### Adding an Invoice

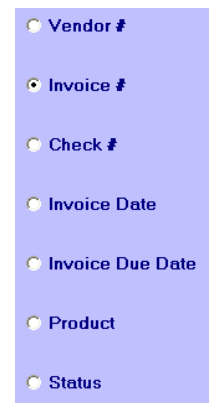
1. Briefly check the top title bar of the invoice manager screen to verify the accounting period currently being used to expense the invoices. If you need to change to a different accounting period click **File – Set G/L Period:**
2. Click the **Add Invoice** button.
3. Complete the required information fields for the invoice to be added to the system.
4. Click **Save**.



**Note:** the invoice manager is designed to automatically jump to the next logical field of information when the **ENTER** or **TAB** key is pressed, making rapid invoice entry a snap.

### Editing an Invoice (status 1 invoices only)

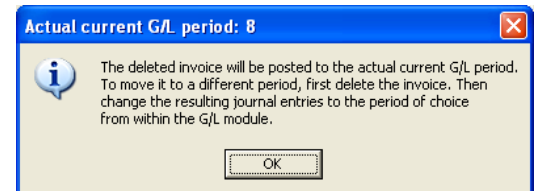
1. Use the **Lookup** option to locate the desired invoice. Lookups are available using a variety of search options as shown in the picture to the right:
2. Click **MODIFY** to enable editing. The **DELETE** button will also become active.
3. Change the desired information.
4. Click **Save**.



**Note:** Status 2, 3 or 4 invoices cannot be edited. However, status 2 and 3 invoices may be deleted and then reentered into the A/P system with the changed information.

### Deleting an Invoice (status 1, 2 or 3 invoices only)

1. Use the **Lookup** option to locate the desired invoice. Lookups are available using a variety of search options as shown above.
2. Click **MODIFY** to enable the **DELETE** button.
3. Click the **DELETE** button; a message similar to the one on the right will appear. The system always creates invoice deletion journal entries into the CURRENT G/L period as it is listed in G/L configuration.
4. A **Yes/No** confirmation box will appear; click YES to continue and delete the invoice or click NO to cancel the deletion.



**Note:** Status 4 invoices cannot be deleted via the invoice module because they have been paid. However, voiding the check in the A/P checkbook will also cause the related invoice(s) to be deleted.

**Invoice deletion G/L journal entries:** deleting an invoice creates at least two journal entries. A credit entry is made to the expense account (or accounts) and a debit entry is made to the G/L liability account configured for accounts payable:

20090813@08:42:55	2210.000	\$67.05	N	Invoice deletion	ADMIN	7	0	0
20090813@08:42:55	5010.000	(\$67.05)	N	Invoice deletion	ADMIN	7	0	25

## Invoice Data Field Information

- **Vendor #:** **required** - this is a numerical entry of up to 5 digits. When this field is active (yellow) you can press the F-5 key to lookup vendors. In the “add invoice” mode, pressing ENTER when the field is active and blank will start the vendor module so you can add a new vendor on the fly.

- **Invoice #:** **required** - this is the number of the invoice itself as issued from the vendor’s billing system. Maximum: 20 characters. It should be unique (no two invoices alike) and may contain numbers and/or letters. If an identical invoice number is entered, the system will display a warning message along with information about the "duplicate" found in the database. Alternate ‘quick-entry’ options:

- Press the F-2 key to insert the word MEMO
- Press the F-3 key to insert the word STATEMENT
- Press the F-4 key if the payment is for a simple invoice such as you might have from a one-time vendor.

**Best practices – Invoice #:** When a formal invoice number isn’t available, develop a method for assigning unique invoice numbers instead of simply using the quick-entry words alone. For example, INVOICE followed by some other descriptive information will be more helpful in reviewing invoice listings than the word alone. Examples:

- INVOICE-MC090522 might be used where MC could be an abbreviation for the vendor name, or possibly for “manual check” if that was used, and the 090522 could be the date.
  - INVOICE-11:25 could be used to add the time (11:25) to the word. This would help keep the invoice unique from another invoice entered at 11:26.
  - INVOICE-MIKEW – (example above) adding the delivery person’s name can be helpful for frequent deliveries from the same vendor.
- **Invoice date/terms:** **required** - type the date in YYYYMMDD format. This is typically either the date printed on the invoice itself or the date you enter it into the system. Whichever you decide to use, stay consistent, although the best practice is likely to use the date printed on the invoice in question as this will match the vendor’s records. If the vendor account has specific terms set in the vendor database, the number of days will appear in the box immediately to the right of the invoice date box.
    - Type MMDD and press ENTER and let the system fill in the year (ex: 0608)
    - Pressing ENTER when the field is blank will automatically insert the CURRENT date.
    - If the vendor account has specific terms set in the vendor database, the system will automatically calculate the due date and place it in the appropriate box.
  - **Product:** optional - type the description of the product in this box. (Limit: 30 characters.) It's a good idea to use the same description that's on the invoice if it's meaningful. This information is also printed on various reports and checks and can be helpful when others ask what the invoice was for and describing the product accurately can reduce the number of trips to the filing cabinet to pull an invoice.

- **Invoice amount: required** - this is the net total amount of the invoice that you intend to pay *including any applicable discounts*. When a check is issued, this is the amount printed on the check. The amount must match the values allocated to various expense accounts.
- **Due date:** this is the date the invoice is due. Some clubs use this as the date they want to pay it while vendors often view this as the date they expect to receive the payment. If the vendor account has terms assigned (for terms less than 31 days), the due date will be calculated and displayed automatically, although the calculated date can be overridden with a manual entry. Whatever method you decide to use as the due date, it's a good idea to be consistent. The "Unpaid invoices by due date" report uses the due date field to gather information prior to printing.
- **Expense allocation: required** – the right side of the invoice screen allows the allocation of the invoice to as many as ten different G/L accounts. If the vendor already has a default G/L account to use, the number appears automatically, and the full value of the invoice is set into the amount column. The G/L account's description shows to the right. Pressing F-5 when the G/L account number is active displays a lookup screen of the general ledger.

G/L Account #	Amount	G/L Description
5010.000	123.45	Food cost
.000		
.000		

**Multiple G/L accounts:** to allocate the invoice to multiple accounts, simply enter the desired value to be assigned to the first G/L account and press ENTER. The system will compare the total of allocated values against the invoice total and if they do not offset one another, an out of balance screen is displayed as well as the out of balance amount, such as the example to the right:

Because an out-of-balance invoice can't be saved, it has to be put back in balance by entering one (or more) G/L accounts and allocate the remainder of the invoice total to them, such as in this example:

Whenever the invoice is in balance, the "save" button is enabled at the top of the screen and the invoice can be stored in the invoice database as a status 1, new - unposted invoice, which is displayed in the lower left of the screen along with the G/L period to which the invoice will be assigned when the invoice is officially "posted" to the general journal. Status 1 invoices are akin to "workspace" entries and are editable; thus they do not appear in the G/L as a payable liability until they are "posted."



### Best Practices – Invoice Entry Solution when more than ten G/L accounts are needed

Invoices for company credit cards could conceivably be allocated to dozens of G/L accounts while the invoice entry screen only allows up to ten. A good solution is to first create a general liability account such as “accrued credit card payable” and create a G/L journal debit entries to all the expense areas while offsetting them with a credit to the “accrued credit card payable” account. Then when entering the invoice, simply “expense” it to the “accrued credit card payable” account and let the system create the true liability to the general A/P liability account.

### Best Practices - Handling freight/shipping, sales tax and use tax

Be certain that your A/P manager has a clear understanding of your club’s policies and procedures as they relate to the handling of these issues.

