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Painless Payables - Anywhere!

Until now, processing invoices for payment in AddonSoftware® was a bit time consuming and prone to errors, not to mention that it required onsite approval and/or signature. However, the release of AddonSoftware 14.0 changed all that. It's now easy, efficient, and mobile!

The Payment Authorization feature in the Accounts Payable (AP) module now greatly improves record keeping, streamlines workflow, and saves tremendous time. The AP clerk handles paper invoices only once; they never leave the clerk's desk and are destroyed when the run is complete. The system manages the flow of work and executives can perform their tasks from anywhere, whether they are in their office or traveling on the road. Errors are minimal and time is saved!

This article looks at the AP process flow then and now, and offers some guidelines to using this new feature.

The Old “Painful” Way

The standard flow looked something like this:

1. An AP clerk received invoices from vendors, recorded on the face of the paper invoice which General Ledger account(s) to charge, organized the paper invoices into some kind of order, and then delivered them to an AP supervisor for payment approval.
2. The AP supervisor reviewed the paper invoices and signed or initialed them as approved for payment and returned them to the clerk.
3. The clerk
 - a. Entered the invoice data.
 - b. Printed the checks.
 - c. Returned the checks to the responsible executives for signing along with the paper invoices in case they had questions.
4. When the executive completed signing all the checks, the executive returned them with the paper invoices to the clerk.
5. The clerk mailed the checks to the vendors and filed the paper invoices in a filing cabinet.

“Painless” Invoice Entry and Review

In the new Payment Authorization feature, the simplified entry/review flow looks like this:

1. The AP clerk
 - a. Receives the invoices from the vendors and immediately enters the data, scans the paper invoice, and attaches the image to the invoice record in the system.
 - b. Notifies the reviewer, who is normally the AP supervisor, that invoice entry is complete and ready for review.
2. The reviewer, using the ‘Payment Selection Entry’ form
 - a. Looks at the invoice images online.
 - b. Records approval of the invoices as “ready to progress through the process,” all without touching any paper.
3. The approvers/check signers receive an email notifying them that there are invoices awaiting their approval.

“Painless” Invoice Selection and Approval

The new process of selecting and approving invoices for payment looks like this:

1. The approver/check signer, using the ‘Payment Selection Entry’ form
 - a. Reviews the invoice images online.
 - b. Records approval for each payment.
2. The AP Clerk
 - a. Verifies that all checks have the required approval or approvals as detailed in the Two-Signature Requirement section below, using the ‘Payment Selection Entry’ form.
 - b. Prints the checks on which the system applies the signature image of the approving executive.
 - c. Mails the checks to the vendors and shreds the original paper invoices.

Two-Signature Requirement

If any check exceeds the limit set by the business that requires two signatures, the AP module will require a second approval. The process looks like this:

1. The first check signer finishes and closes the ‘Payment Selection Entry’ form.
2. Check signers/reviewers receive an email notification detailing the status of the approval process.
3. A second check signer then logs on and reviews the invoices that need additional approvals.
4. The group receives a notification email with the approval status of the invoices.

Payment Authorization Setup

The Payment Authorization feature is configured via the ‘Account Payable Parameters’ form as shown in **Figure 1**.

Figure 1. ‘Payment Authorization’ tab in the AP Parameters form

This form controls whether to use and how to use the Payment Authorization feature. Here, you can specify whether to send notification emails, and whether two signatures are required and at what payment threshold the second signature is needed. It also controls where to store the invoice images, which can include Google Drive and the Barista Document Archive system. The system can require that each invoice has an associated stored image. If so, the system blocks the invoice data entry update if an invoice is missing a stored image. You can also set the background colors to visually identify the approval status of an invoice on the ‘Payment Selection Entry’ form.

Payment Authorization Approver & Signer Form

The new 'Payment Authorization Approver & Signer' form is where you set up the reviewer and approvers/check signers as shown in **Figure 2**. This form controls which users are the AP clerks, which are the reviewers providing preliminary approval, and who are the check signers, as well as storing the location of the signature image file. You can limit the check signer's approval authority by specifying a maximum authorization amount.

Figure 2. Payment Authorization Approver & Signer setup form

Payment Selection Entry

The reviewer and approvers/check signers do all their work in the 'Payment Selection Entry' form shown in **Figure 3**.

Figure 3. Payment Selection Entry form

The user can select individual grid rows (invoices) by clicking on a single row, select multiple grid rows by using the [Ctrl]/[Command] or [Shift] keys in combination with a mouse click, or select all rows by using the [Select All] button. Once users have selected a row or rows, they can click [View Images] to render the invoice images for the selected rows in the browser for review. Clicking [Approve Invoice] records their approval of the selected invoices for payment.

