

# SNAK

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## ACCOUNTS PAYABLE PROCEDURES VER 4.13 DRAFT

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## ***Accounts Payable Policies***

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### ***Vendor Policies***

New vendors must be approved by each department manager as part of the normal purchase order process.

Vendors which are subject to 1099 requirements must provide their Tax Identification Number (TIN). They will be placed on Hold status until we receive their TIN.

Vendor IDs are may be up to 10 characters in length, may not include spaces or special characters and may include alphabetic and/or numeric values.

### ***Voucher Policies***

Before any voucher is entered for an invoice, there must be an authorized signature on the purchase order acknowledging receipt of the goods or services. Expenditures will be coded to the appropriate account number

Vouchers are to be entered at least once a week and always by the 1st and 15th of each month.

### ***Payment Policies***

#### **Corporate Accounts**

The majority of vendor invoices are paid twice a month. Once on the 1st of the month and once on the 15th.

Other scheduled payments are made when needed. Such payments may include loan payments, employment taxes, and rents.

The timing of payments will be such that early payment discounts are taken. An exception would be for an invoice we are disputing.

#### **Office Accounts**

The office checking accounts are to be used for miscellaneous office expenses which do not need to go through the expense approval process. They are also to be used for items received COD. The checks on these accounts are all manual checks.

We keep a minimal amount of funds in these accounts. The manual checks for each office should be entered into the computer as they are written in order to monitor the account balance of the checking account.

When the account requires additional funds, corporate will make the required deposit to the office account. Each office manager will be responsible to monitor the accounts and to make

requests to corporate for deposits. If any large COD items are expected, the funds should be requested 2 days in advance of the expected delivery date.

## ***Report Distribution Policies***

The following table outlines the policies for distributing reports on a timely manner to the appropriate personnel:

<b>Report Name</b>	<b>Frequency</b>	<b>Recipients</b>
Open Payables Report	Monthly Monthly	Controller
Aged Accounts Payable	Monthly Monthly	Controller
Check Register	Monthly Monthly	Controller
Rebate Recap Report	Monthly	Controller
Credit Status Report	Monthly	Controller
Cash Requirements Report	As Needed	Controller
Open BoL(s) to be Invoiced	As Needed	Controller
Recurring Payments Listing	As Needed	Controller

## ***Closing Policies***

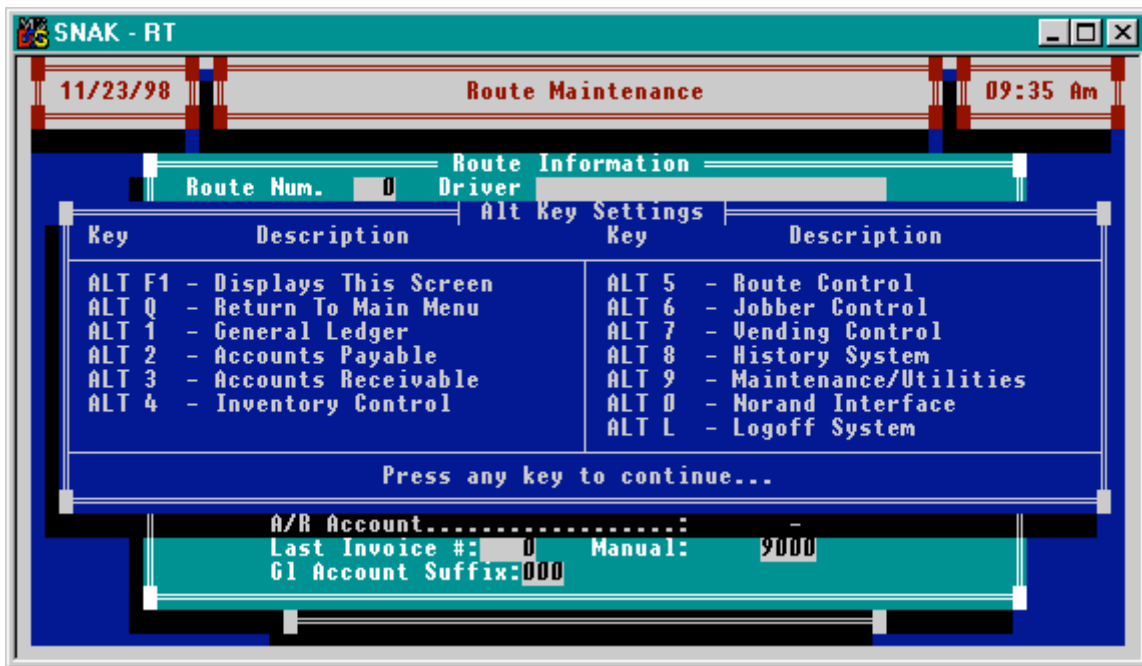
The Accounts Payable module will normally be closed by the 5th of the month. Any invoices that relate to the prior month and are received from the 5th until the 10th will be entered into the prior month's period. After the 10th, the invoices will be entered into the current period unless they are over \$5,000. In this case the controller should be notified for approval to enter the invoice into the prior month.

