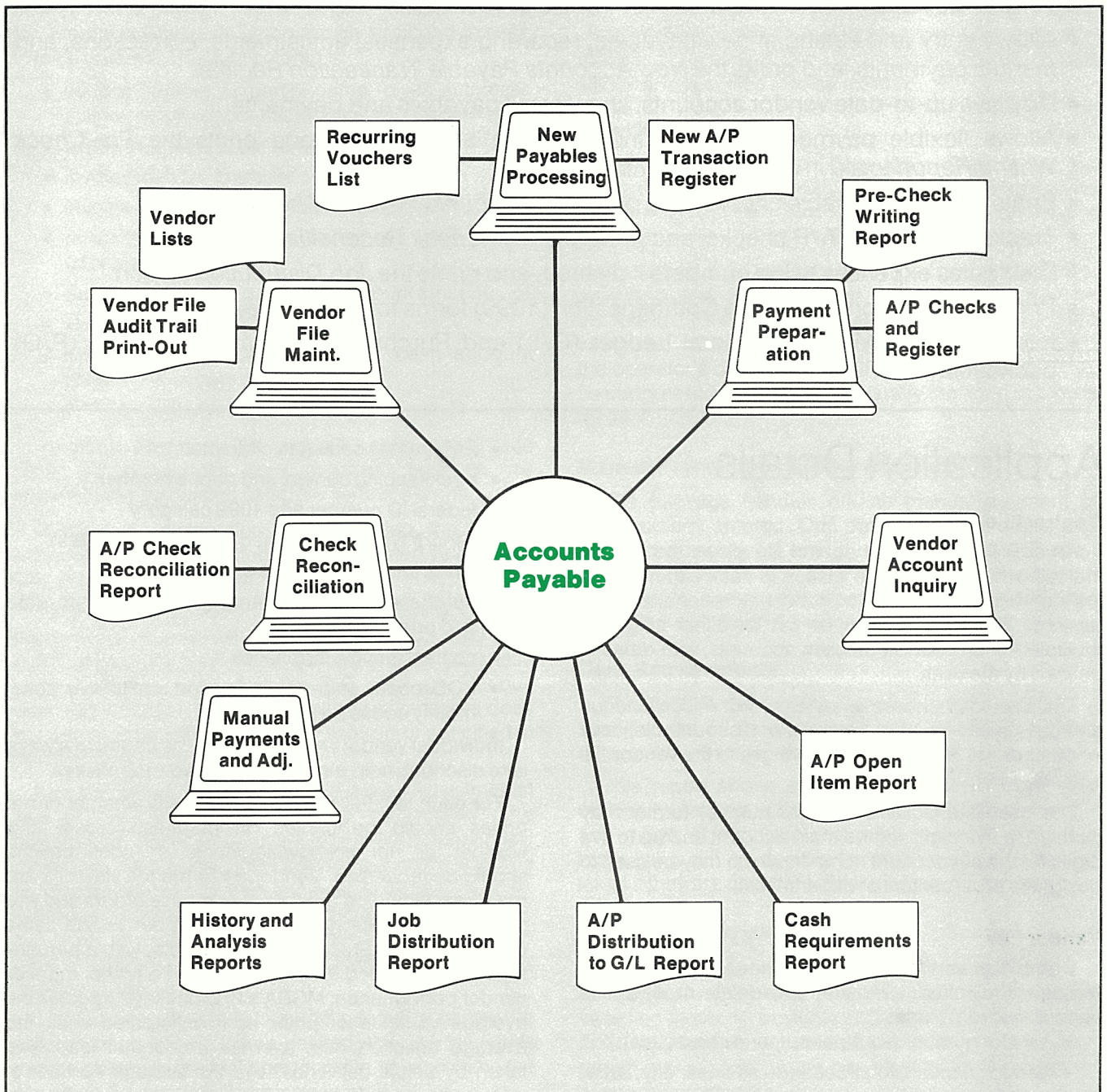


ACCOUNTS PAYABLE — Release 2

in Texas Instruments COBOL (ANSI '74)



Application Overview

This is an accrual Accounts Payable (A/P) package which includes the following capabilities:

- Displays function key options on the screen, and allows their use to simplify processing.
- Comes with a complete *User's Manual* for operators to use.
- Runs nearly all reports in background if desired, so the terminal is free for other use.
- Prints information displayed on the screen at the touch of a button.
- Displays all reports on the terminal for immediate inquiry.
- Has full multi-user and multi-company capability.
- Accesses vendors by either vendor number or name.
- Allows maintenance of the vendor file, and prints the *Vendor File Print-Out*, *Alphabetical Vendor List*, and *Vendor File Audit Trail Print-Out*.
- Allows entry and editing of new payables, recurring expenses, adjustments, corrections, and manual payments, and prints the *New Accounts Payable Transaction Register*.
- Displays up-to-date vendor accounts, showing all payables and payments.
- Allows flexible payment selection, including partial payments, and prints the *Pre-Check Writing Report* to aid in payment planning.
- Prints accounts payable checks, and prints the *Accounts Payable Check Register*.
- Tracks outstanding A/P checks, and prints the *A/P Check Reconciliation Report*.
- Distributes expenses to job numbers if desired, and prints the *Job Distribution Report*.
- Prints Federal Non-Employee Compensation (1099) forms for selected vendors.
- Interfaces with MCBA's General Ledger (G/L) and Purchase Order and Receiving (P/O) packages.

