



White Paper

AP Vendor Payment

Eftsure inside D365 F&O

Table of content

1. Introduction	3
2. Vendor payment journal	3
Payment without invoice	5
Payment via Settle transactions	6
Payment with Payment proposal	7
3. Generate payment	9
4. Payment workflow	11
Appendix	12
General ledger parameter	12
Create Bank account	12
Method of payment	13
Vendor payment common errors	14
Payment with account not verified yet	17

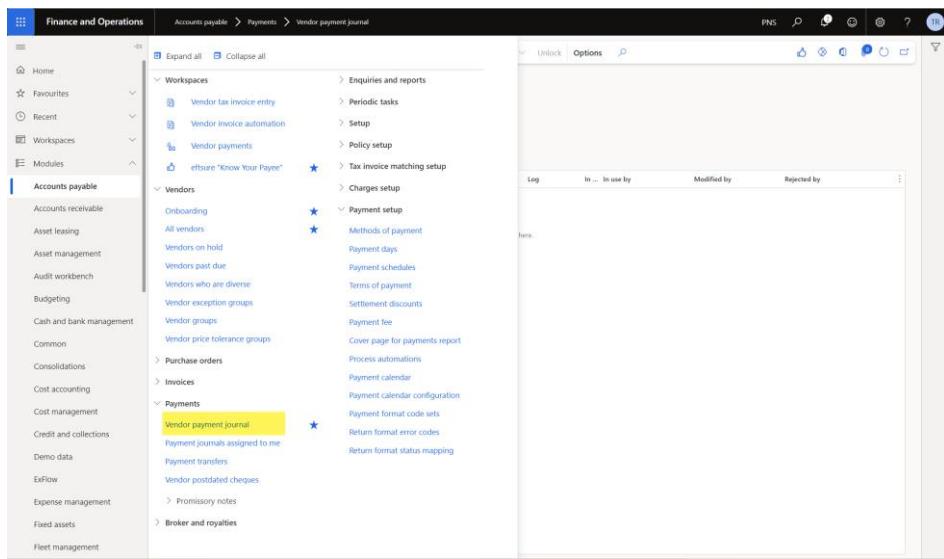
1. Introduction

This Whitepaper will walk you through **Vendor payment** process from single invoice payment to payment proposal with additional check and validation to increase payment security as well as productivity provided by integrating **eftsure** into **Dynamics 365 F&O**.

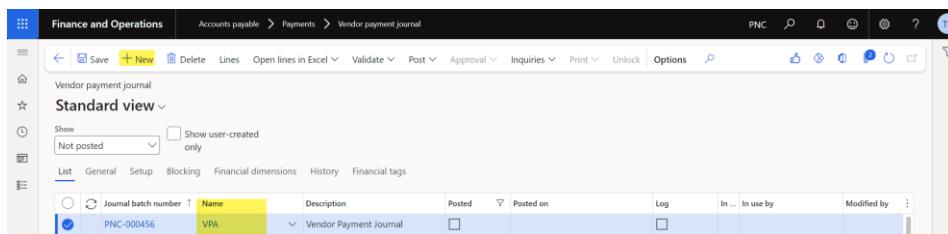
With this extra validation, **eftsure** will provide real time validation during your payment process, before generating your ABA file and before approving it in the bank portal. Our improved processes will provide full confidence against manual alterations and ensuring you pay the right payee and the right account.

2. Vendor payment journal

Go to **Accounts payable > Payments > Vendor payment journal**



Click New, select Journal Name type.



If user want to turn on ABN and GST validation for vendor payment, Journal name type will also need to be configured with **eftsure Parameter > Vendor groups > GST Validation**

As well as via **General Ledger > Journal setup > Journal names** or direct hyperlink from journal type.

