Coffee Break & Learn: Tip of the Week – December 21, 2017
**Outgoing Payments Made Easier**
Available On All Softengine-Supported Versions

Background

Have you ever needed to pay multiple vendors at once? If so, using the Payment Wizard can save you time by executing batch payments, allowing you to receive payments from or pay multiple business partners. In order to run the Payment Wizard, you must set up the banks, house banks, and Payment Methods. Because bank and house bank setup are required for manual payments, we will only cover the setup of the payment methods in the following section.

Prerequisite: Setting Up Payment Methods

To access the payment methods set up screen, go to Administration > Setup > Banking > Payment Methods.
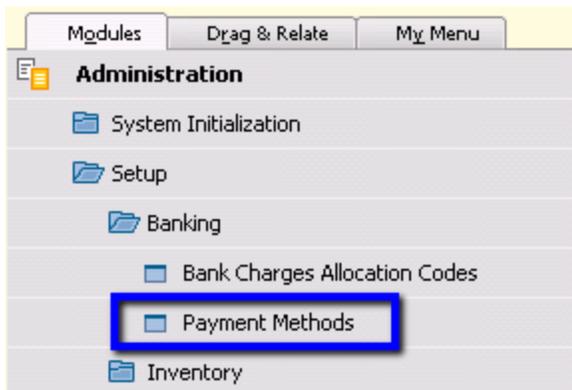
You will see the following screen:

Payment Methods - Setup

| Payment Method Code | | ☑ Active |
| Description | | |

| Payment Type | Outgoing ▼ | Payment Means | Check ▼ |

House Bank

Country	▼ 🔗
Bank	▼
Account	▼
Branch	
Control No.	
IBAN	▼
BIC/SWIFT Code	

Bank File Generation

Key Code	
Transaction Type	
File Format	

Bank Charges

| Bank Charge Rate (%) | 0.000 |

Payment Process

- ☐ Group Invoices by Pay-To Address
- ☐ Group Invoices by Pay-To Bank
- ☐ Group Invoices by Currency
- ☐ Group Invoices by Due Date
- ☐ Group Invoices by Blanket Agreement
- ☐ Post to G/L Interim Account

Payment Validation

- ☐ Check Address
- ☐ Check Bank Details
- ☐ Check Collection Authorization
- ☐ Foreign Payment Block
- ☐ Foreign Bank Block
- ☐ Currency Selection [...]
- ☐ Post Office Bank

Due Date in Checks

- ⦿ Date of Payment Run
- ◯ Due Date of Invoice
- ◯ Payment Terms

Single Check Restrictions

| Minimum Amount | |
| Maximum Amount | | Report | |

[Add] [Cancel]

The following are the required fields in the Payment Methods Setup screen.

Field	Description
Payment Method Code, Description	Enter a code and a description for the payment method.
Payment Type	From the dropdown list, select whether the payment method refers to outgoing payments or incoming payments.
Payment Means	From the dropdown list, select the way to make or receive payments in SAP Business One: 1. For the payment type Outgoing, you can select the payment means Check or Bank Transfer.

	2. For the payment type Incoming, only the payment means Bank Transfer is available.
House Bank	Click 🏦 to open the Choose Bank window in which you select the required house bank account. Once you have made your choice, the bank details are displayed in the respective fields in the house bank section.

Due Date in Checks
 	
(*if selected payment means is Check*)
	Select one of the following options:
	
	1. Date of Payment Run
	
	   If this option is selected, the due date of the payment is the payment run date set in the second step of the payment wizard.
	
	2. Due Date of Invoice
	
	   If this option is selected, the due date of the payment is the due date of the invoice in the sixth step of the payment wizard. If more than one invoice is selected in that step, a weighted average is calculated in order to determine the overall due date of the payment.
	
	3. Payment Terms
	
	   If this option is selected, the due date of the payment is determined according to the date of the payment run plus a number of additional days according to the payment terms selected in the dropdown list displayed next to this field. The due date of the payment is calculated in the same way as the due date is calculated in a normal invoice.

Bank File Generation – File Format (*if selected payment means is Bank Transfer*)	Choose ☰ to open the List of File Formats window from which you can choose the required file format to be used when the electronic file is created for the bank.

Prerequisite: Assigning Payment Methods to Business Partners

Once you have configured the payment method, you can assign them to your business partners as a default payment method. Open a vendor's business partner master data record, and navigate to the Payment Run tab.