Application Details

Control File

An easily maintainable control file allows the user to indicate whether or not he wishes to track expenses by job number and whether or not check reconciliation is desired. The package can be set for either single or multiple A/P accounts and cash accounts, with defaults defined by the user.

The user can choose whether or not miscellaneous charges, sales tax, or freight are discountable, and whether or not an audit trail of changes to the vendor file should be kept.

The user-defined G/L account number format may have up to five digits for the main account and up to five digits for the subaccount number, which may be used to designate profit centers or departments.

Vendor File

Complete vendor file maintenance is provided through add, change/inquire, and delete modes. The vendor record includes:

- vendor number (six alphanumeric characters)
- vendor name, two street address lines, city, state, country

- ZIP (postal) code (ten characters)
- bookkeeping contact and phone number
- federal ID number and 1099 category
- vendor type (user defined — three characters)
- terms and last activity date
- purchases, payments, and discounts year-to-date and prior year
- contact for new purchases
- FOB code, ship-via code, and up to five commodity codes (user-defined)

Individual vendors may optionally be coded to always take discount, hold payment, or disallow purchases.

For each vendor, the user can specify whether or not prices should be printed on purchase orders and whether or not acknowledgments or confirmations should be requested. Vendor performance statistics are recorded, including number of purchase orders and line items ordered year-to-date. The number of line items delivered late are recorded year-to-date, with a percentage late calculated for the prior year. To further monitor vendor performance, MCBA's P/O package updates the average variance of price from anticipated cost, the average rejection rate, average amount of lead time taken by actual deliveries, and the average number of days items are delivered early or late.

G/L expense accounts and percentages may be assigned to a vendor so that any invoice received from that vendor may be automatically distributed.

A *Vendor File Print-Out* for any range of vendors may be printed, optionally showing information used in the interface with MCBA's P/O package. The report can be printed showing only those vendors with no activity since a selected date. The *Alphabetical Vendor List* may be printed on request. A *Vendor File Audit Trail Print-Out* can be printed at any time showing all manual changes to the vendor file, together with the time and the user identification with which the entry was made.

New Payables Processing

The package allows interactive entry and editing of new accounts payable transactions. A voucher number for internal reference is automatically assigned to each invoice entered. The data entered is:

- vendor number or partial name (gives automatic display of full vendor name, number, and terms)
- user's purchase order number (if any)
- invoice number and date
- invoice amount and non-discountable amount
- miscellaneous charges, sales tax, and freight (discountable or not)
- due date, discount date, and discount amount
- voucher reference (30 characters)
- check number, date, and G/L cash account (prepaid vouchers only)
- A/P account (if multiple accounts are used)

Although they may be manually entered, the due date, discount date, and discount amount are automatically calculated using the vendor's terms.

If automatic distribution is not selected, the invoice amount can be distributed to an unlimited number of G/L expense accounts and job numbers.

Although the specific item numbers being paid by each voucher can be manually entered, they can automatically display if the corresponding purchase order has been entered in the P/O package. Various warnings appear if the quantity or unit of measure does not correspond with the amount received or specified in the purchase order.

Vendor credit memos, cancellations, adjustments, and prepaid expenses may also be entered. The cancellation voucher is used to cancel a previously posted voucher and update the files appropriately. The adjustment allows changes to the expense distributions. A prepaid voucher permits the entry of expenses that do not result in a computer-printed check, such as petty cash expenses, bank service charges, or manually written checks.

On request, an edit list can be printed to review the entered transactions. When desired, the new payables can be posted to the A/P open item file, at which time the *New A/P Transaction Register* is printed.

Recurring Payables

Recurring vouchers may be maintained on file through add, change/inquire, and delete modes to monitor payments that are due on a regular basis. Payments that are due every certain number of days and those that are due on a particular day of the month every certain number of months are both accommodated. Starting and ending dates assure that the correct number of payments are made. Voucher dates are automatically checked to prevent duplicate or skipped payments. The *Recurring Voucher List* shows complete data on the entered payables for any range of vendors.

Vendor Account Inquiry

All vouchers, including fully paid invoices if desired, can be displayed for a selected vendor in invoice number order. Using function keys, the user can page forward or backward through all items. The display can start at any specified invoice number.