# System Conventions

## Menu Shortcuts

SNAK has imbedded several shortcuts for you to use to traverse to other module menus from anywhere within the SNAK system. The table below shows the shortcut keys available to you for this function. To view this table through your SNAK system, press ALT-F1 keys. You will notice how the ALT key is used in conjunction with the module number from the main screen. For example, to proceed to the Accounts Payable module, press ALT-2, Accounts Payable is menu selection number two (2) from the main menu.

To display the screen below, press the ALT-F1 keys simultaneously.



## Menu Maneuvering

You may travel from menu to menu by selecting the number corresponding to the desired menu selection. In general, you may hit the ENTER key at the initial blank field on the screen and the system will take you back one screen.

The TAB key or the ENTER key may be used to move from field to field within a screen.

The F2 key is used throughout the system to provide on-line help.

The F3 key is used throughout the system to allow you to 'look-up' certain indexed information. Look-ups only occur in designated fields throughout the system.

For a complete list of available **HotKeys**, please see page 5

Generally, the ESC key may be used to abandon a particular operation. When pressed, if the program allows you to halt the particular process the following message will be displayed and give you the option to abandon the program, or not.

Abandon Operation (Y/N) **N**

Most control modules are displayed in a four quadrant fashion. Each quadrant is summarized in the table below:

<b>Quadrant Name</b>	<b>Description</b>
MAINTENANCE	General file maintenance for the specific module. For example Item Maintenance, Category Maintenance, Customer Maintenance, etc. It is in the maintenance area of each module that you have the ability to edit, add or delete information to tailor the system to your specific needs.
POSTING	This area provides for the routine processing functions of the specific module. For example Receipts Posting, Physical Count Posting, Ticket Posting, Cash Posting, Settlement, etc.
MISCELLANEOUS	Other routines which aid you in customizing and/or scrutinizing your system. Special system resets, inquiries, special changes and other routines may be found in this area.
REPORTS	In general, any report from SNAK is included in this area.

## Hotkeys

SNAK has provided several “hotkeys” for ease in getting from screen to screen. Below is a list of these keys and a brief description of what they do. To display this screen, press the F2 key at any time.

The screenshot shows a terminal window titled 'SNAK - RT' with a header bar containing the date '11/23/98', the title 'Route Maintenance', and the time '09:35 Am'. The main content is a table of hotkeys and their functions. At the bottom of the table, there are two additional function keys: '[Shift-F1] Function Level Help' and '[Alt-F] View Saved Files'. Below the table, a prompt reads 'Press any key to continue...'. At the very bottom of the screen, the text 'G1 Account Suffix:000' is displayed.

Key	Description	Key	Description
[+]	Cursor left in Field.	[Tab]	Next Field.
[+]	Cursor right in Field.	[Shift-Tab]	Previous Field.
[↓]	Next Field.	[Ctrl-Y]	Erase Field.
[↑]	Previous Field.	[Ctrl-U]	Recall Field.
[Home]	First Record.	[Ins]	Insert Mode On/Off.
[End]	Last Record.	[Ctrl-Del]	Delete Record.
[PgDn]	Next Page.	[Esc]	Abort Exit.
[PgUp]	Previous Page.	[Ctrl-End]	Save Exit.
[Enter]	Accept Entry.	[F1]	Field Level Help.
[Shift-F1]	Function Level Help	[Alt-F]	View Saved Files

Press any key to continue...

G1 Account Suffix:000

## Printing throughout the SNAK System

For each request of a printout you will be given the option to print to a local printer, a shared printer, or a file.

## Date and dollar entry through the SNAK System

All dates are displayed MM/DD/YY, but you do not need to key in each character of a specified date. In most instances, the system date will be used as a default date. In the event you wish to change the month and day, but not the year, you may enter a two digit month, and immediately enter a two digit day. You will not be able to key in the slashes (/). You may then TAB, or press ENTER to go on to the next field. In the event only the day needs to be changed, you may use the arrow (→) key to move the cursor to the first position of the day field.

In most posting routines, you are not allowed to use a transaction date which is 15 days prior to the system date.

