

# AP PREAUTHORIZED PAYMENTS

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Let's say you have set up preauthorized payments for your phone bill. The payments come out of the bank account (GL 11000) automatically every month, and you receive the bill (purchase invoice) by mail.

With **Preauthorized Payments**, you pay the purchase invoice with a payment type that draws directly from a bank account (because not all AP payments are made by cheque).

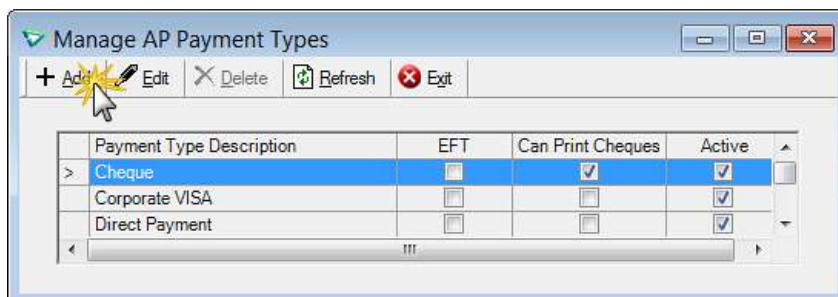
**What you'll find:**

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## One Time Task: Setting up the AP Payment Type

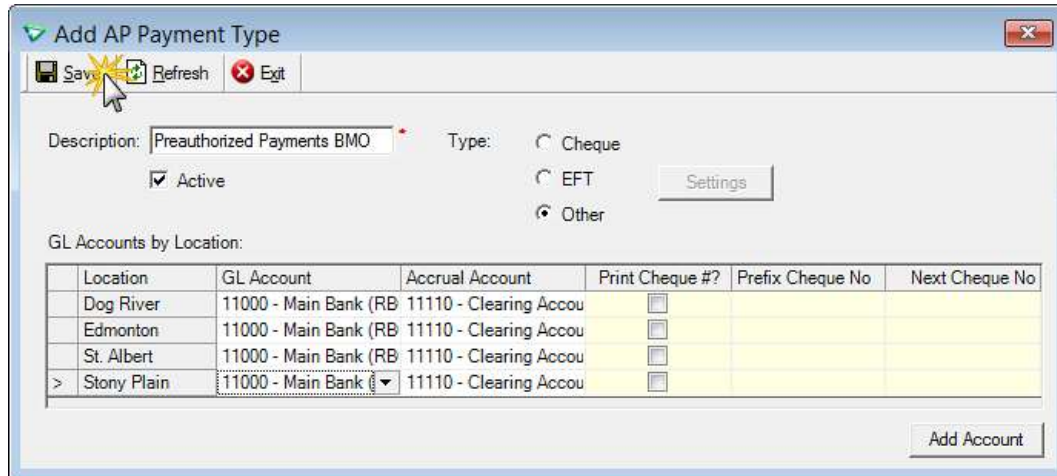
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Navigate to **Accounts Payable > Manage > AP Payment Types** and click **Add**.



Accounts Payable > Manage > AP Payment Types

For each location that will use this payment type, specify the GL account for preauthorized payments and the accrual account for future dated payments. When this payment type is used, it will post directly to the GL account (in this example, your bank account).