Open Item Report

On request, the *A/P Open Item Report* may be printed for all or any range of vendors. It can show aging based on a user-selected date, sequenced by invoice date or due date.

To accurately reflect past accounts payable, payments and vouchers after a selected date can be excluded. The user may also include fully paid vouchers, showing their corresponding payments. At the operator's option, the detail within each vendor may be suppressed, thereby showing only the aged subtotals for each vendor.

Manual Payments and Other Adjustments

The package handles off-line manual payment of items already entered. Due dates, discount dates, and discount amounts for individual items in the A/P open item file may be adjusted by the user if desired. Adjustments and manual payments create an audit trail called the *A/P Open Item Adjustment Register*.

Cash Requirements

The *Cash Requirements Report* may be printed for a specified cut-off date, payment date, and next payment date in either detailed or summary format.

This report shows all items past due, current, and optionally payable, plus any lost or valid discounts for any range of vendors. Optionally payable items are those items not yet due but for which a discount can be taken if they are paid before the next payment date.

Payment Preparation

Payment preparation may be done by any one or a combination of several methods. In the generalized selection mode, all past due and/or all current and/or all optionally payable items (as shown on the cash requirements report) may be selected for payment for any range of vendors.

Additionally, individual invoices can be selected for or deferred from payment using function key options to automatically display appropriate vouchers for consideration. Partial payments may be made against any invoice, taking any discount the user chooses.

The *Pre-Check Writing Report* shows the selected vouchers and total payment for each vendor so adjustments may be made prior to check printing. Selections may be cleared for specific or all invoices.

Check Printing

A/P checks may be printed on request, using a stub-over-check pre-numbered format. Checks in the MCBA format are available from major business form suppliers. The starting check number and check date are entered through the terminal.

Check printing can be restarted from any point if necessary, and the voided checks are automatically recorded. The check amount is printed in both words and numbers. Payments requiring multiple stubs but only one check are automatically handled.

The *A/P Check Register* is automatically printed, showing the invoices paid by each computer generated and manually written check.

Check Reconciliation

A/P checks may be reconciled with the user's bank statement, and the *A/P Check Reconciliation Report* may be printed, showing paid and/or unpaid checks through any reconciliation date.

History and Analysis Reports

The *A/P Check History Report* prints the invoices paid, discounts taken, and date for each check within any specified time period and any range of vendors.

The *Vendor Analysis Report* prints the last activity date, total purchases and discounts year-to-date and prior year, with percent-of-total figures for each vendor.

The *Vendor History Report* shows the details of each fully paid invoice with its matching payment for any range of vendors and any range of dates.

Job Distribution

Job numbers and descriptions may be maintained, and the *Job Distribution Report* may be printed showing expenses by job number for any range of jobs and dates. If expenses are distributed to jobs in MCBA's Payroll package, they will also appear on this report.

Special Functions

Additional features include the following:

- A report management subsystem allows reports to

be printed immediately or to be spooled on disk for later display or printing of one or more copies.

- As this is a multi-company package, the name of the company being processed appears in the upper right-hand corner of the screen.
- To help assure data entry accuracy, a list of valid G/L account numbers and their descriptions is maintained interactively.
- Codes indicating the default FOB location and normal shipping method can be assigned to each vendor. These codes are used by the P/O package to print appropriate descriptions.
- Federal Non-Employee Compensation (1099) forms can be printed for selected vendors.
- A menu selection deletes paid invoices from the A/P files and prints the *A/P Open Item File Purge Journal* as an audit trail.
- At the end of the year, a menu selection will move figures for the current year to fields for prior year amounts and set the year-to-date fields to zero.
- Wherever a vendor number is needed, the user may type the first part of the vendor's name. The user may then choose the correct vendor from the list of possible names displayed on the screen.
- An interactive module is used to create and define the size of the initial data files.
- Editing keys can be used to correct all fields, to avoid retyping.

Coding Standards and Documentation

Complete source code is provided. It is written using Warnier-Orr structured coding techniques. Extensive use is made of copy library modules to make modification easy. The paragraph and data names are descriptive, taking maximum advantage of COBOL's self-documenting feature.

The *Software Reference Manual* contains all the necessary technical information for the programmer or installer. The easy-to-understand *User's Manual* guides the operator with both overviews and details for each function. File Load Sheets are included to expedite data entry. Each manual is provided in a neat three ring binder with convenient thumb tabs.

Interfaces to Other MCBA Packages

The distribution of all A/P activity to G/L account numbers is recorded for later interface to MCBA's G/L package. The *A/P Distribution to G/L Report* may be printed on request in either detail or summary format and the G/L distributions may be purged through a cut-off date if the automatic G/L interface is not desired.