- Some club managers prefer to include inbound freight as an integral part of the product’s cost (e.g. bar expense, merchandise expense, etc.) while others prefer to see separate expense categories that separate the shipping from the product expense. Whichever method you choose, use it consistently for it has a major effect on the calculation of profit margins.
- The same consideration applies to sales tax.
- “Use tax” should be recorded for invoices from out-of-state vendors for items or services that are taxable in your state and where the vendor is not collecting sales tax on your behalf. Consult with your club’s accountant to find the best procedure for your situation. Most clubs seem to apply this on an individual invoice basis, debiting a suitable expense account and crediting “use tax payable.”

### Best Practices – Invoice tracking

Controlling expenses is one of the major concerns of almost every club manager. To do so, accurate and timely invoice data entry is essential. Therefore, performing daily A/P tasks in a careful, consistent manner is important so that invoices aren’t accidentally misplaced in a busy and often understaffed office. It’s the A/P person’s responsibility to keep invoices organized and up-to-date.

Develop a consistent internal procedure for managing the A/P process. For example, when an invoice arrives, instead of giving the original to the manager for approval, give the manager a *photocopy* of the original for his/her approval. After entering the invoice into the A/P system, safely store the original in the current payables file either by vendor number, vendor name, due date or other method you use. This way, the originals are never misplaced or lost while the manager’s copy is proof that the invoice has been received. The manager can use the photocopy to approve the invoices for payment, thereby helping to control cash reserves efficiently.

The **reports** menu inside the invoice module includes a *payment authorization form* that can be very helpful for receiving invoices and allocating expenses. The forms are printed four to a page and can be easily cut apart with a paper cutter or scissors. The form helps minimize mistakes by providing an easy way to record all the necessary information in the same order as it is entered into the A/P system, including the allocation of expenses:

Accounts Payable - Payment Authorization Form		
	G/L Acct #s	Amount \$
Vendor # _____	_____	_____
Vendor Name _____	_____	_____
Invoice # _____	_____	_____
Invoice Date (YYYYMMDD) _____	_____	_____
Description _____	_____	_____
Invoice Amount \$ _____	_____	_____
Due Date (YYYYMMDD) _____	_____	_____

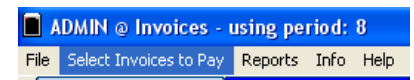
## Invoice Status

The A/P system marks invoices with a status flag as they are managed. It's helpful to understand what the various status settings are:

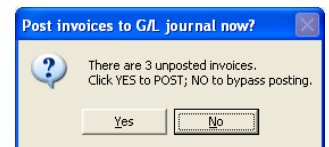
- **Status 0:** the invoice is in the workspace database but has been manually deactivated.
- **Status 1:** a new, unpaid invoice in the A/P workspace. Status 1 invoices can be edited, reassigned to different vendors; dates and G/L allocations can be changed or the entire invoice can be deleted without affecting the general ledger or vendor YTD totals. Note however that the values for status 1 invoices do appear on the vendor screen as "current unpaid \$" when the vendor record is recalled to the screen.
- **Status 2:** the invoice has been posted to the general ledger. Status 2 invoices cannot be edited in any way, although they can be deleted. Deleting an invoice creates general journal entries that are the reverse of the journal entries created when the invoice was originally posted.
- **Status 3:** the invoice is currently selected for payment in a check run the next time the A/P checkbook is started. When the A/P checkbook opens up, it searches for status 3 invoices and displays an informational message on the screen. Like status 2 invoices, status 3 invoices cannot be edited but may be deleted, which creates reversing general journal entries.
- **Status 4:** the invoice has been paid through the A/P checkbook. Status 4 invoices cannot be edited nor deleted, although by voiding the check through the A/P checkbook module, the invoices related to that check are deleted in turn, and suitable reversing g/l journal entries are created as well.
- **Status 6 or 7:** internal system values temporarily given to an invoice that is either in the process of deletion or one being changed during the process of voiding a payables check. You should not be concerned with these as the values are temporary. However, should any appear in the database or in reports, it could be the result of database corruption; contact Club Data technical support for assistance.

## Posting Invoices

For unpaid invoices to appear in the organization's financial reports, invoices must be posted to the general journal. Posting is performed by choosing the "Select Invoices to Pay" menu option:



If status-1 new unpaid invoices exist, an informational message appears such as the one to the right:



- Clicking YES posts the invoices and generates a corresponding posting report and an expense distribution (examples below):

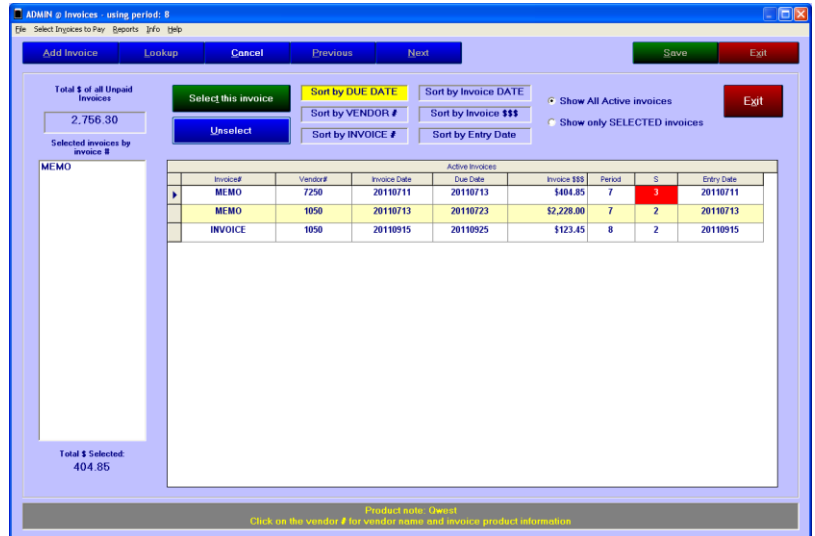
A/P Journal Posting Report		Report date: 20090812		Page 1	
Group	G/L Acct	Type	Amount	Status	Reason
20090812 @13:36:54					
	2210.000 Acct-Payable Trade	L	(370.35)	N	A/P Posting
	5010.000 Food cost	E	123.45	N	A/P-INVOICE
	5010.000 Food cost	E			
	5020.000 Beverage cost	E			
	5030.000 Sundry	E			

G/L Journal Distribution Report		Report date: 20090812		Page 1	
G/L Acct #	Name	Type	Status	Period	Vendor # and Name
2210.000	Acct-Payable Trade	L	N	8	
	20090812 @13:36:54	ADMIN			
					Acct-Payable Trade
					-370.35
					<b>-370.35</b>
5010.000	Food cost	E	N	8	25 Smitson's Farm Market
	20090812 @13:36:54	ADMIN			123.45
	20090812 @13:36:54	ADMIN			55.00
					<b>178.45</b>
5020.000	Beverage cost	E	N	8	25 Smitson's Farm Market
	20090812 @13:36:54	ADMIN			68.45
					<b>68.45</b>
5030.000	Sundry	E	N	8	25 Smitson's Farm Market
	20090812 @13:36:54	ADMIN			123.45
					<b>123.45</b>

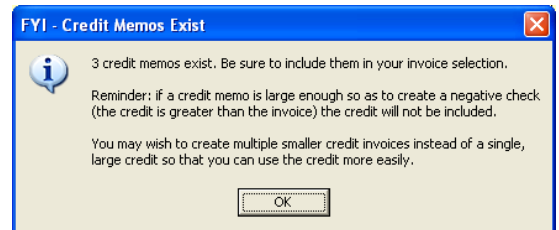
- Clicking NO skips the posting (and the report) and proceeds directly to the "select invoices to pay" screen.