All dollar information entered must include a decimal point where needed. The SNAK System does not automatically assume it.

## ***Accounts Payable Audit Trail***

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One of the keys to maintaining a proper audit trail with the Accounts Payable module is printing and retaining Batch Control reports for each batch of transactions entered in the Account Payable module.

Professional Route Operating Systems, Inc. will maintain a permanent and an active Accounts Payable binder. The permanent binder will contain reports that change very little throughout the year. The active binder will use tabs to separate each period and will contain an audit trail of all transactions originating in the Accounts Payable module.

The following demonstrate the Permanent and the Period binders:

<b>Permanent Binder</b>	Vendor Master Listings: Vendor Master List Vendor Master Listings: Payor Company List Vendor Master Listings: Vendor MFG.ID. List
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<b>Period Binder</b>	Open Payables Report Rebate Recap Report Cash Requirement Reports Check Register Credit Status Report Open BoL(s) to be Invoiced Recurring Payments Listing Check Listing
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## ***Procedures for Setting Up & Maintaining Vendors***

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Use this procedure to add records for new vendors, change the details of existing vendor records, and to delete records for inactive vendors.

- Prepare or obtain a list of new or changed vendor information.
  - Structure the vendor IDs and address IDs in accordance with the vendor ID coding scheme.
  - Note if the Vendor ID and the Payment Company ID are to be the same.
- Ensure all information has been properly approved in accordance with Company policies.
- Enter all vendor data into the **Vendor Maintenance** screens. There are five (5) different areas of the Vendor Maintenance screen.
  - Purchase Company Information
  - Payment Company Information
  - Order Information
  - Credit Information
  - Account Information
- Print or review the **Vendor Master List**.
- Review the **Vendor Master List** to make sure all vendor information is entered correctly. If corrections or changes are needed, repeat this procedure.
- Sign and date the **Vendor Master List** to indicate it is correct, and to provide a printed backup.
- File the **Vendor Master List**.
- Vendor Maintenance

## ***Procedures for Entering A/P Invoices***

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### ***A/P Invoice Post***

- Group invoices and adjustments into separate batches where one batch would be normal Invoices/Vouchers to Post, and the other group would be Quick-Check (manual) invoices to post
- Enter each batch in the **A/P Invoice Post** screen.
- Invoice Numbers may be up to 8 digits long and may include numbers, letters and spaces.
- Modify Due Date and Discount Date, if appropriate, if different from the normal vendor terms.
- Enter up to 40 characters for a description of the transaction. If the General Ledger Module is initialized, this description will be carried over to the G/L Detail information.
- Enter the Debit Account number if G/L Module is initialized. You may by-pass this number of G/L processing is not activated.
- Enter the amount to be disbursed to this account.
- For each amount entered, the system will automatically accumulate the total at the bottom of the screen to supply you with an invoice total.
- Verify the invoice total before completing the transaction.
- To complete the transaction, press CTRL-END, and answer appropriately as to the correctness of the entry.
- Continue to enter A/P invoices in this manner.
- When complete, obtain a copy of the Open Payables Report and verify the accuracy of the data.
- If errors are found, you may call up the original transaction and edit the information, as in the manner specified above.

### ***A/P Inventory Invoice Post***

This procedure is used to post A/P Vendor invoices for those transactions which have already been posted through the Inventory and Purchase Order modules in SNAK. Invoice transactions are recalled by Vendor Company ID, as well as a Bill of Lading (BoL) number which has already been entered into the system. This program was designed to allow you to automatically enter invoices whose inventory has already been received into the warehouse.

The procedures outlined below designate the steps required to post invoices through this screen.

- Run an **Open BoL(s) to be Invoiced** report which is found in the A/P Reports Section under A/P Cash Requirement Reports.
- Determine which BoL's are to be invoiced.
- Determine the Company ID and enter it as directed by the system.
- You may enter the Bill of Lading number directly if it is known, or use the F3 lookup key to browse the Bill of Lading entries already posted in the system
- Correct the invoice number, as needed, as shown on the vendor's original invoice.
- Correct the invoice date, as needed, as shown on the vendor's original invoice.
- Correct the Payment Due and Discount Dates if necessary.
- Verify the accuracy of the information before proceeding.
- At this point, the system will display the invoice information, you may abort this process (if information is incorrect), or accept the invoice data as shown by entering the letter 'P.'
- Generate a hard copy of the invoice number when asked.

## ***Credit Postings***

Credit Posting are done when credits and/or adjustment are required to a vendor's account. The credit amount posted will decrease the amount of moneys due an individual vendor.