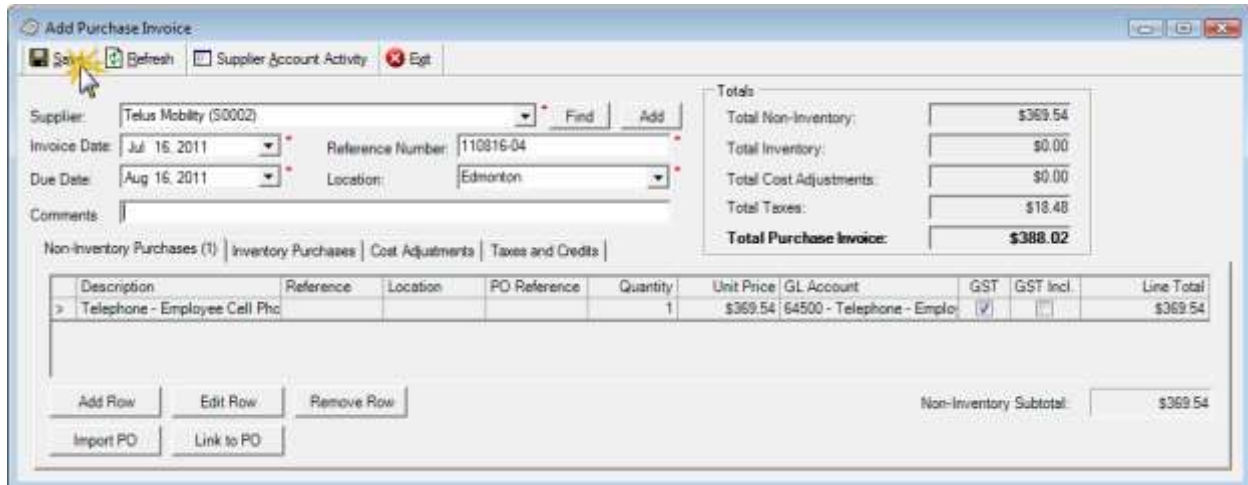


Accounts Payable > Manage > AP Payment Types

Now you are ready to pay invoices that have been paid with preauthorized payments.

## Adding the Purchase Invoice

When the purchase invoice arrives from your phone company, enter it the same way you would enter a regular purchase invoice.



Accounts Payable > Purchase Invoices

# Paying the Supplier

Navigate to **Accounts Payable > Supplier Accounts** and select the supplier.

Supplier Account Information for Telus Mobility (S0002)

New Search Refresh Exit

Add New Item Reports Supplier Details/Advanced

**Telus Mobility (S0002)**  
PO Box 2056  
Edmonton, AB

Outstanding Purchase Invoices: \$395.50  
Available Credits: \$0.00  
Prepayments Remaining: \$0.00  
Current Balance: \$395.50

Pay Supplier Apply Credits

Account History Documents

Date	Type	Reference	Add'l Info	Amount	Comments
> Mar 14, 2017	Purchase Invoice	170314-02		\$395.50	
Mar 14, 2017	Purchase Order	EPO048			
Apr 09, 2015	Payment	DI 121126	Internet	(6272.50)	

View Item Edit Copy Delete Cancel

Accounts Payable > Supplier Accounts

Click **Pay Supplier**. The outstanding balance for this supplier is shown, including the purchase invoice you just entered.

In the **Payment Date** box, enter the date the preauthorized payment came out of the bank. In the **Payment made from** box, enter the location that owns these purchase invoices. Then, enter the **Payment Type** you just added.

Payment for Telus Mobility

Save Exit

Supplier: **Telus Mobility**

Payment Date: Aug 16, 2011 Tracking/Cheque Number: Prepay  
Transaction Date: Aug 16, 2011 Payment Comments:  
Payment made from: Edmonton  
Payment Type: Authorized Payments BMO

Purchase Invoice	Invoice Date	Due Date	Total Amount	Amount Outstanding	Credit	Include	Amount Paying
> 110816-04	Jul 16, 2011	Aug 16, 2011	\$388.02	\$388.02	<input type="checkbox"/>	<input checked="" type="checkbox"/>	\$388.02

View Purchase Invoice Select All (Excl. Credits) Deselect All Subtotal Amount: \$388.02  
Select All (Incl. Credits) Include Additional Payment of this Amount: \$0.00  
Total Amount: \$388.02

Select the purchase invoice in the table by checking the **Include** box, and in the **Amount Paying** column, confirm the amount that was paid by the preauthorized payment (i.e., the total cost of the purchase invoice).

Remember to **Save** when you are finished.

The bank account is credited directly.

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<b>Journal:</b> J2508	Posted	Aug 16, 2011	AP Payment: Telus Mobility	
<b>Source:</b> SPE012	Entered	Aug 16, 2011		
<b>Account</b>			<b>DR</b>	<b>CR Description</b>
Accounts Payable (21000)			388.02	
BMO Bank (11000)				388.02