### Select Invoices to Pay

Posted invoices are the only invoices to be displayed on this screen. The list can be rearranged into various sorted orders by choosing the “sort by” option at the top of the screen. The left side of screen shows the total value of all unpaid invoices that are currently available to be paid (1227.59), a large white box containing the invoice numbers of invoices that are currently selected to be paid (#2658, also marked with a red box in the grid); the total value currently selected for payment displays at the bottom (75.50):



The system will scan for credit memo/invoices and if any exist, will display an FYI reminder message and offer a suggestion in how to deal with them, such as this example:



The gray helpwindow at the bottom of the screen displays the “product description” that was entered for the current invoice. In the example above, the first record displays a small arrow at the start of the line in the display, which means it is the one that is currently “active.”

- Click anywhere on a line in the grid to view information about that invoice in the helpwindow at the bottom of the screen.
- Click on the vendor number of an invoice to see the vendor name and product information in the helpwindow.

### How to Select/Unselect Invoices

- Selecting an invoice is easy:
  - Click on the desired invoice in the display grid;
  - Click the “**Select this invoice**” button:
  - The Total \$ selected value is recalculated automatically.
- “Un-selecting” an invoice is just as easy:
  - Click on the desired invoice in the display grid;
  - Click the “**Unselect**” button:
- Selecting a group of invoices can be accomplished using the standard Windows list/grid selection method:



- Click on the first invoice.
- Hold the **SHIFT** key down on your keyboard
- Click on the last invoice. All the invoices between the first and last are highlighted.

Active Invoices							
Invoice#	Vendor#	Invoice Date	Due Date	Invoice \$\$\$	Period	S	Entry Date
MEMO	7250	20110711	20110713	\$404.85	7	3	20110711
MEMO	1050	20110713	20110723	\$2,228.00	7	2	20110713
5598-AA-6	5320	20110815	20110816	\$13,224.15	8	2	20110915
INVOICE	3750	20110830	20110831	\$4,655.49	8	2	20110915
INVOICE	3230	20110902	20110903	\$443.29	8	2	20110915
INVOICE	1050	20110915	20110925	\$123.45	8	2	20110915

- Click the “**Select this invoice**” button to select the group:

- To unselect a group, follow the same procedure and click the “**Unselect**” button instead.

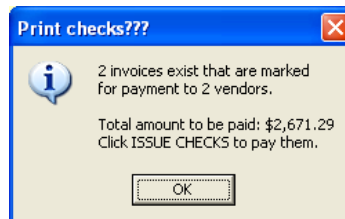
- To select multiple individual invoices, Windows provides another method by holding the CTRL key down on your keyboard as you select individual invoices in the grid. Afterward, click the **“Select this invoice”** button to perform the selection.

Active Invoices								
Invoice#	Vendor#	Invoice Date	Due Date	Invoice \$\$\$	Period	S	Entry Date	
MEMO	7250	20110711	20110713	\$404.85	7	2	20110711	
MEMO	1050	20110713	20110723	\$2,228.00	7	2	20110713	
5598-AA-6	5320	20110815	20110816	\$13,224.15	8	2	20110915	
INVOICE	3750	20110830	20110831	\$4,655.49	8	2	20110915	
INVOICE	3230	20110902	20110903	\$443.29	8	2	20110915	
INVOICE	1050	20110915	20110925	\$123.45	8	2	20110915	

- The same operation can be used to unselect multiple invoices, too by clicking on the **“Unselect”** button instead.
- Remember that invoices that have been selected to be paid are marked as **Status 3** in the “S” column in the display grid:

S
2
3
2
3
2

- No harm will come to an invoice that is already selected if it is selected again, nor will a prospective payment be doubled-up. Likewise, there is no harm in unselecting an invoice that is not already selected.
- The next time the A/P Checkbook is started, an informational reminder message similar to the one below will appear, telling you the total of checks that are ready to be paid, along with the number of vendors to which checks would be printed. Note that it is not mandatory to print the checks at this time – it’s only information that can help you determine whether enough money is in the checking account to cover the checks and how many checks you’ll need (one check per vendor).

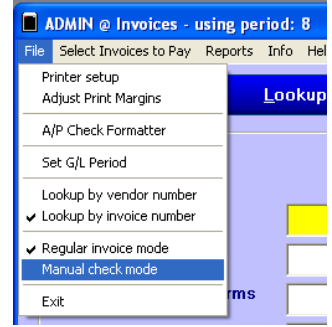


- When more than 18 “selected for payment” invoices exist for an individual vendor, the Issue Checks function will automatically issue as many checks as are necessary to use all those that have been selected. For example, if there were 84 invoices to a food supplier, the system would generate 5 consecutive checks to the same vendor; four checks having 18 invoices each and the last having 12 invoices, after which the system would continue with the next vendor to be paid.

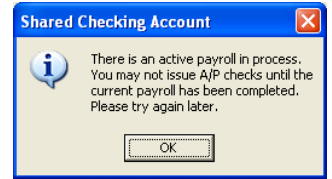
## Issuing Manual Checks

The invoice manager includes a “manual check” mode that can be used to produce an immediate, on-demand check instead of using the regular process of entering an invoice, posting, selecting for payment and issuing the check. The manual check mode automatically manages all the accounting requirements for you, although the procedure is linear and creates only one check at a time.

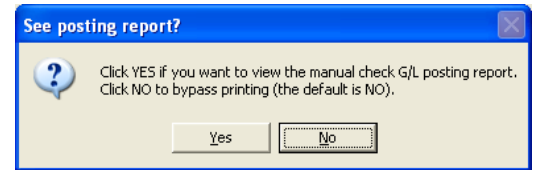
**Enable Manual check mode** by selecting the appropriate option in the File menu. **Important:** don't forget to verify the current G/L period at the top of the screen and use the **Set G/L Period** menu option if you need to change to a different period for the manual check(s) you're about to issue.



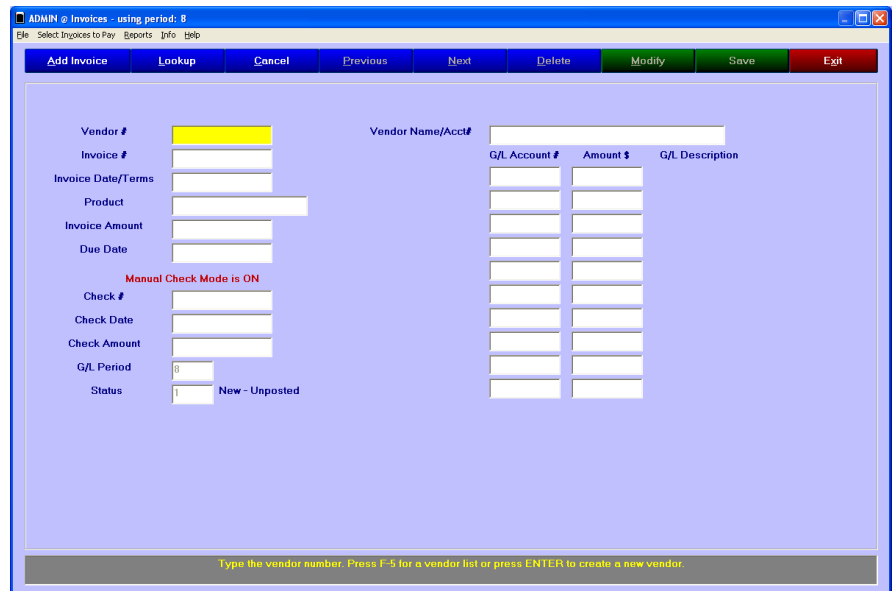
**Interaction with Club Office Payroll:** If the system configuration option to link the A/P and payroll check registers is enabled, the A/P and payroll systems interact with one another. For example, if a payroll check run is currently in progress, a “shared checking account” message will appear and the manual check mode will not be available until the payroll run has been completed.