Business Partner Master Data

Code	Manual	V20000	Vendor ▼		Local Currency ▼
Name	Lasercom			Account Balance ⇒	-1,082.50
Foreign Name				Goods Receipt POs ⇒	-8,499.80
Group	West Coast ▼			Purchase Orders ⇒	-342.89
Currency	US Dollar ▼				
Federal Tax ID	US21-187641				

Tabs: General | Contact Persons | Addresses | Payment Terms | **Payment Run** | Accounting | Properties | Remarks

House Bank

Country	USA ▼
Bank	⇒ Bank of New York ▼
Account	⇒ 145-4267-6703 ▼
Branch	Main
IBAN	▼
BIC/SWIFT Code	
Control No.	

Payment Methods

#	Code	Description	Inc...
1	⇒ 123	123	☐
2	⇒ 234	234	☐
3	⇒ Outgoing BT	Outgoing Bank Transfers from BNY	☑
4	⇒ Outgoing BT 02	Outgoing Bank Transfers from HSBC	☐
5	⇒ Outgoing BT 03	Outgoing Bank Transfers from CITI	☐
6	⇒ Outgoing BT 04	Outgoing Bank Transfers from BOA	☐
7	⇒ **Outgoing Checks**	**Outgoing Checks**	☑

☐ Payment Block

☐ Single Payment

Bank Charges Allocation Code ▼

Clear Default | **Set as Default**

You must ensure that the Include checkbox is selected for the payment method you would like to use in the Payment Wizard. Select the payment method you would like to assign as a default for the vendor, and click Select as Default. Once the payment method is set to default for that vendor, invoices generated from will set that payment method as the default. You may change the payment method after you have added the invoice, but before you apply a payment to it.

Payment Wizard

To access the Payment Wizard, go to Banking > Payment Wizard:

Click Next in the introduction screen:
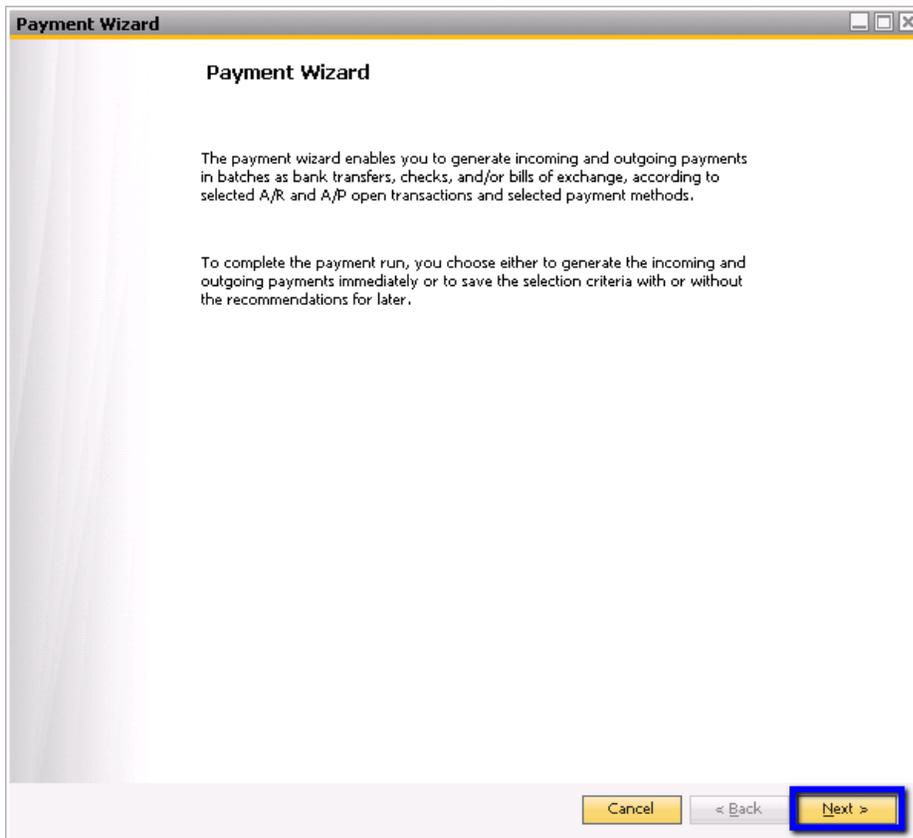
1. Payment Run Selection

