

C. 6. Transition Accounts Payable (A/P's)

What's the purpose of this setup step?

In this step we'll cover:

- A. Explain three methods for transitioning your A/P's to Control.
 - B. Show you the detailed steps to follow for each method.
 - Method 1: Show you how to set your starting A/P's up in Control using the [Pay-off A/P method](#).
 - Method 2a: Show you how to set your starting A/P's up in Control using the [Individual Net A/P method](#).
 - Method 2b: Show you how to set your starting A/P's up in Control using the [Individual Original A/P method](#).
 - C. See all your A/P's and compare your A/P's to the old system.
 - D. Appendix A: Enter a new company (vendor) in Control.
-

A. Here are the three methods for transitioning you're A/P's to Control.

Method 1 - Pay-off Method: Pay off your A/P's and start fresh in Control.

- How it works: If it makes business sense and you're in a financial position to do it, pay off the outstanding bills.
- The benefit of this method: Save time and work by not having to transfer the A/P's.

Method 2a - Individual Net A/P Method: Create an A/P in Control for the net due of each of your outstanding A/P's.

- How it works: Create each A/P in Control so the Control A/P's match your old accounting system's current A/P's. As you make payments on those old A/P's in the future, you'll process those only in Control. Any new bills received and payments made to those vendors would only be tracked only in Control.
- The benefit of this method: It gives you the simplicity of having all your A/P's in Control when you go live. You and your team have one less reason to refer back to the old accounting system.

Method 2b – Individual Original A/P Method: The same as Method 2a except for the following:

- a) The A/P's you create in Control are for the original amount; and,
- b) You enter the payments you've already paid against those A/P's.

Note: This is a good time to review your A/P's to see if they need to be "cleaned up." Are there old A/P's that invalid? You may want to do the cleanup work in your old system, so you start Control off as clean as possible.

B. Here are the detailed steps to follow for each method.

Method 1: Set up your starting A/P's in Control using the Pay-off Method.

- 1) There isn't anything that you need to do in Control.

Method 2a: Set up your starting A/P's in Control using the Individual A/P Method.

- 1) First, print out a list of the A/P's from your old accounting system.
- 2) Open Control.
- 3) Now let's create a bill to put the first individual A/P under. (These instructions assume that the vendor companies that have A/P's on your list have been imported earlier in the set up process. If not, then follow steps in Appendix A below to create those vendor companies in Control.)
 - a) Click **New**.
 - b) Click **New Bill**.
 - c) Start by entering this information:
 - i. **Vendor Name**. Click on the magnifying glass if you want to look-up the Vendor name. If the Vendor is not already in the system, you can enter it at this time by clicking on the "New Vendor" button, entering the information, and clicking Save.
 - ii. **Description**. Enter a meaningful description.
 - iii. **Invoice Date**. Enter the effective date of this invoice for accounting and aging purposes. (You can use dates before today)
 - iv. **Total**. We recommend that you only enter the amount that is still outstanding. For example, if the original invoice was for \$652.75 and you've paid \$300.00 already, you would just enter \$352.75 into Control. This will simplify the process for you to bring your payables over to Control.
 - d) Next, in the **Item Type** field, click on **Expense**.

Notes:

 - i. Choosing Expense means that this entry won't affect parts or inventory, which is what you want when bringing over you're A/P's from the old accounting system.
 - ii. When you're creating bills on a day-to-day basis, you'll create a row (item type) for each item that you're ordering. However, in this process of bringing over the A/P's from the old accounting system, we're going to simplify the information we put in here to get you up and running more quickly.
 - e) These are the fields that you should also fill-in in that row:
 - i. Enter the **Expense Account**;
 - ii. **Units** if desired (choose **Each** to make it simple); and,

- iii. **Total Cost.**
- iv. Ignore **Item Name** since it isn't used for expenses.
- f) Finally, put the vendor's invoice number in the **Reference Number** field.
- g) Click **Save**.

4) Repeat step 3) above for each A/P.

You've finished the setting up your starting individual net A/P's in Control.

Method 2b: Set up your starting A/P's in Control using the Original A/P Method.

- 1) First, print out a list of the A/P's from your old accounting system.
- 2) Open Control.
- 3) Now let's create a bill to put the first individual A/P under. (These instructions assume that the vendor companies that have A/P's on your list have been imported earlier in the set up process. If not, then follow steps in Appendix A below to create those vendor companies in Control.)
 - a. Click **New**.
 - b. Click **New Bill**.
 - c. Start by entering this information:
 - i. **Vendor Name.** Click on the magnifying glass if you want to look-up the Vendor name. If the Vendor is not already in the system, you can enter it at this time by clicking on the "New Vendor" button, entering the information, and clicking Save.
 - ii. **Description.** Enter a meaningful description.
 - iii. **Invoice Date.** Enter the effective date of this invoice for accounting and aging purposes. (You can use dates before today)
 - iv. **Total.** In this method, enter the original invoice amount. For example, if the original invoice was for \$652.75 and you've paid \$300.00 already, you need to enter \$652.75 into Control. The outstanding \$300.00 would be added in a minute in this example.
 - d. Next, in the **Item Type** field, click on **Expense**.

Notes:

 1. Choosing Expense means that this entry won't affect parts or inventory, which is what you want when bringing over you're a/P's from the old accounting system.
 2. When you're creating bills on a day-to-day basis, you'll create a row (item type) for each item that you're ordering. However, in this process of bringing over the A/P's from the old accounting system, we're going to simplify the information we put in here to get you up and running more quickly.

- v. These are the fields that you should also fill-in in that row: **Item Name** isn't used for expenses, so ignore that column. Enter the **Expense Account, Units** if desired (choose **Each** to make it simple), and **Total Cost**.
 - e. Finally, put the vendor's invoice number in the **Reference Number** field.
 - f. Click **Save**.
 - g. Click **Totals/Notes** and then click the box next to **Deposits/Payments**.
 - h. Enter the **Payment Type** and the **Amount** paid. Click the OK button to close the window.
- 4) Repeat step 3) above for each A/P.

You've finished the setting up your starting individual A/P's in Control.

C. Here's an easy way to see all your A/P's and compare your A/P's to the old system:

- 1) Click on **Reports**.
- 2) Click on **Vendors** and **Payables**.
- 3) Click on **A/P Reports**.
- 4) Click on **A/P Aging Detail**.
- 5) When the pop-up window appears, click **Preview**.
- 6) Compare the total **Balance Due** and the Balance Due on each A/P to the old system.

D. Appendix A: Enter a new company (vendor) in Control.

- 1) Open Control. Let's create a vendor company.
 - a) Click **New**.
 - b) Click **New Company**.
 - c) Check the **Vendor** box to indicate that this is a vendor.
 - d) Uncheck the **Prospect** box to indicate that you have done business with this vendor.
 - e) Enter the information on the **Company** and **Contact** tabs.
 - f) Enter the vendor payment terms and Vendor Account number on the **Vendor** tab. (Once you're up and running, you can fill-out the other information in the vendor record. Right now, we are only focusing on the most important areas in this start-up procedure. The other fields in the vendor record show which parts come from which vendors. This information can be input two ways: on the part, or on the vendor.)
 - g) Click **Save**.

Now you're ready for the next transition task.