- Determine the appropriate Vendor ID and enter it as directed by the system.
- Accept the default Vendor Payment Company shown.
- Enter up to 8 characters for a Credit Application Number. This field may contain letters, numbers and spaces.
- Accept the date, or enter the appropriate transaction date for this credit.
- Enter up to 8 characters for a Credit Memo #. This number is generally found on the vendor's original credit document.
- Enter the date the credit memo was received.
- If the General Ledger module is activated, enter the appropriate G/L account to be hit.
- Enter up to 40 characters for a description of this credit voucher.

- Enter the amount of the Credit applied for as well as the amount of the credit received from the vendor.
- The system will automatically calculate the Credit Amount Received that is unapplied and the Credit Balance (i.e. un-received) for this vendor.

## ***Procedures for Entering Recurring Payments***

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Recurring Payments Maintenance allows you to enter monthly payments of a uniform amount for specific vendors. You are given the ability to select a specific day of the month a specific payment is due (with 00 representing the last day of the month.) In addition, a description, payment amount, and account number (for General Ledger users) are required for each recurring payment transaction.

- Define the appropriate Vendor ID. This vendor must already exist. You may enter this directly, or use the F3 lookup key to scroll through existing vendors. Accept or change any of the vendor address information.
- Enter up to 40 characters (the last 20 of which are displayed) for a description of this recurring transaction.
- Enter the day of the month this recurring transaction is due. Enter '00' to indicate the last day of every month.
- Enter the month, day and year of the next scheduled payment.
- Enter the monthly payment amount
- Enter the debit account, if required, for General Ledger processing.
- Verify the accuracy of the data before accepting.
- Generate a **Recurring Payments Listing** which may be found in the A/P Reports under A/P Cash Requirement Reports.
- Payments created from the recurring transactions entered are automatically created when you perform the **Create Payables Batch** function that is typically done just prior to check printing.

## ***Procedures for Processing Checks***

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- Ensure all invoices, inventory invoices and credits have been entered.

### ***Cash Requirement Reports***

- Print one or more of the following reports to help you determine which vouchers and adjustments should be selected for payment:
  - **Cash Requirements**, for ALL vendors, for ALL due dates
  - **Open Payables Report**, through the end of the current processing month
- Select vouchers for payment using the **Create Payables Batch** screen.
  - Enter the ending date for the invoice range
  - Enter the number of days until the next payment processing
  - Enter the Payment date (i.e. check date) for the checks to be printed.
- Review the report automatically printed through the **Create Payables Batch** process.
- Make changes to which invoices you desire for payment through the **Edit Register and Print** function, option one (1), **Edit A/P Preliminary Register**.
  - Enter the appropriate LINE NUMBER of any invoice requiring changes.
  - If more than one page of invoices exists, use the 'S' to scroll through the subsequent pages.
  - To remove the item completely from being paid, enter 'D' to delete the entry from the register. Remember that this will only delete the entry from being paid, it will not delete the invoice transaction from the vendor's account.
  - To edit an amount to be paid, select 'E' when requested. This will give you the ability to change either the **check date**, or the **check amount**.
- When the payment selection list is complete and accurate, obtain a copy of the **A/P Final Register**, and verify its accuracy.

### ***Check Register & Printing***

- Print checks using the **Check Register & Printing** report screen.
  - Enter the appropriate beginning **check number**.
  - Enter the G/L Cash Distribution Account, if General Ledger module is activated.
  - Obtain Check Alignment if needed

- Once check printing is complete, obtain a copy of the check register as requested.

## ***A/P Check Reconciliation***

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SNAK provides you with the ability to reconcile your monthly bank statements for checks which have cleared. To facilitate this task, the procedures below may be used.

- Obtain a copy of the **Check Listing**, found as option one (1) in the Reconciliation screen.
- Perform option two (2), **Post Cleared Checks**.
- If any checks are to be classified as VOID, perform option three (3), **Void Open Checks**.
- When ready to delete or purge the cleared checks from the SNAK system, perform option four (4), **Purge Cleared Checks**.

## ***Invoice and Credits Inquiry***

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At any time you may use the Invoice and Credits Inquiry program to display on the screen invoice and credit transaction information for a specific vendor.

## ***Month End Procedures***

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Doesn't appear to me that there is any special close out that needs to be done through A/P.  
Perhaps it is in the G/L module which I am not able to access, as it is not activated!

Monthly Closing Checklist	Period											
	1	2	3	4	5	6	7	8	9	10	11	12
1.												
2.												
3.												
4.												
5.												
6.												
7.												
8.												
9.												
10.												
11.												
12.												

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