In the Payment Run selection screen, you have the option of starting a new payment run or loading a saved payment run. To generate a new batch of payments, select the Start New Payment Run option and click Next:
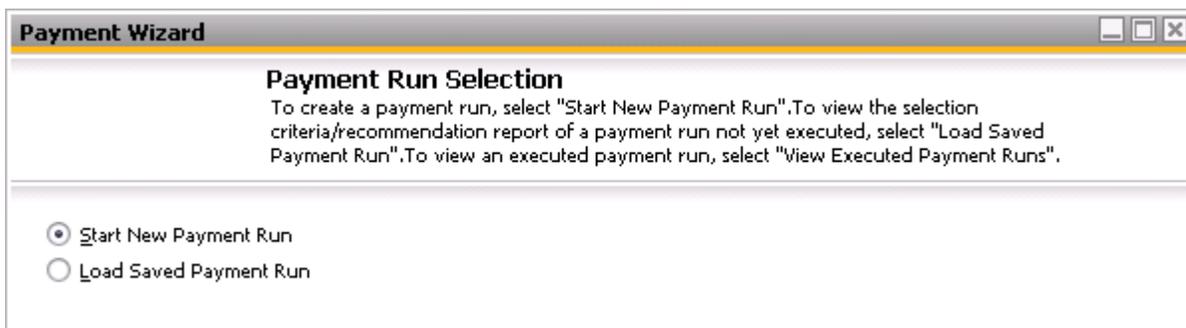
2. General Parameters

In the General Parameters screen, you may specify variables such as the date of the next planned payment run, type (outgoing or incoming), payment means (check or bank transfer), and document series used to create the payment documents.

Payment Wizard

General Parameters
Define the general parameters for the payment run

Payment Run Name	Wiz20171220n1
Payment Run Date	12/20/2017
Next Payment Run Date	

Payment Type
☑ Outgoing
☐ Incoming

Payment Means
☑ Check
☐ Bank Transfer

Document Options
☐ BP Reference Number

Payment Order Numbering Series
Outgoing   Primary ▼
Incoming   Primary

Document Numbering Series
Outgoing   Primary ▼
Incoming   Primary

Min. Payment Amount
Outgoing   0.00
Incoming   0.00

Payment Due Date Determination
◉ Payment Run Date
◯ Document Due Date

3. Business Partner – Selection Criteria

In this business partner selection screen, you can specify which business partners the system will check for any invoices due. You may include the expanded selection criteria such as dunning terms, industry, and priority.

4. Document Parameters

In the Document Parameters you will define the open transactions to be included in the payment run. You may select criteria such as posting and due date ranges.

5. Payment Method – Selection Criteria

In this screen, you can specify the payment methods to be used in the payment run.

		G/L Bank Acct	G/L Intm Acct	Code	Description	
1	☐	⇨ 11200000-01-001-01				
2	☑			⇨ Outgoing Checks	Outgoing Checks	

☐ Include G/L Interim Acct Balance

6. Recommendation Report

In the Recommendation Report screen, SAP Business One creates a list of the suggested payments based on your selection criteria in the previous screens. You have the option to:
- Accept or reject recommendations
- Using the Add Manual Row button, create a payment document or payment order row between a house bank account and a business partner or target account without referencing any documents
- See the list of all open items that could not be included in the payment run using the Non-Included Transactions
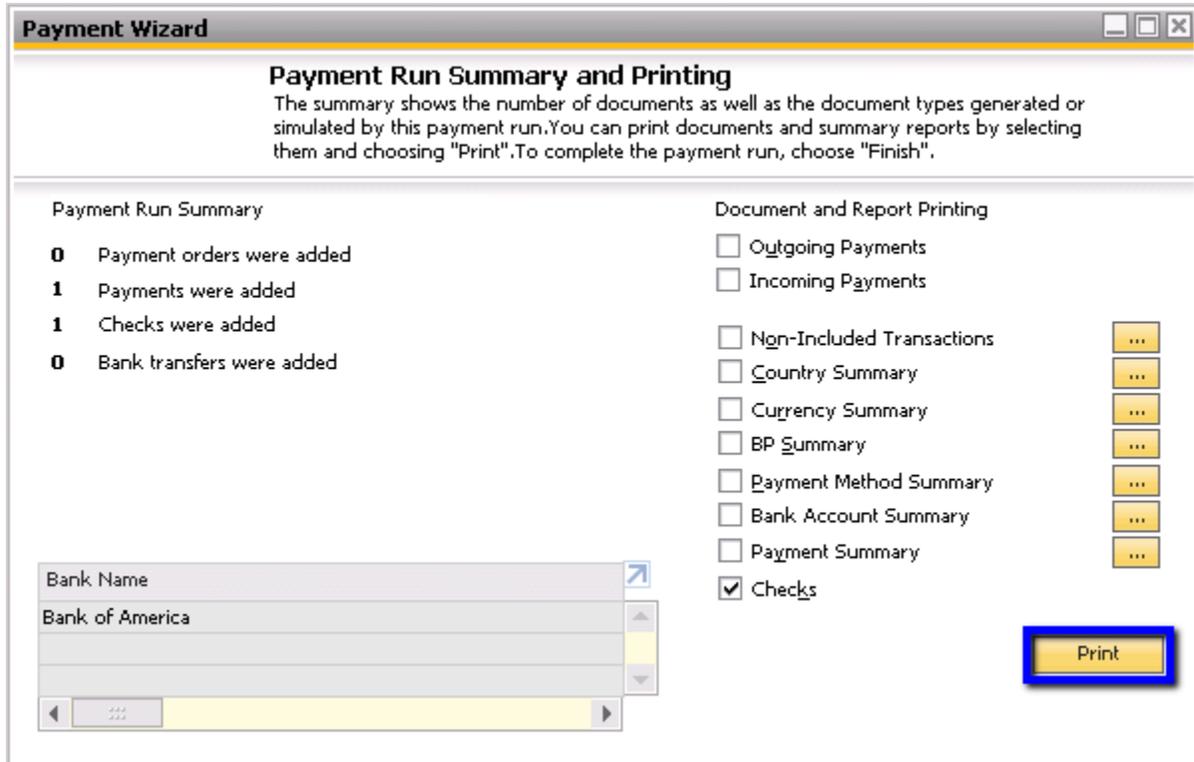
Payment Wizard