Finance and Operations

General ledger > Journal setup > Journal names

Standard view ▾

Journal names

Name	Description
EXP	Expenses Journal
GLE	General Ledger Journal
ICO	Intercompany Journal
VIN	Vendor Invoice Journal
VPA	Vendor Payment Journal

General

Journal type	Number allocation at posting
Vendor disbursement	<input type="radio"/> No
Document	CURRENCY
	<input type="radio"/> Fixed rate
	<input checked="" type="radio"/> No
	Currency
	<input type="radio"/> Yes

APPROVAL

Active	<input type="radio"/> No
Approve	<input type="radio"/> No

APPROVAL WORKFLOW

Approval workflow	<input type="radio"/> No
Workflow	<input type="radio"/> No

BLOCKING

Private for user group	<input type="radio"/> Yes
------------------------	---------------------------

VOUCHER NUMBER

Voucher series	OFFSET ACCOUNT PROPOSAL
VPA	Fixed offset account
In voucher	<input type="radio"/> No
In connection with balance	Account type
	<input type="radio"/> Ledger
	Offset account

POSTING

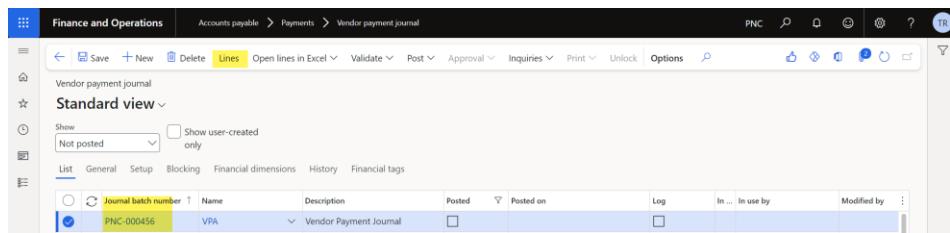
Posting layer	GST
Current	Amounts include GST
Detail level	<input type="radio"/> Yes
Details	<input type="radio"/> No
Fees posting	Delayed tax calculation
Keep fees in journal	<input type="radio"/> No
Lines limit	Hide GST fields in journal entry forms
0	<input type="radio"/> No
	eftsure Gov Id/GST validation
	<input checked="" type="radio"/> Yes
	Matching vendor group(s): ZFA, CRR, DEF, EMP, SER

BANK

Summarise amounts in bank account	<input type="radio"/> No
Summarisation criteria	<input type="radio"/> Do not summarise

Financial dimensions

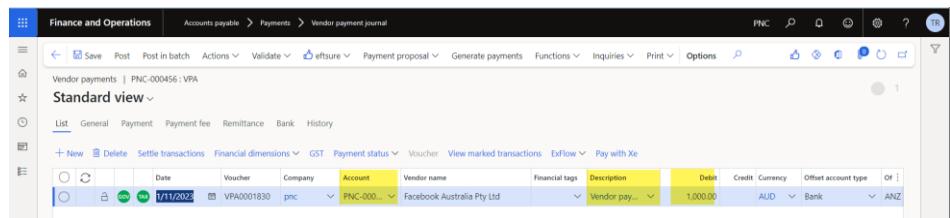
Select Lines or click on Journal batch number.



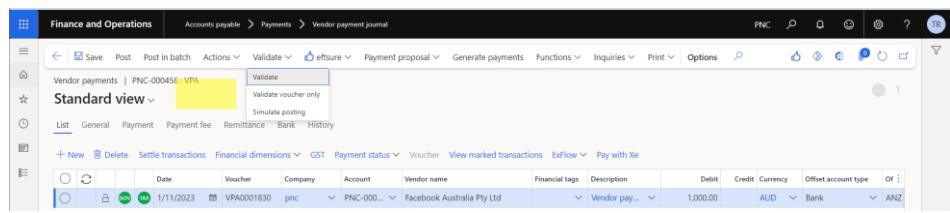
In the next section we will list out 3 standard payment method basing on business requirements.

Payment without invoice

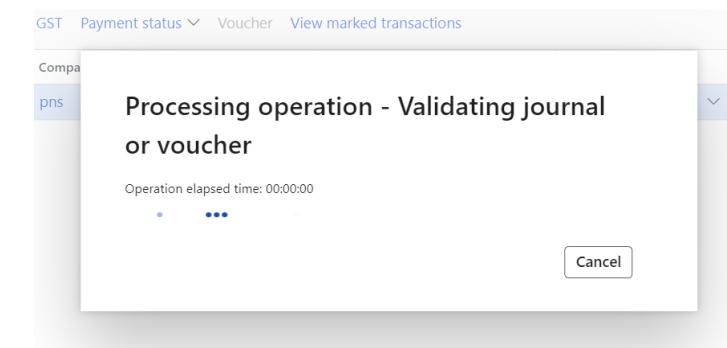
Update Description and enter payment amount.