Selecting manual check mode also displays an option to view the journal posting report that accompanies the manual check procedure.



When manual check mode is active the invoice entry screen changes slightly. Notice the red notice as well as the additional boxes in the lower left corner of the screen in this screen picture:

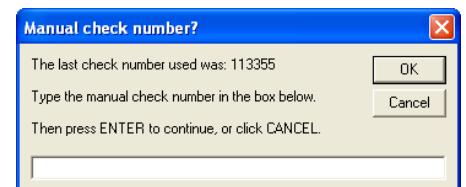


The manual check mode follows the normal invoice entry requirement that the invoice must be linked to a valid vendor number.

**Note:** The practice of using one "catch-all" vendor number for all manual checks is not recommended even though it may be convenient. (It only takes a moment to create a basic vendor account because all that is absolutely necessary is a vendor number and name to create a working vendor account. See *Best Practices* for more information.)

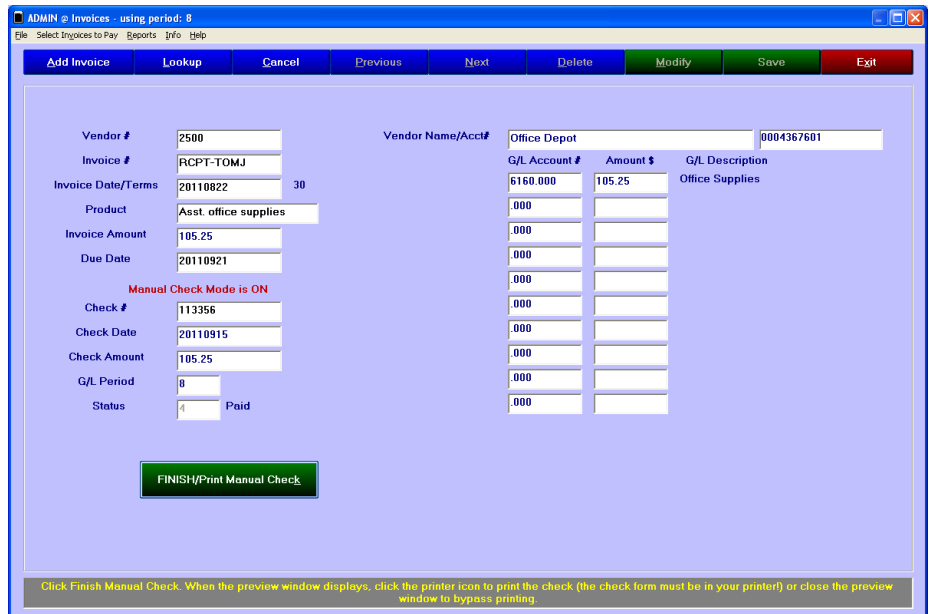
Key all the normal required fields of invoice information, the expense distribution and amounts and when the SAVE button becomes active, clicking on it (or pressing ENTER) will display the manual check number box:

Type the appropriate check number that will be used and click OK.



After entering the check number to use, the **“FINISH/PRINT”** button appears on the screen. Note that:

- The check number is set
- The check date is set for the current date
- The check amount is filled in.
- The G/L period is set to the period chosen when the invoice module was
- The invoice status is pre-marked as “paid” (status 4).



All that’s left to do is:

- Insert the proper check form in the printer.
- Click the Finish/Print button to continue and print the check.

If the “see posting report” option was chosen earlier, a posting report similar to the example below would appear on the screen after the check is printed. The report should include at least 4 line entries (more if the expense was allocated to more than one account):

A/P Journal Posting Report			Report date: 20110915				Page 1		
Group	G/L Acct	Type	Amount	Status	Reason	Per	Chk#	Vendor	
20110915@10:11:49									
	1030.000	Checking Account	(105.25)	N	A/P-MC disb to a/p	8	113356		
	2010.000	Accounts Payable	(105.25)	N	A/P-MC-RCPT-TOMJ	8	113356	Office Depot	
	2010.000	Accounts Payable	105.25	N	A/P-MC from cash	8	113356		
	6160.000	Office Supplies	105.25	N	A/P-MC-Exp-RCPT-T.O	8	113356	Office Depot	

- A debit entry to the allocated expense account
- A credit entry to the A/P liability account
- A debit entry to the A/P liability account
- A credit entry to the A/P bank (asset) account

### Best Practices – Manual Checks

- Your officers and board of directors deserve accurate and timely financial reports. Invoices that sit on your desk and don’t get into the A/P system cause inaccurate financial reporting and essentially inflate your club’s balance sheet. Even if the invoices won’t be paid right away, get in the habit of entering and posting them as they arrive so they appear in your club’s financial picture.
- Use the manual check mode to enter handwritten checks into the A/P system. When it comes to the actual printing portion of the manual check procedure, print the “check” onto a blank piece of paper instead of actual check stock, staple it to the original invoice and file them together as you normally would.
- Set up your bank as a vendor and when a monthly bank statement comes, issue a “manual check” to the bank for any bank service charges applied to your account. Of course, you can print the “check” onto blank paper instead of using actual check stock, but this will certainly record the service charge expenses properly in your general ledger as well as make it easier to use the checkbook balancing feature in the A/P checkbook.

- If you elect to use a single vendor account for one-of types of payables checks where a 1099 will not be required (such as issuing a manual check for a one-time reimbursement to a member or employee) type a row of underscores (example: \_\_\_\_\_) in place of the vendor name. When keying an invoice to this catch-all account, enter the recipient's name into the "PRODUCT" field and of course, the appropriate G/L account numbers for the allocation of the check value. When the check is printed, the underline will appear in the place of the name and you can write-in the recipient's name. **Note:** *this idea is for manual check mode only.*

## Recurring Invoices

A recurring invoice is akin to a regular monthly payment to a creditor. Examples of recurring invoices are for items such as rent, ongoing equipment rentals, insurance or installment payments, service contract fees, auto leases, etc. While these may certainly be entered manually, the recurring invoice module provides a method to let the system generate these automatically. Invoices are added to the normal invoice table as if they had been keyed manually as status-1 invoices. Posting, selecting and issuing payment checks for them are then performed in the normal fashion.

Vendor#	Invoice#	Product	Amount	Day	Status	Period	G/L#
5350	Leased Auto	L338922301	\$123.45	5	1	9	6210.000

### Important

Using any automatic function leaves open the opportunity to become complacent and possibly overlook important operations if it's taken for granted. It's very important to monitor such automatically operations to ensure their correctness and appropriateness, and deactivate and/or delete them when they are no longer needed or wanted. In the case of recurring invoices, the system will continue to generate them until they are deactivated. Therefore, for leases or other programs that generally have an end date when the program is not longer in force, it is incumbent on the A/P person to monitor and deactivate the respective recurring invoices at the proper time.

### When and how are recurring invoices generated?

Every time the accounts payable system is started from the main Club Office menu, the system scans the recurring invoice table to determine which, if any, invoices should be generated.

