Setting Up and Using Electronic Interfaces

Set up electronic interfaces to transfer funds electronically between you and customers and suppliers. Electronic funds transfer, or EFT, efficiently handles financial transactions for both payments and cash receipts.

Your ERP system uses plug-in files to resolve any EFT format differences. What's more is, you set up properties on the EFT files to match the bank accounts that run the transfer.

You also define the electronic formats for generating reports. Send tax reports to jurisdictions that require electronic delivery. Electronic interfaces generate VAT tax, Sales List, and Intrastat reports.

This course focuses on electronically sending payments and receiving cash receipts. Click the top button to get rolling. To come back to this menu, click Home. When you're ready to get credit for this course, take the quiz.

Topics

- Creating an Electronic Interface
- Setting Up a Payment Method
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Creating an Electronic Interface

The electronic interface uses a source file to define the bank format. Launch Electronic Interface Maintenance to create electronic interfaces for both payments and cash receipts. The electronic interface uses a source file to define the bank format. Enter properties that define the fields that send the data.

Tap New and enter the Interface name. This name displays on drop-down lists, so use a value that helps you know what it is for later.

Select the Type, such as Bank Interface AR or Bank Interface AP.

Now pick either the Default or Company Specific Program Category. Use the Default category to select a standard source file. These files install with your ERP system.

Pick the Company Specific category to set up an electronic interface that uses a custom file created for your company.

Tap the Program button to launch the Electronic Interface Files window. Depending on the category, either the default or custom files display. Select the file and click OK. See that? It uses a C Sharp, or .cs, file format.

Now enter a brief Description that indicates what you will use this electronic interface for.

If the System Interface check box is selected, it means this file is delivered with your ERP system and you cannot change it. Save the electronic interface.

Now that you've entered the source bank format, define the properties required for the electronic interface. These properties become fields on the bank interface file. From the New menu, select New Interface Property.

Enter a Property Name that describes the data in this field. Then indicate if this property is a Date, Decimal, List, Logical, or String type.

Define the Minimum and Maximum Lengths for the property. Then enter the highest Number of Decimals allowed in this property.

If you select the List type, tap New > New Property Value. Add the list's options on the PropValue grid. Save this property. Add more properties as you need.

That's how you create an electronic interface. Tap the Recap bar to read notes about creating them. Then move on to see how you create a payment method.

Setting Up a Payment Method

For this next setup, launch Payment Method Maintenance. These methods define whether your company receives or sends electronic funds. Create methods for bank accounts, customers, and suppliers.

Tap New and enter the Payment Method's name. You select this name value on drop-down lists, so be sure it helps you figure out the payment method's purpose.

Indicate whether this method's Scope is for Accounts Receivable or for Accounts Payable.

From the Pay Method Type list, pick Electronic Interface. This activates the Electronic Interface drop-down list. Select the interface you need.

The Output File Name is optional. Use it to select the directory path and file that updates through the electronic interface. This payment method then has an output file different from the system default.

Select the Only Bank Currency check box to limit the payment method to use the currency selected for the bank. Any transactions for this payment method must use this currency.

If this payment method has an AR scope, activate the Summarize Per Customer check box. Payments then sort by customer in your database.

If this payment method reimburses invoices, select the Reimbursable check box.

There are two Allowable Threshold options. Use the Overpay Percent field to enter the overpayment percentage you accept. The overpayment is considered on account. Otherwise enter the Underpay Percent to indicate the underpayment percentage you accept. The underpayment is an AR cash receipt discount.

In the Payment Instrument Options, define the payment instrument type and generation method. Indicate if the payment instrument is automatically approved.

The Property sheet shows the properties you created for the electronic interface.

And that's how you create a payment method. Expand the recap below to read notes about these methods. Go to the next part of the course to see the additional AP and AR options.

Additional AP and AR Options

AP or AR payment methods have more features you might need. Set them up on the Additional AP or Additional AR sheets.

Use the Additional AP sheet to:

- Enter a Default Payment Code, Sender Reference, and Registration Number.

- Select the Auto Bank Reconciliation check box to automatically create a bank reconciliation entry.

- Select the Proposed Payment check box to indicate this method's transactions are not actual payments. Match invoices to these payments within the AP Bank File Import Workbench.

- Activate the Enter Payment Total check box so you can enter total payment amounts.

- Select the Test check box to send transmissions that verify the electronic output file generates as expected.

- Use the Statement Grouping field to indicate how payments process, either individually or in a batch.

- When payments process in a batch, activate the Interface Generated Group Id check box to create an identifier for a group.

Use the Additional AR sheet to:

- Select the Automatic Check Numbering check box to assign a check number that includes the current system date and unique number.

- Pick a Statement Grouping option to indicate whether this method processes receipts individually or in a batch.

- When cash receipts process in a batch, activate the Interface Generated Group Id check box to create an identifier for a group.

- Select a Timing option to indicate when the ERP system groups AR receipts in batches -- when you enter a cash receipt or print a deposit slip.

