Entering Credit Card Payments for Purchasing

Last Modified on 10/23/2023 5:17 pm EDT

This guide explains how to enter credit card payments through various modules. It is intended for advanced users.

Credit card purchasing is often part of multiple workflows. After you <u>set up your internal</u> <u>credit cards (https://aace6.knowledgeowl.com/help/setting-up-internal-credit-cards)</u>, there are multiple places where you can use them to process payments. The following four methods generate check register entries for each purchase line item, which allows you to reconcile each individual expense using aACE's <u>bank statement reconciliation (https://aace6.knowledgeowl.com/help/reconciling-a-bank-account)</u> tools. The specific methods you use should be governed by your company's expense reporting policies and processes.

- 1. Payments from the Purchase Orders Module
- 2. Payments from the Purchases Module
- 3. Payments from the Disbursements Module
- 4. Employee Expenses / Expense Envelopes

Warning: These methods do *not* actually process your credit card; they are only accounting transactions within aACE. You must complete each actual purchase through the vendor site.

Credit Card Payments from the Purchase Orders Module

When you apply payment here, aACE automatically creates a matching purchase record, a disbursement record to apply the funds (linked to the credit card holder's General Ledger account), and then closes the records. To review these related records at a Purchase Order's detail view, navigate to the Management tab > Purchasing tab > Purchases numerical go-to link > Disbursements go-to link.

Note: For inventoried items, you must process a purchase order (PO) in order to record manufacturer lot numbers or serial numbers.

Paying immediately with a credit card includes several benefits:

- The system generates a check register record that can be reconciled with your credit card statement.
- You can assign the responsibility for logging credit card charges to the users as they

enter their POs.

- All of the accounting is done in real time. Financial managers can see the liabilities as they accrue, so they don't have to wait till end of month.
- You can reconcile credit card statements <u>using the bank reconciliation module</u> (https://aace6.knowledgeowl.com/help/reconciling-a-bank-account).

Apply a Credit Card Payment on a PO

- 1. <u>Enter a new purchase order (https://aace6.knowledgeowl.com/help/working-with-purchase-orders)</u>, or navigate to an existing PO record: **Main Menu > Accts Payable > Purchase Orders**.
- 2. Once the purchase order is open, at the detail view Totals section, click the Payment Due Add (💿) icon.

Purchase O	rder: 600	73 Chir	a Brushwork	s Internatio	onal	07	/20/2	2	CLOSE	D
Purchase Order De	etails Man	agement				Notice	s 🖯 Ta	sks 🗹	Emails 🔛	Docs
/endor			* Ship To			🖈 🕒 Com	ments and	Next Ste	ps	
/endor >	C Q V	000		Enter Payment			8			
hina Brushworks Interr ling Xiou lat D, 6/F, Golden Indu	-	Apply Paymer	ıt				11			
lock 4 82-190 Tai Lin Pai Roa		Payment Date		08/17/2022						
Van Chai, Hong Kong	N	Amount Due		115.00						
		Credit Available		0.00						
escription		Payment (Amount	or Percent)	115.00					Next Step	Date
		Balance after Pays	ment	0.00						
PO Items RFQ P	Management Descripti	Payment Method		SH OCHECK OWIR	E		y U	Init Cost	Total	
1 > SE-B-G4	Goat ha	Credit Card	Denise J - AMEX	Disbursement Notes			4	4.00	16.00	${}^{p}\!\kappa$
2 > SE-B-H	1/2" Ha			- Charles School & Horizon			8	5.00	40.00	F K
3 > SE-B-R1	Rabbit I	Approval Code	854126				2	1.00	12.00	
4 > SE-B-WB2	White t				Payment is a Deposit		6	2.00	32.00	PR.
	-				Cancel App	ly Payment				
							Subtotal		100.00	
Purchasing Rec	eiving	e Recurring Tra	reaction to	Currency	Ex Rate		Shipping Tax Total	0%	0.00 0.00 100.00	
urchase Order Type	Payment Dat									

- 3. At the Enter Payment dialog, record the necessary details:
 - Payment Date Enter the *actual date* that the payment was made (to facilitate auditing later).
 - Payment Enter the amount.
 - Payment Method Mark the Credit Card radial button, then select the correct account in the **Credit Card** field (and enter an Approval Code, if needed).
- 4. Click Apply Payment.

Credit Card Payments from the Purchases Module

When you purchase a non-inventoried item and immediately pay the vendor using a company credit card, each purchase accumulates on your credit card statement. If you later want to enter a single transaction corresponding to the credit card statement, paying directly on a purchase is especially useful. After you create the purchase, you can <u>import a</u> <u>.CSV or spreadsheet (https://aace6.knowledgeowl.com/help/importing-records)</u> of your credit card statement. When you create this purchase, aACE automatically creates a related disbursement record to log the payment (which you can review when you reconcile your accounts). You can apply payments exceeding the current purchase to other GL accounts.

- 1. Navigate from Main Menu > Accts Payable > Purchases.
- At the list view click Actions > Create New Credit Card Purchase.
 Note: The interface for direct credit card purchases is slightly different from the interface for direct credit card purchases.