Creation is triggered by two factors:

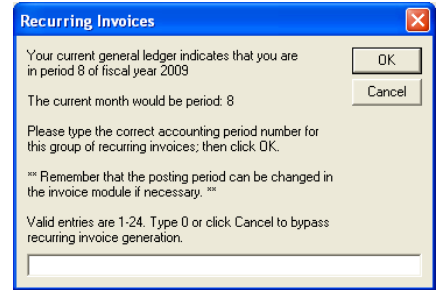
1. The status of the recurring invoice must be set to 1 (active);
2. The current accounting period (set by the system and dependent on the month of the year relative to the starting month of the fiscal year) must match the period setting for the recurring invoice.

The invoice period marker is initially set when the recurring invoice is originally created and incremented automatically to the next accounting period when an invoice is generated for that accounting period.

Recurring invoices use the first day of the current calendar month as their creation date regardless of when during the month they are generated. The DUE date is set according to the "due date of the month" setting for each recurring invoice so that if the invoice was set to the 19<sup>th</sup> of the month and it was September, the due date would become September 19<sup>th</sup> of the current calendar year.



As mentioned earlier, when the A/P system is started from the main Club Office menu, it automatically checks to see if any recurring invoices for the current month need to be generated; if so, it displays a recurring invoice notice, requests the G/L period to which they should be expensed, creates the invoices and displays a report such as these examples:



Newly Generated Recurring Invoices				Report date: 09-15-2011	Page 1		
Vendor#	Vendor Name	Invoice Date	Invoice Total	Status	G/L Period	Due Date	Source
5350	MM Leasing Inc.	20110901	123.46	ADMIN	1	8	20110905 RClv
	Invoice#: Leased Auto		Distribution: 6210.000			\$123.46	
Total:			\$123.46				

### How to create a recurring invoice

A recurring invoice should be created and set to “active” during the month in which the first automatic invoice for that item is to be generated. Recurring invoices are “active” if their status is set to 1. Setting a recurring invoice status to 0 deactivates it *but does not delete an invoice that may already have been generated for the current month.*

1. Click the **ADD** button.
2. **Vendor #:** Type the vendor number to whom these payments are to be made. (Press F-5 to look up vendor numbers.) Press ENTER on your keyboard to advance from box to box after entering the appropriate information.
3. **Invoice #:** Type the invoice number to be used for every invoice generated. For example, if it's an installment payment, you might type the installment loan number in this box.
4. **Reference:** This is a text description of the payment in question. This is the same as the "product" description for a normal invoice.
5. **Amount \$:** Type the amount to be created every month.
6. **Due day of month:** Type the day of the month the payment is due. This number must be between 1-28 days. Take care to make sure that recurring invoices are actually paid by their due dates lest the vendor apply late fees, which then no longer matches the recurring billing value.
7. **Status:** this can be either a zero (0) to deactivate the invoice or a one (1) to cause the system to generate the invoice. (It is certainly possible to create multiple recurring invoices and set their status to zero [deactivated], although there really isn't much point in creating recurring invoices that aren't *recurring*.)
8. **G/L Number:** type the general ledger number to which the amount is to be allocated. (Press the F-5 key to look up g/l account numbers.)
9. **Next Period:** Type the accounting period number when the invoice is to be generated next. For example, if you are in period 6 and you want it to start next month, type 7. If you type a starting period that is before the current period, the invoice will not be generated until that period *in the next fiscal year*. Example: if you are in period 6 and you type a 5 in the starting period box, the invoice will not begin generation until the next fiscal year when period 5 comes around again.
10. Click the **SAVE** button. The grid displays the new recurring invoice.

### **How to edit a recurring invoice**

1. Click on the recurring invoice in the grid that you want to edit. The values for that item will appear in the editing boxes above.
2. Make the desired changes.
3. Click the Save button.

### **How to deactivate a recurring invoice**

1. Click on the recurring invoice in the grid that you want to edit. The values for that item will appear in the editing boxes above.
2. Change the status to zero.
3. Click the Save button.

### **How to delete a recurring invoice**

1. Click on the recurring invoice in the grid that you want to edit. The values for that item will appear in the editing boxes above.
2. Click the Delete button.
3. Answer YES to the confirmation box to complete the deletion.

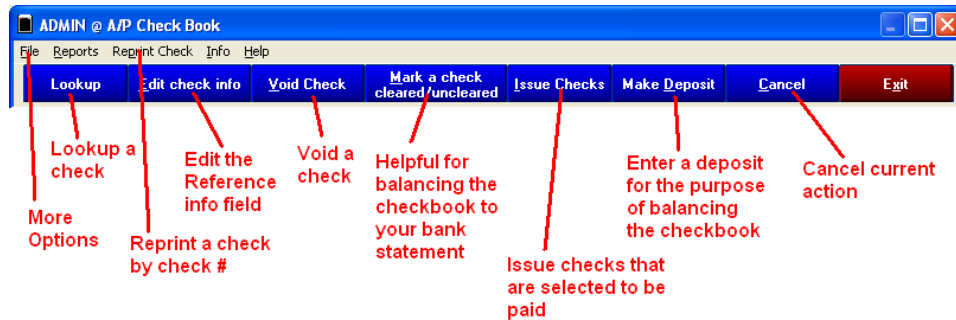
### **How to test recurring invoice generation**

1. Create a new recurring invoice.
2. Set its period to the current G/L period for the current month you're in. For example, let's assume that it's August and if your fiscal year starts in January, August is the same as period 8 (the 8<sup>th</sup> month of the year). You'd set the "next" period as 8.
3. Save the invoice and exit the Recurring Invoice screen.
4. Exit the A/P system back to the main Club Office menu.
5. Open the A/P system again. When the menu appears, it should search the database and display the appropriate recurring invoice screens and resulting report.
6. Open the Invoices screen and print an "unpaid invoices" report. Alternately, you may use the Lookup tools to view it on the screen.
7. Since it's a status 1 invoice at this point, it can safely be deleted without having any affect on your system.

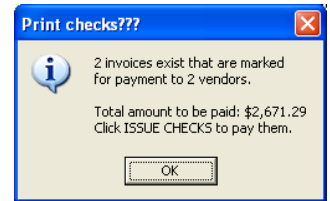
## A/P Checkbook

Enter deposits, issue runs of checks in payment of invoices that have been marked for payment with the invoice module, reprint checks, generate various reports and balance the checkbook to the bank balance are performed here. Checkbook is designed to manage a single checking account. The G/L number for the “A/P Bank” is configured in the A/P configuration screen in the main configuration module. Once configured, changing the G/L account setting to a different G/L number may be performed using the G/L Global Change utility; manually changing it at the configuration screen is not advised and may cause difficulty in trying to balance the checking account to the G/L.

### Checkbook Menu Options



As the checkbook begins to display, it also scans the invoice database for any that are currently marked for payment and displays a message on the screen similar to the one to the right if any are found. In this example, the display notifies the user that two checks would be needed (one per vendor) and the disbursement total would be \$2671.29, allowing the user to verify that enough money is in the checking account to cover the check run. Printing the checks at this time is optional and would be started by clicking the **Issue Checks** button in the menu bar.



When in full view, the grid displays information in ascending check number order. The data can be sorted into different orders by clicking on one of the column headings. For example, to sort the checks into ascending vendor # order, click on the heading “Vendor#” at the top of that column.

Both the running balance and bank balance are displayed at the top (if the A/P configuration option to “hide” them is not checked) and show whether the checkbook is “in the red” (negative balance) or “in the black” (positive balance). The running balance is the summary total of all line items in the checkbook. The bank balance is the summary total of deposits plus items that have been marked as having “cleared” through the bank. (**Note:** if you don’t use these balances, they can be hidden from the screen by checking the appropriate box on the main A/P configuration screen.)