Recommendation Report
Select the checkboxes of the business partners for whom you intend to generate payments.
To select specific transactions, choose "Expand All".To display transactions with errors,
choose "Non-Included Trans." To recalculate the report, choose "Refresh".

Find

#		Pmt No.	BP Code	Blanket Agreement	G/L Account Code	Doc. No.	Installment No.	*	O
1	✓	▶ 1	⇨ V80000		⇨ 11200000-01-001-01				

Non-Included Trans.		Refresh	Expand All	Collapse All

Add Manual Row	Close Payment Order Rows		

Incoming	
Outgoing	433.00 $
Total	433.00 $

7. <u>Save Options</u>

In the Save Options screen you have four choices:

Save Option	Description
Save Selection Criteria Only	Select to save the selection criteria without the recommendation report. After choosing Next and closing the system message, choose Finish to end the payment wizard session. This does not reserve the selected open transactions for this payment run. You can still clear the transactions either using the incoming/outgoing payment documents or using a new payment run. When loading a saved payment run, it does not display transactions that are already cleared.

Save Recommendations	Select to save both the selection criteria and the recommendation report. After choosing Next, Payment Wizard: Step 8 - Payment Run Summary and Printing - Simulation appears, in which you can view and print various simulated Payment Wizard Reports. This reserves the selected open transactions for this payment run only, which means that open transactions saved by this option cannot be cleared using the incoming/outgoing payment documents or a new payment run.
Execute Payment Order Run	Select to generate a payment order. After choosing Next and closing the system message, Payment Wizard: Step 8 - Payment Run Summary and Printing - Simulation appears, in which you can view and print various simulated Payment Wizard Reports. This option enables you to generate electronic outbound bank files without creating payment documents. This reserves the selected open transactions for this payment order run only. You cannot include the open transactions in another payment run or payment order run. You will be warned when you clear the open transactions using the incoming/outgoing payment documents and when you internally reconcile the open transactions. You can clear the open transactions via the BSP function. When the open transactions are cleared, the payment order run remains open unless you close the open transactions using the Close Payment Order Rows button in Payment Wizard: Step 6 - Recommendation Report.
Execute Payment Run	Select to generate payments and payment documents. After choosing Next and closing the system message, Payment Wizard: Step 8 - Payment Run Summary and Printing appears, in which you can view and print various Payment Wizard Reports.

8. <u>Payment Run Summary and Printing</u>

The Payment Run Summary section will list the number of payments, checks, and bank transfers added. It the run was a simulation, 0 will be displayed.

If the created payments are check payments, they can be printed directly from the system. After check is printed, the system assigns the check numbers. Once the process is complete, you can use the Check Number Confirmation in the Banking module to confirm the numbers assigned.

Summary

The Payment Wizard creates payments in batches for incoming bank transfers, and outgoing checks and bank transfer payments. In order to use the Payment Wizard, you must set up your banks, house bank accounts, and payment methods. After setting up your payment method, you must then select to include them in the Payment Run tab of the business partner master data for them to be selectable in the Payment Wizard.