•				Purchases					
Record: 1 of 1							New 🖶 Edit	🖋 Delete 🗶 P	int 🔒 Actions 🤊
Purchase: 6012	.0	DJ - Moi	nthly Pur	chases			08/17	/22 🛛	PENDING
Credit Card Details							Notices 🔒	Tasks 🗹 🛛 Em	ails 🔛 🛛 Docs (
eneral Info		*	Description				Payment	Comments	
redit Card Account >									
2157 Denise J - AMEX		Q,							
/endor >			Additional In	fo					
American Express			Autoridi In						
urchase Order >									
Code G	L Acct Description		Date	Pur Order	Job	Dept	Qty	Unit Cost	Total 💥

Note: The interface for direct credit card purchases is slightly different from other purchases.

- 3. Select the desired credit card in the Credit Card Account field.
- 4. In the Purchase Items listing, enter a line for each transaction on the credit card that has not been accounted for, including:
 - The GL Acct field showing the expense account you want each transaction to hit on your income statement.
 - The Date field showing the actual date of the transaction.
 Note: To quickly populate this list, you can import entries using Actions > Import

Purchase Items.

5. Click **Save** and **Open**.

Credit Card Payments from the Disbursements Module

Use the Disbursements module to enter payments to vendors, <u>issue refunds for credit card</u> <u>purchases (https://aace6.knowledgeowl.com/help/processing-refunds-for-customer-credit-card-payments</u>), or create 'Other' type payments. You can apply payments exceeding the current purchase to other GL accounts.

- Navigate from Main Menu > Accts Payable > Disbursements, then create a new disbursement and specify the type.
 Note: You can also access the Disbursements module directly from the Purchases module's Disbursements tab by clicking the Add () button.
- 2. At the detail view's General Info section, select the Credit Card account to pay from.
- 3. In the Payment Info section, enter the correct method and supporting information.
- 4. In the Purchases listing, verify the Amount you wish to pay against the purchase record(s) listed.
- 5. At the bottom of the screen, click the Refresh icon (🖻) and verify that the transaction is balanced.

Note: When a vendor is due a certain amount, but the current purchase record is for a smaller amount, you can use the Apply Imbalance flag. Mark this flag, then specify the account that the remaining balance should be paid to (e.g. the credit card company).

•	Dis	bursements		
Record: 10 of 10			New 💠 Edit 🖋 Dele	ete 💢 🛛 Print 🚔 🛛 Actions ;
Disbursement: 60068	6478137		08/17/22	PENDING
Vendor Payment Details			Notices 😣 🛛 Tasks 🕻	💈 Emails 🔛 Docs
Seneral Info	Payee Address		Payment Info	
Company > Amount	Pay To The Order Of		Payment Method	Check #
Aperture Technologies a. 200.00	Aperture Technologies		CHECK	
Bank Account >	284 7th Avenue Suite 801		Check Status Batch	Remittance Advice
1115 Cash Checking (AI)	New York	NY 10015		
Bank Rec Status > Reconciled	United States of America	American	Memo 6478137	
Purchases Purchase Date Vendor Inv #	Vendor Inv Date	Total Suggested Balance 🎾	Amount Adjustment	Total 🕷
Purchase Date Vendor Inv # 1 > 60076 Q 07/29/22 947	07/29/22 I	74.95 72.95 >>	T2.95 0.00	72.95 %
Q.				

6. Click Save and Post.

Vendor Payments

At the new disbursement, make sure the Company field specifies the vendor you wish to pay (the system will locate and display all open purchase records awaiting payment) and the Bank Account field specifies the correct credit card account.

"Other" Disbursements

At the new disbursement, enter the needed information, including the correct GL Account (i.e. the credit card account) and the amount.

Paying Employee Expenses

This feature enables you to specify expenses which you paid for using your company-issued credit card and which do *not* need to be reimbursed.

- 1. Navigate from Main Menu > Accts Payable > Purchase Orders.
- 2. Click Actions > Create New Expense Envelope.
- 3. Specify the title, then populate the Expense Items as needed:
 - $\circ~$ Note the actual transaction date.

 For items that were paid with a company charge card, mark the CC flag at the end of the line. (In other words, items *not* flagged with CC are items you personally purchased and may need reimbursement for.)

Expense E	nvelope: 60	381	Kris	tie Hernandez			09/22/	22	PEND	ing 🧲
Expense Envelo	pe Details Mar	nagement				N	lotices 🔒	Tasks 🔽	Emails 🔛	Docs (
General Info			Descript	tion		Ado	ditional Info	,		
Type	Team Member	>								
Expense Envelope	Kristie Herna	ndez	۵.							
Expense Items	Description		Date	Order	Job		Qty Unit (Cost	Total	2
> TRV-MEAL	Q. Meals and E	intertainment	09/14/22	@ = > 60000-1	> 60000-1	Q	1 114		114.38	X
				/ - ·····						· J
	Q		\sim							<u> </u>
	Q		\smile							
	ď		\smile							
	٩									
	٩									
	٩									
	٩									
	٩									
	٩									
	٩									
	٩									
	٩									
	٩									
	٩									
	٩									
	٩									
	٩									

4. Click **Save** and **Submit**.

When the expense envelope is approved, aACE will automatically open two purchase records:

- A credit card purchase record payable to the credit card company, with a line item for each charge that was flagged as CC
- A purchase record payable to the team member, for expenses *not* flagged as CC (i.e a reimbursement payment)

Reconciling Credit Card Statements

This process is the same as for <u>reconciling a bank account</u> (https://aace6.knowledgeowl.com/help/reconciling-abank-account).