- Select a Deposit Slips option to indicate how this method displays cash receipts on the Deposit Slips Report – None, Summary, or Detail.

Sending an Electronic Payment

Now that you've set up the payment method to use an AP electronic interface, set up the process to pay suppliers through EFT.

Begin by defining your side of the transfer. Launch Bank Account Maintenance and find the bank account that sends the electronic fund payments.

From the New menu, select New AP Payment Method. On the Payment Method > AP Payment Methods sheet, pick the AP Electronic Payment method.

You're done here. Save the bank account.

Now set up the supplier side of the transfer. Launch Supplier Maintenance and load the supplier you pay electronically.

From the New menu, select New Bank/Remit To.

On the Bank/Remit To > Detail sheet, enter the Bank/Remit To Identifier and Name.

Here's where you select the electronic Payment Method. From the list, select the AP electronic method.

Enter the Bank Account, the Bank Identifier, and the Bank/Branch code.

Then enter more information for this supplier's bank, like the Bank Registration Code. Save the supplier.

Now pay this supplier electronically. Launch AP Payment Entry.

From the New menu, select New Group. Enter the Group's identifier, such as the current fiscal year and period.

Pick the Bank Account linked to the electronic interface. Use the account's Default Currency or select a different one.

Here's the key. From the Payment Method drop-down list, select the AP Electronic Payment method. This is the electronic interface you use to send the payment to the supplier. Look at how it all comes together!

Add a payment to the group. From New, select New Payment.

Find and select the Supplier. Then enter the Payment amount.

Tap the Bank/Remit To sheet. The bank you entered on the supplier displays.

Everything is ready to roll! Now with your bank account defined on the group and the supplier's bank account defined on the payment, send these funds. From the Actions menu, select Process Payments.

The payment file can then move electronically from your company's server to the bank. Some banks have methods to automate this data transfer. To read notes on the process, taelow. Use the Next icon to see how you receive an AR cash receipt electronically.

Receiving an Electronic Cash Receipt

Sending electronic payments is great, but you also want to receive them. Follow a similar setup process to do that. Launch Bank Account Maintenance.

Pull in your bank account. Tap New and select New AR Payment Method.

On the Payment Methods > AR Payment Methods sheet, select the AR Electronic Payment method. Save the bank account.

Set up the customer to use the same payment method. Launch Customer Maintenance and find the customer's record.

From the New menu, select New Bank.

On the Banks > Detail sheet, enter the customer's bank information. Enter the bank's ID, Bank Name, and Bank Account.

Then from the Payment Method drop-down list, select the AR Electronic Payment method.

Save this customer's record.

Enter the customer's payments in Cash Receipts Entry. First create the cash receipt group.

Select the Bank Account that will receive the customer payments.

The Payment Methods available for this account display on the drop-down list. Select the AR Electronic Payment method.

Enter the customer payment against an AR invoice. From the Actions menu, select Electronic Interface > Select Invoices.

Enter a Due Date. You can also select specific Customers and Payment Methods.

Tap OK. Any EFT invoices due on or before this date display in the results. Select the invoices you are receiving.

Review the information on each invoice. When you're ready, from the Actions menu select Electronic Interface > Process Payments.

As you process these receipts, the ERP system creates an electronic bank export receipt file for all the customers set up for EFT in the group. To specify which currency to use, select either the Document currency or Base currency radio button options.

You receive these customer payments into the selected bank account and a cash receipt is sent electronically to the customer. To review this EFT receipt process, tap the recap bar below. Otherwise tap next to review the AP and AR electronic fund transfer process.

The Electronic Interface Tour

This illustration shows the Electronic File Transfer Setup process. Click on an item to learn what it does. When you feel you've got it figured out, move on to the quiz.

Electronic Interface

Use Electronic Interface Maintenance to create electronic interfaces for both payments and cash receipts. The electronic interface uses a source file that defines the bank format. Enter properties that define the fields that send the data.

Payment Method

Launch Payment Method Maintenance to create methods that indicates whether your company receives or sends electronic funds. You create methods for bank accounts, customers, and suppliers.

Bank Account

Through Bank Account Maintenance, you set up the bank accounts that will send and receive payments for your company.

Supplier Records

Within Supplier Maintenance, indicate which suppliers can receive payments from you. Add a bank record to the supplier and select the electronic AP Payment Method.

Customer Records

Launch Customer Maintenance to create and modify customers who will send electronic payments to you. Add a bank that uses the AR electronic payment method.

Payment Entry

Pay suppliers electronically through AP Payment Entry. Create a group and select the Bank Account linked to the AP electronic interface. Enter payments for suppliers who can receive payments electronically.

Cash Receipts Entry

Within Cash Receipts Entry, create a group and select the Bank Account linked to the AR electronic interface. From the Actions menu, select Electronic Interface > Select Invoices. Select the invoices that customers will pay electronically.

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