# Pay ACH Vendor Bills

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An ACH file may be created from the *A/P / Pay Bills* screen to pay vendors electronically through the bank. Prior to creating an ACH file, the preferences must be set at *Accounting / Setup / Preferences* on the *A/P* and *G/L* tabs to determine the location where the file will be stored and the routing and account numbers necessary for the file. The vendor must also be set to an *ACH* Payment Type and have the routing and account numbers set on the Vendor file to be able to process an ACH file.

Optionally, the ACH advice can be emailed directly to the Vendor from Agvance. To email directly, some additional setup is required. The mail host must be set at *Hub / Setup / Company Preferences* on the *General* tab, and the user logged in when paying the bills must have an email address set up at *Hub / Setup / Users*.

The email being sent to the vendor will be from the user's email address unless the *Use ACH Payment Advice Format 2* is checked and an email is filled out at *Accounting / Setup / Preferences* on the *A/P* tab.
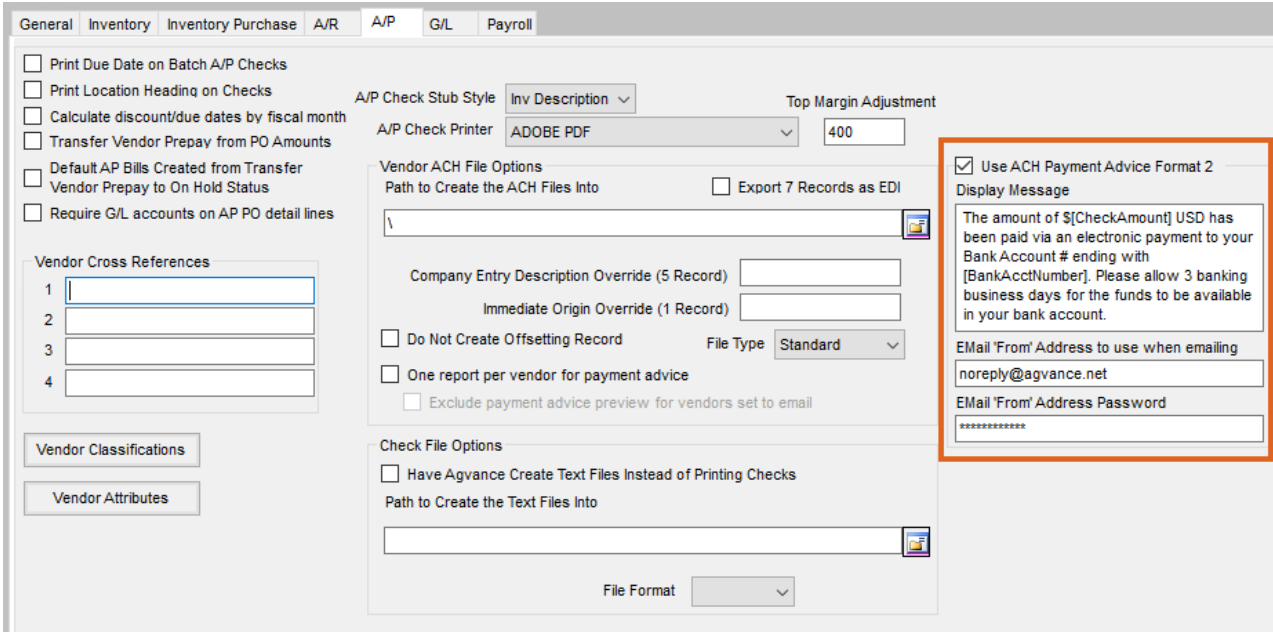
The Vendor's email address must be entered at *Accounting / File / Open / Vendor* on the *1099/Payment Info* tab. Also, the *One report per vendor for payment advice* preference must be selected at *Accounting / Setup / Preferences* on the *A/P* tab.

1. Going to *A/P / Pay Bills* causes the *Preselect* screen to appear. Enter the date criteria for the bills to display on the screen to follow. Filter the bills to display by selecting vendors or the *ACH Vendors* type. Choose **OK** to continue to the *Pay Bills* window.

2. Select or deselect any of the displayed bills to be included in this pay session by selecting in the left-most column corresponding to the bill. Bills noted with checkmarks will be included in the check run.

3. To indicate the partial payment of a bill, select in the *Payment* column of the row corresponding to the bill and enter the amount of the payment (overriding the unpaid amount).

4. Verify that the correct *Check Date* and *Checking Account* have been entered. The *Starting Check #* and the *ACH File Name* will default in.

5. If the ACH advice is to be emailed directly to the vendors, mark the *Email ACH Payment Advice to Vendor* checkbox.

6. Choose **OK** to create the ACH file.

7. A pop-up screen appears with posting options. The checks can be posted to the current month, the next month, or not at all.

   o The most common posting option is *This Month* which affects the G/L and vendor accounts immediately. The bills are also updated to a *Paid* status. An ACH Vendor File Summary report displays on the screen and may be printed. After closing the ACH Vendor File Summary report, the ACH Payment Advice previews and can be printed if necessary.

- Occasionally, at the beginning of the month, the fiscal month may not yet be closed but checks still need to go out. In this case, the *Next Month* posting option could be used. The bills are marked *Paid*, but the posting to the G/L and vendor accounts does not occur until after the current month is closed. An ACH Vendor File Summary report displays on the screen and can be printed. After closing the ACH Vendor File Summary report, the ACH Payment Advice previews and may be printed if necessary.
- The last option, *No Posting,* is used if the wrong selection criteria were entered. No ACH file is generated if this option is selected.

8. The ACH Vendor File Summary report previews showing what payments were included in the file. This report may be printed or saved as a PDF.

9. The ACH Payment Advice for each vendor then displays. This can be faxed or emailed to the vendor to show that the payment has been processed and the Invoices included in the payment. If the setup has been done to email the vendors directly, this displays the report sent to the vendor. After closing the report, a notification appears when the emails have been sent.