The screenshot shows the main window of the 'ADMIN @ A/P Check Book' application. At the top, it displays 'Running balance: -42,205.22' and 'Bank balance: 73,243.05'. Below this is a menu bar with options: Lookup, Edit check info, Void Check, Mark a check cleared/uncleared, Issue Checks, Make Deposit, Cancel, and Exit. The main area contains a grid with the following columns: Check#, Date, Vendor#, Vendor/Payee, Reference, Amount, Deposit, and Status. The grid lists 25 individual checks with their respective details.

Check#	Date	Vendor#	Vendor/Payee	Reference	Amount	Deposit	Status
4339	20110602	3225	Anderson Florists	MEMO	\$150.00	\$0.00	O
4340	20110602	7250	Smitson's Farm Market	77834	\$150.00	\$0.00	O
4341	20110609	7250	Smitson's Farm Market	77231	\$397.49	\$0.00	O
4342	20110615	104431	Employee # 4431	Payroll Check	\$655.58	\$0.00	O
4343	20110615	105003	Employee # 5003	Payroll Check	\$701.29	\$0.00	O
4344	20110615	106951	Employee # 6951	Payroll Check	\$275.00	\$0.00	O
4345	20110616	1050	Berkshire Management Co.	Consulting	\$2,229.00	\$0.00	O
4346	20110616	5350	MM Leasing	Auto Lease	\$875.00	\$0.00	O
4347	20110616	7250	Smitson's Farm Market	33872	\$114.79	\$0.00	O
4348	20110616	7400	U.S. Postmaster	Postage	\$980.00	\$0.00	O
4349	20110624	7250	Smitson's Farm Market	29854	\$248.06	\$0.00	O
4350	20110622	104431	Employee # 4431	Payroll Check	\$601.26	\$0.00	O
4351	20110622	105003	Employee # 5003	Payroll Check	\$639.25	\$0.00	O
4352	20110622	106951	Employee # 6951	Payroll Check	\$364.22	\$0.00	O
4353	20110709	1075	Nelson Decorating	Samples	\$123.45	\$0.00	O
4354	20110709	5350	MM Leasing	Auto Lease	\$875.00	\$0.00	O
4355	20110709	2500	Didier Copiers & Supplies	T12313	\$1,426.55	\$0.00	O
4356	20110709	2600	Dell Computers	G55758	\$1,096.76	\$0.00	O
4357	20110709	3925	Touinger Beverage Co.	0824-4487	\$942.22	\$0.00	O
4358	20110709	7200	Masteron Remodeling	G883894	\$445.66	\$0.00	O
4666	20110629	101034	Employee # 1034	Payroll Check	\$479.19	\$0.00	O
4667	20110629	103201	Employee # 3201	Payroll Check	\$441.71	\$0.00	O

The **STATUS** column identifies checkbook items as follows:

- O** – The item is still outstanding and has not been marked as having cleared through the bank
- X** – The item has been marked as having cleared through the bank
- V** – The item has been voided (reminder: related invoices were also deleted)
- D** – The item is a deposit. Note also that deposits use check #0.

### How to make a deposit

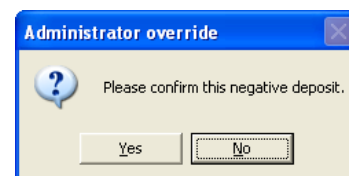
1. Click **MAKE DEPOSIT**. The screen display changes:
2. Type the **deposit date** in YYYYMMDD format and press ENTER. You may use the MMDD shortcut and have the system enter the current year automatically.
3. Type the **deposit amount** and press ENTER.
4. Type the **source** of the deposit, e.g. where the deposit came from. It could be a transfer from another account, or a deposit ticket number, etc. What you enter shows in the "reference" column.
5. Click **Finish Deposit** to insert the deposit into the checking account. Balances are automatically recalculated and the screen returns to the normal display.



**To cancel a deposit**, simply click the **CANCEL** button at the top of the screen, or you may delete any information in the deposit fields and click the Finish Deposit button instead.

### Negative Deposits

A negative deposit can be used to reverse an erroneous deposit. Users with administrator level access to the A/P system may make negative deposits by entering a negative value in the deposit amount box. A confirmation message will appear on the screen; answer YES to confirm; a NO answer will revert the value to a normal deposit amount.



### Edit check information

Once a check has been issued you may change the reference information for a check. No other check information can be edited.

1. Click the **Edit check info** button in the menu bar along the top of the screen. Note that the button changes to a **SAVE** button.
2. Click in the **reference** cell on the line for the desired check; then type your changes. You may edit other checks during the same session.
3. Click the **SAVE** button to finish.

### Marking checks/deposits as "cleared"

Use your monthly bank statement as a guide for marking currently "outstanding" checks as "cleared," i.e. processed by the bank and applied to your account. Normally the bank will list checks in ascending numerical order; it's a simple matter to make the Club Office checkbook balance match your bank statement.

1. Locate the desired check in the grid and click on it to highlight it.
2. Click the **Mark a check cleared/uncleared** button. The Status of the check (or deposit) changes to an "X."
3. To reverse the process and make an item outstanding again, simply select it in the grid and click **Mark a check cleared/uncleared** again. The system will verify your intention; click YES to re-tag it as "outstanding."

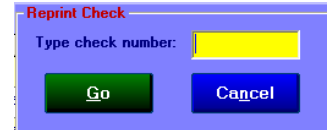
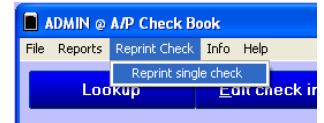
The bank balance value is recalculated each time an item's status changes.

**Note:** The general ledger's cash analysis module can be used in conjunction with the A/P checkbook to determine the complete cash position of your facility. More information about using the cash analysis module is included in the general ledger manual.

## How to Reprint a Check

A check that is still in “outstanding” status may be reprinted. The reprint is an *exact* duplicate of the original check, including check number and date of issue. Reprinting a check does not update any system information or create additional journal entries.

1. Click Reprint Check in the menu bar at the top of the screen, then choose the Reprint single check option
2. A small Reprint Check panel appears; type the check number to be reprinted into the yellow box.
3. Click **GO**. (Click Cancel to change your mind.) The system looks up the check and displays a reminder to insert the proper check stock in the printer.
4. Click YES to confirm and reprint the check; click NO to cancel. The helpwindow at the bottom of the screen displays the progress of the reprint activity.

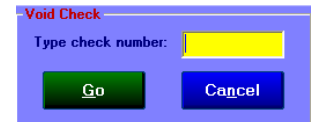


**Interaction with Payroll System:** When the checking account is shared by both the A/P and payroll system and the setting to link the two is checked at the system company configuration screen, attempting to reprint a payroll check from the A/P checkbook results in a reminder message that payroll checks can only be reprinted from the payroll module.

## How to Void a Check

Reminders:

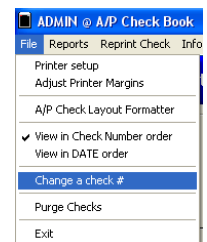
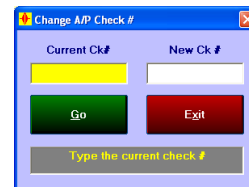
- Only outstanding checks (status O) may be voided.
  - Voiding a check also deletes invoices that are linked to that check.
1. Click the **Void Check** button. A "void check" panel appears.
  2. Type the number of the check to be voided into the yellow box.
  3. Click **GO** to continue. The module will verify that the check can be voided and will prompt for final verification with a YES/NO box.
  4. Click the **YES** button to continue the void process; click NO to cancel.
  5. The void check operation resets an outstanding check's status to "V" and recalculates the proper vendor balances; reversing G/L journal entries are created and the original invoices that were attached to the check are deleted. An audit trail is generated on the screen and the user may elect to print it out. Deleted invoices must be reentered into the system if they are still to be paid.