In **Figure 3**, you can also see the background color-coding of the invoice approval status. The first four invoices have all the approvals they need so they have a white background and the check box to the left is marked. The last three invoices have one approval, but require a second approval since they will result in checks greater than \$1,000. The background in our example is lavender and the check box is not checked. The [Clear All] button clears any selections that might have been made in error. When all selections are completed, the user clicks on the process button – a green arrow – thereby applying the approvals and exiting the form.

Figure 4 illustrates what a notification email looks like during the authorization process. Notice the upper grid in the email shows invoices with one approval, but require two approvals because the resulting check would be over the company-defined limit of \$1,000. Also notice the four invoices in the lower grid which have been completely approved and are ready for payment.

Approver JHANCOCK has exited the Payment Selection Form.

The status of Accounts Payable Invoices is as follows:

These invoices have been reviewed and have one approval, but require another approval:

0725-01	002439	Tires, Tubes and Accessories	1,010.00
0725-02	002494	Athletic Apparel	550.00
0725-03	002494	Athletic Apparel	600.00

These invoices have been fully approved and are ready for payment:

0701-01	000001	Sprocket Supply Co.	150.00
0701-02	000001	Sprocket Supply Co.	100.00
0701-03	000001	Sprocket Supply Co.	75.00
0701-04	000001	Sprocket Supply Co.	50.00

[Launch Barista Application Framework in browser](#)

Figure 4. Email notification of approval status

Check Printing

Once all the approvals are completed, check printing can proceed. The system applies a signature image to the check based on which signer(s) approved the invoice for payment. **Figure 5** illustrates a signed check.

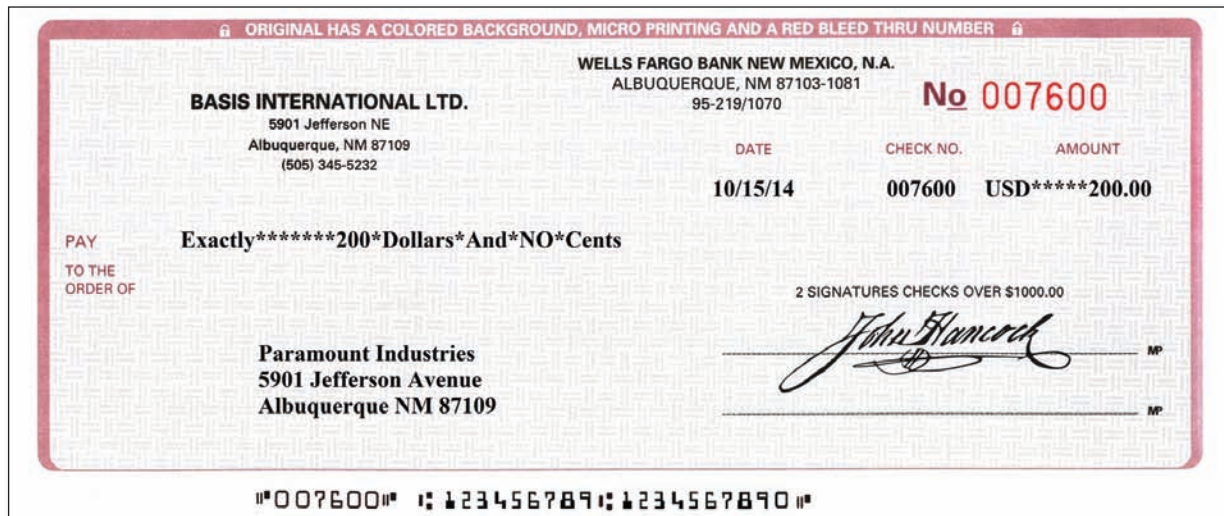


Figure 5. Check with digital signature applied

Summary

The AddonSoftware Accounts Payable Payment Authorization feature delivers several important benefits. It improves record keeping by storing images of invoices online attached to the invoice record, facilitating instant invoice retrieval. Paper invoices can be shredded and discarded saving file space and paper handling. The database stores invoice approvals, preserving the approval and check signing history of all invoices. Workflow is streamlined as each responsible person in the process receives notification via email when their attention is required and all others involved in the process are informed of the status. Most importantly, executives can perform the approval process from anywhere they may be, whether that is in the office, at home, or on the road. Who wouldn't want to save time by limiting the movement of paper, eliminating the filing of paper invoices, and eliminating manual check signing? It is now as painless as payments can be. ■