

## Article # 1334

---

### Technical Note: Understanding the Electronic Payment Feature in Accounts Receivable

**Difficulty Level:** Beginner Level AccountMate User

**Version(s) Affected:** AccountMate 9 for SQL and Express

**Module(s) Affected:** AR

**Posting Date:** 08/17/2016

### DESCRIPTION

As business becomes universal, business processes need a more advanced solution. Electronic payment is one of the advanced solution. Electronic payment innovation speeds up and fosters paperless business transactions. With electronic payment, you can eliminate the process of manually delivering checks as funds are deposited automatically, save cost on check stubs, reduce check handling risks such as forgery and theft, eliminate erroneous checks, reduce time spent on bank transactions, reduce delinquencies of receivables, and eases long distance payment transactions.

AccountMate 9 for SQL/Express introduces the Electronic Payment feature in the Accounts Receivable module. This feature allows processing of electronic payment transactions using the Automated Clearing House (direct deposit or ACH debit). This Technical Note discusses how to use the electronic payment feature in Accounts Receivable and lists the available reports that contain information on customer electronic payments.

### SOLUTION

#### Using Electronic Payment in Accounts Receivable

To use the electronic payment feature in the Accounts Receivable module, perform the following steps:

1. Activate the Electronic Payment feature in **AR Module Setup**.
  - a. Access the **AR Module Setup ► General (2)** tab.
  - b. Mark the **Electronic Payment** checkbox.
  - c. Click **OK** to save the settings.
2. Set up bank account records for electronic payment.
  - a. Access the **Bank Account Maintenance** function.

- b. Select the bank account that you want to use for depositing customer payments (i.e., the **Use in Sales Order/Accounts Receivable** checkbox is marked in the **Information** tab).
- c. Provide, as applicable, the ACH information in the **ACH (Mandatory)** and **ACH (Optional)** tabs.

***Note:** Refer to the Online Help and/or Electronic Manual on how to set up the ACH mandatory and optional information.*

- d. Click **Update** to save the changes in the bank account record.
3. Set up pay code records for electronic payment.
    - a. Access the **Pay Code Maintenance** function.
    - b. Enter a new pay code.
    - c. Provide necessary information in the fields, and choose the **ACH** option in the **Type** area.
    - d. Click **Update**.
  4. Set up customer records for electronic payment.
    - a. Access the **Customer Maintenance** function.
    - b. Select the customer record that you want to set up for electronic payment.
    - c. Go to the **Settings** tab, and mark the **Electronic Payment** checkbox.
    - d. Provide in the **Electronic Payment Setup** window the necessary information including the prenote status, last prenote date, and bank information; then, click **Close**.

***Note:** If you want to generate prenotes for the customers set up for electronic payment, you must select the **Require Prenotification** option.*

- e. Click **Update** to save the changes in the customer record.
5. Generate prenotes.
    - a. Access the **Process Electronic Payment ► Generate Prenotes** function to display the **Generate Prenote File for Customers** window.
    - b. Enter in the **Bank #** field the code of the bank for which you want to generate prenotes.
    - c. Mark the checkboxes for the customers that will be included in prenote processing.
    - d. Click the **Generate** button.
    - e. Click **OK** to close the message showing the prenote file location.
  6. Activate customer records for electronic payment.
    - a. Go to **Process Electronic Payment ► Activate Customers for Electronic Payment** function.
    - b. Enter in the **Last Prenote Date** field the date when you generated prenotes for customers to activate those whose prenotifications had been sent on or before the said date.
    - c. Click **Activate**.
    - d. Click **Yes** to close the message informing you of the number of customers that will be activated for electronic payment.

- e. Click **OK** to close the message confirming the number of customers that are activated for electronic payment.
7. Apply the customer electronic payment.
    - a. Access the **Apply Payment** function.
    - b. Enter the **Customer #** for which you want to apply payment.
    - c. Enter in the **Pay Code** field an ACH type pay code (e.g., the pay code you created in step 3).
    - d. Enter or review the payment information in the other pertinent fields.
    - e. Click **Save**.
  8. Record the customer electronic payment bank deposit.
    - a. Access the **Record Bank Deposit** function.
    - b. Enter in the **Bank #** field the code for the bank to which the customer electronic payment is deposited.
    - c. Select the **Process Direct Deposit** option in the **Select Receipts/Refunds** window; then, click **OK**.

***Note:** If desired, you may want to configure the **Record Bank Deposit** grid records by filtering information to be displayed by payment receipt date or by pay code.*

- d. Enter all the necessary bank deposit information in the appropriate fields (e.g., **Deposit Date, Effective Date, Description**, etc.).
- e. Mark the checkboxes that correspond to the applicable payment receipts comprising the deposit.

**Notes:**

- The **Effective Date** is the Effective Entry Date that is in the ACH file's batch header record.
  - The default **Effective Date** is always a day later than the **System Date**; however, starting in AccountMate 9.4 for SQL/Express, the default **Effective Date** will automatically change to match the **Deposit Date** if the deposit date is later than the **System Date**.
- f. Click **Save** to save the bank deposit and to automatically generate the ACH file.

**Notes:**

- The ACH file that is generated after you recorded the bank deposit is stored in the directory that you entered in the **Bank Account Maintenance ► ACH (Mandatory) ► Directory** field.
- If you need to regenerate the ACH file, you may do so using the **Bank Deposit Transactions ► Regenerate ACH File** function.

## Accounts Receivable Electronic Payment Reports

The following Electronic Payment reports are available in the Accounts Receivable module:

- **Electronic Payment Report**

This report provides information on payment receipts from customer through direct deposit or ACH debit. You will find this report under the **Reports ► Bank Reports** menu.

- **Bank Deposit Report**

This report summarizes all the recorded bank deposits including direct deposit or ACH debit. You will find this report under the **Reports ► Bank Reports** menu.

Using the Electronic Payment feature in Accounts Receivable, you can take advantage of the direct deposit or ACH debit process of collecting customer payments and ultimately enjoy its benefits.

---

This information is provided "AS IS" without warranty of any kind. AccountMate Software Corporation disclaims all warranties, either express or implied. In no event shall AccountMate Software Corporation be liable for any damages whatsoever including direct, indirect, incidental, consequential, loss of business profits, or special damages, even if AccountMate Software Corporation has been advised of the possibility of such damages.

---