## How to change a check number

The option to change a check number is located on the checkbook's FILE menu.

1. Type the current check number into the first box.
2. Type the NEW number in the second box.
3. Click GO to make the change.



## Best Practices – To void or not to void?

If a replacement check becomes necessary for one that is perhaps lost or damaged in the mail, there are three viable options available to the user:

1. Use the Reprint Check feature to reprint an exact duplicate of the original.
2. Change the check number in the system and then use the Reprint Check feature to reprint the check with a new number.
3. Void the original check, reenter the invoices and create an all-new check.

## Handling Vendor Credits

When a vendor issues a credit to your account, you typically receive a credit memo or credit invoice. These may be entered into the A/P system as credit value invoices with the following caveats:

- A credit value invoice can be entered and posted in the normal way. The result is a credit to the expense account and a debit to the A/P liability account.
- The A/P checkbook cannot issue a negative value check in payment of a credit value invoice. Instead, the credit value invoice remains in the A/P system until a debit-value invoice is received in an amount that is greater or equal to the credit invoice for that vendor. By selecting both the credit and debit invoices for payment, the credit is consumed by the debit and the checkbook can issue a check in payment of both; the resulting check's value is the net value of the credit and debit.
  - In instances where the credit is a large value, it may be advantageous to enter it as multiple smaller credit invoices instead of a single, large credit invoice. This way, the smaller individual values can be used to offset payments from that vendor and the total credit can be consumed more easily. For example, a (\$500) credit invoice might be divided into five (\$100) credit invoices, and when a \$100 in goods/services is made from that vendor, one of the (\$100) credit invoices can be applied resulting in a \$0.00 check because the A/P checkbook will actually print a zero dollar check which can then be sent to the vendor. (**Note:** if you use this method, be sure to include the same invoice number as part of the Club Office invoice number so the vendor can more easily refer to the credit. For example, 13579-A, 13579-B, 13579-C, etc.)
- If the credit is from a vendor that you do not intend to use again it is best NOT to enter it as a credit invoice because there will be no way to retire it from the A/P system. Instead, a refund check should be requested from the vendor and the resulting refund should be entered directly into the G/L via journal entries.

## Handling Bank Fees/Charges

Charges against the bank account made by the bank (for check printing, returned check fees, credit card or other fees, etc.) are not included in the checking account unless the user has manually entered them.

- **Method 1 (preferred):** create a vendor account for the bank and enter bank charges as an "invoice" to the vendor and then "pay" it via the A/P checkbook (although without actually sending the check to the bank because they've already deducted the amount from your account). Using this method allows proper recording of bank fees not only in the checkbook but in the G/L as well when the "invoice" is posted.
- **Method 2:** Make suitable journal entries in the G/L system and select "hide bank reconciliation totals" at the A/P configuration screen since g/l journal entries do not reverse-post into the checkbook.
- **Method 3:** (*possible, but not recommended*) create a "negative deposit" which can be made while using the checkbook in administrative mode. A "negative deposit" is entered with a negative value.
  - **IMPORTANT:** Remember that using the deposit function does not generate a G/L journal entry for the transaction; the deposit function is only included for the convenience of helping the user to "balance" the checkbook against a bank statement.

### Handling Bank Interest (income)

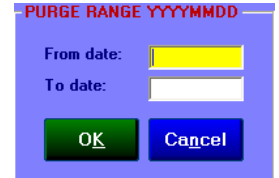
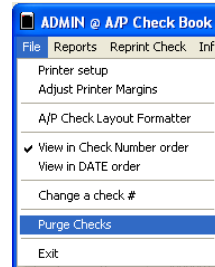
Some checking accounts may accrue interest and interest income generally cannot be entered as a credit-value invoice and processed completely through the A/P system. Bank interest should more correctly be entered into the G/L journal as a journal entry to the bank account G/L number and also entered into the A/P checkbook as a deposit to the account.

### Handling Electronic/Internet Payments

Filing sales and use taxes, income taxes and payroll taxes on-line or via telephone begs for the creation of special operational procedures so these payments can be correctly recorded and reported inside the Club Office system. *Of utmost importance is that on-line payments that are made outside of the accounting system reach the Club Office general ledger.* This can be done after the on-line session either by making appropriate journal entries or by creating “invoices” payable to the proper tax authorities and “paying” them through the A/P system as if they were paper-based, printing them on blank paper instead of actual check stock. While it’s a little extra work, the latter method provides for a excellent audit trail for such payments.

### Purge Checks

Administrators have access to a menu option to purge checks from the checkbook. The option can be used to remove a prior year’s check data that is no longer needed. Selecting the option displays an input box where the FROM and TO check dates for the purge may be entered. Purge only affects transactions that have been marked as “cleared” through the bank; it calculates the net values of check amounts and deposits for the selected time period and replaces them with a single **PRG** line entry in the checkbook, such as the one below:



0	20110915	0		PRG20030101-20031231	\$194,920.35	\$0.00	X
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## How A/P interacts with the rest of the Club Office system

### General Ledger

- When invoices are “posted” expense is debited and the A/P liability account is credited.
- When invoices are “paid” the A/P liability account is debited and bank cash is credited.
- When a posted invoice is deleted expense is credited and the A/P liability account is debited.
- When a check is voided, bank cash is debited and the expense is credited.
- When a status-1 invoice is deleted, there is no effect on the G/L.
- **Important:** while the issuing of checks via the A/P checkbook creates G/L journal entries, entering deposits into the checkbook *are not journalized into the G/L*. Entering deposits into the checkbook merely exists for the convenience of calculating running and bank balances inside the checkbook itself.

### Payroll – when A/P and Payroll are “linked”

- A/P and payroll share the same checkbook and payroll checks appear in the A/P check register as disbursements.
- Because of the sensitivity of payroll data, the payroll system’s “checkbook” remains a unique subset of the system and can be accessed privately through the payroll module.
- Payroll checks can only be reprinted and/or voided from within the payroll system.
- A/P checks can only be reprinted and/or voided from within the A/P system.
- Payroll and A/P posting to the general ledger remain independent from one another, e.g. payroll posts to payroll-related accounts, A/P posts to A/P-related accounts.

### Accounts Receivable

- There is no intended interaction with Accounts Receivable unless an A/P vendor account is assigned to post to the same G/L account as the A/R system might use.
- **Important:** because the A/R system uses a month-end G/L posting process (G/L posting occurs only when the A/R month is completed), member payments that are received and entered daily into A/R and assigned to the same G/L account as the A/P system’s “bank account” *do not appear in the A/P checkbook as deposits*. If they did, at the end of the month when the A/R system generates its G/L journal entries, the values would be doubled-up.
  - If member payments are keyed to the same G/L account that you use for A/P bank cash and a bank deposit is made on a daily or regular basis, those amounts can be entered into the A/P checkbook as deposits so as to keep the checkbook up-to-date. This is a manual process because the daily balance nature of the A/P system does not coincide with the month-end balance nature of the A/R system.
- Clubs that issue periodic or annual dividends to stockholding members should establish such respective members as A/P vendors and issue payment to them via the A/P system. Suitable 1099 forms can be printed at the conclusion of the year.

### Inventory

- Because of the many acceptable methods for tracking inventory, review the earlier section of this manual related to the management of inventory issues.

### Fixed Assets

- A recurring invoice design could certainly be used to retire a liability for a major fixed asset purchase while the fixed asset manager can be used to record the ongoing depreciation expense for the asset itself. Another option is to use the general ledger’s recurring journal entries function instead; the recurring journal entries module does not interact with A/P.

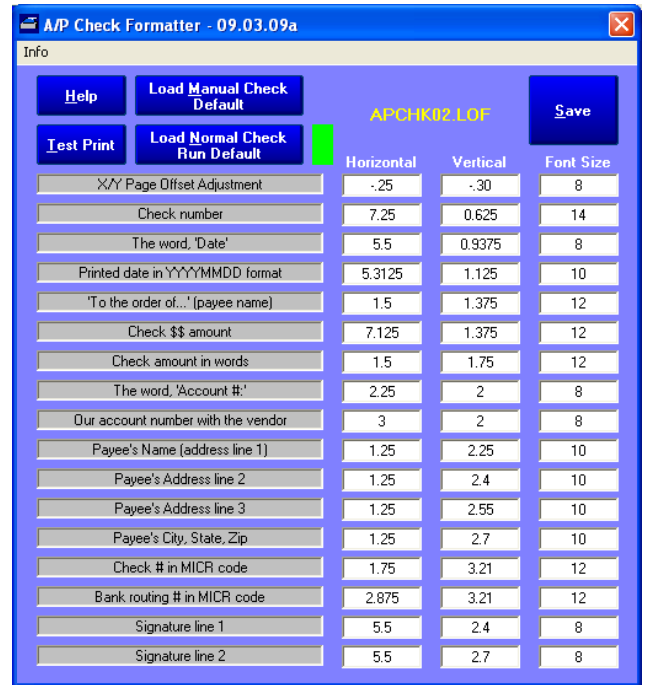


## A/P Check Formatter

This option is found as a button on the main A/P menu as well as in the FILE menu of the A/P checkbook. If the screen appears similar to the Payroll Check Formatter, it's because payroll and A/P share the same module and the only difference is that the A/P system offers two format choices:

- **Manual check format** (used when printing manual checks directly from the invoice module in manual check mode)
- **Normal check run format** (used when printing several checks as a group from the checkbook)

This module provides a way to fine-tune the printing locations of check information on the check portion (top third) of the check page so that they match the capabilities of your printer. The module does not have any effect on the bottom two stubs that make up the bottom 2/3 of the check page. And unless you change printers, once the settings are finalized, they may not need any further adjustment. However, if you do change printers, it's likely that the formatter settings will require some adjustment again.



**Important:** setting one layout format does not automatically set the other format.

### How Windows Exact Position Printing Works

Exact position printing in Windows is determined by an X,Y decimal coordinate system where X is a horizontal value and Y is the vertical value. However, Windows considers the top left-most printable spot on the page to be the 0,0 coordinate and everything is relative to it. By increasing the X value, an item can be printed to the right of the zero X-position; by increasing the Y value, an item can be printed downward from the zero Y-position. Theoretically, a 4,3 setting should print something 4 inches to the right and 3 inches down from the 0,0 position, or top left corner of the page. However, other factors also affect the concept such as the printer's own physical live printing area (e.g. where it can physically deposit ink on a page) and therefore, negative values can actually be used to cause the printer to *try* to print outside its own capability. In assigning these coordinate numbers, some care is needed, and usually, small numerical changes can affect large results. Often, changing a value by a hundredth of an inch (as in moving the MICR code line) can make a big difference in whether the bank can read your checks or not.

### What the buttons and other boxes on the formatter are for

- **Help** displays a built-in help file, much of which is printed here.
- The **Test Print** button prints a page of sample test data based on the current settings. It shows exactly what and where information will be printed on the payroll check.
- The **Save** button saves the current settings in a data file named either APCHK01.LOF for manual checks or APCHK02.LOF for multiple-check runs. Each file contains your adjusted settings instead of the system defaults. If you make a change to a setting, be sure to click the SAVE button before you click Test Print. If you make a change and exit the formatter before clicking Save, the changes you made will be lost.
- The **Load Default** buttons load the system default settings as provided by Club Data for that type of check. This always gives you a way back to square one if you ever need to after experimenting with different settings. The default settings are stored in data files named APCHK01.SYS or APCHK02.SYS and Club Data may periodically change these files as the need arises.

- The **Horizontal** column setting is the decimal equivalent in *horizontal* inches where printing is to begin for the associated field. The number is measured from the left edge of the page.
- The **Vertical** column setting is the decimal equivalent in *vertical* inches where printing is to begin for the associated field. The number is measured from the top edge of the page.
- The **Font Size** column is the relative size of the font when it's printed. In general, you should not change these unless it's to experiment. Changing the font slightly (such as from 8 to 9 or 10 to 11 or 12) may be okay, but changing the font usually requires also changing the X,Y coordinate for that field because bigger fonts take more space; smaller fonts of course take less space.
  - **To set a field so that it won't print at all, set the font size to zero. The system skips printing fields that have the font size set to zero.**
  - The Arial font is the default used by Club Office as it is included with even the most basic of Windows installations.
  - The MICR font used is named **GnuMICR.TTF**, and it is provided with the Club Office system. For this font to be active, it must be installed in your Windows Fonts folder so that Windows knows to use it.
  - Information on installing fonts is built into Windows' help system; the GnuMICR.TTF font itself is found in the CDCO folder with all the other Club Office system files.
  - Installing the font on one computer does not make it available on a *different* computer. The font must be installed on *every* computer that will be used to print payroll checks.

#### Field Values that you can change

- **X/Y Page Offset Adjustment:** This setting tells the printer the relative location of the "zero" printing location from the *actual* 0,0 coordinate. This then essentially is where printing "starts" on the page. Because all other fields are based off the "zero" position, the X/Y Offset setting affects *every* printed item on the page and therefore allows moving the entire page up, down, left or right simply by changing the horizontal or vertical offset.
  - To move everything to the LEFT, type a smaller number than what is currently in the Horizontal box. To move everything to the RIGHT, type a larger number than what is currently in the Horizontal box.
  - To move everything UP, type a smaller number than what is currently in the Vertical box. To move everything DOWN, type a larger number than what is currently in the vertical box.
  - Remember that negative numbers can be used; just *how much* negative is something that can only be determined by trial-and-error. Try a setting, click save, then click Test Print to see what effect the change had.
- **Check number:** this is the numerical check number, normally printed in the upper right corner of the check itself.
- **The word, "Date":** this is the actual word that normally prints just above the YYYYMMDD formatted date.
- **Printed date in YYYYMMDD format:** this is the check date in numbers.
- **'To the order or...' Payee's name:** this is the employee's name.
- **Check \$\$ amount:** the numerical dollar amount of the check, normally printed on the far right side of the check on the same line as the payee's name.
- **Check amount in words:** this is the text representation of the dollar value, such as "Three Hundred forty six dollars and 45/100 dollars"
- Payee's name (address line 1):
- **Payee's address line 2:** whatever is in the employee's record as Apt/Unit.
- **Payee's address line 3:** whatever is in the employee's record as Street
- **Payee's City, State, Zip:** the employee's city, state and zip code

- **Check # in MICR code:** the check number printed along the bottom of the check where the other MICR coding is printed. The banking system's machinery reads MICR code.
  - If your checks are pre-printed with the check number already in MICR code at the bottom of the check, set the font size to zero to disable this feature.
- **Bank routing \$ in MICR code:** this is currently disabled; leave as-is.
- **Signature line 1:** this is the physical signature line to be printed.
- **Signature line 2:** this is a second signature line for those who need two signatures on a payroll check.

## Notes