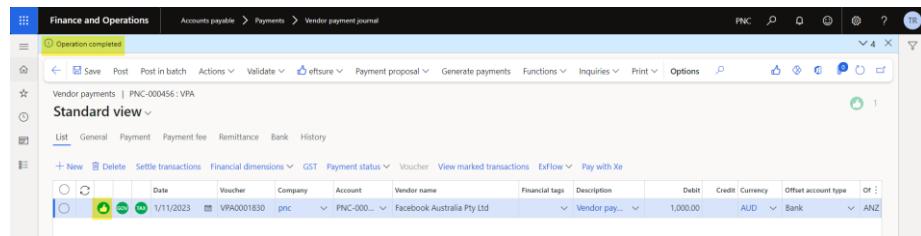
Click Validate



Below message will pop up.

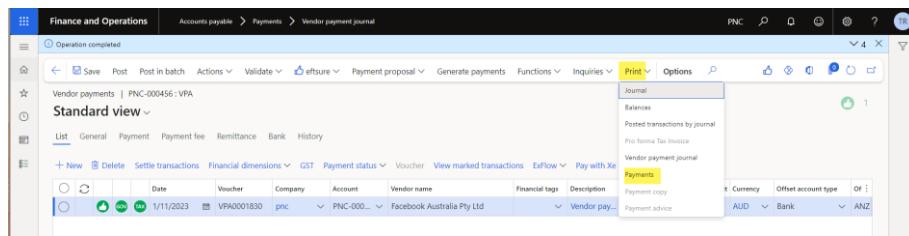


Once validated, journal line is ready for next step **Generate payments**.

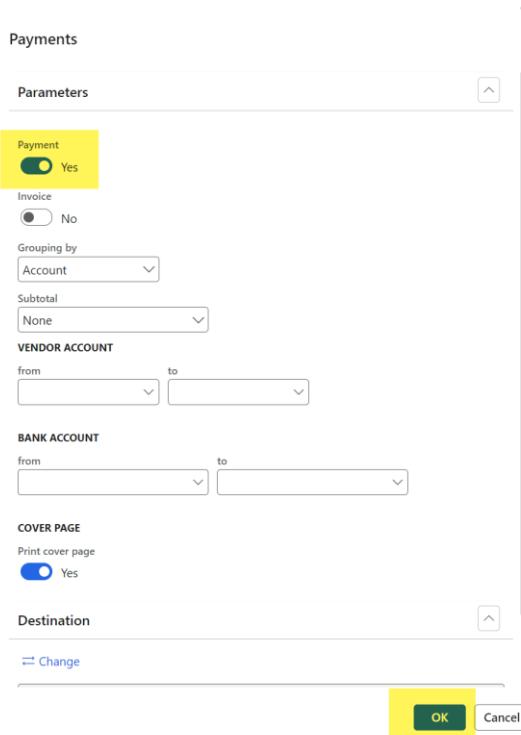


User can extract payment report for review or pre-approval.

Print > Payments



If the payment is without invoice, user will only need to select Payment option.

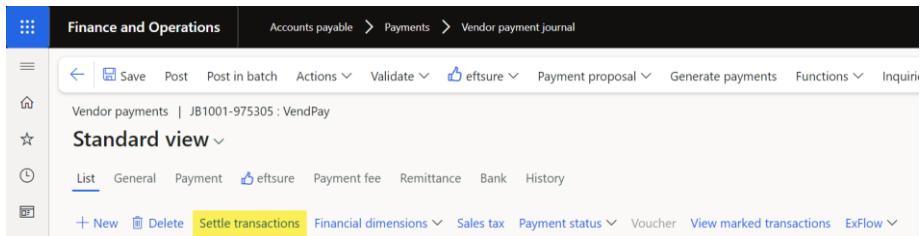


Payment report can be reviewed and approved.

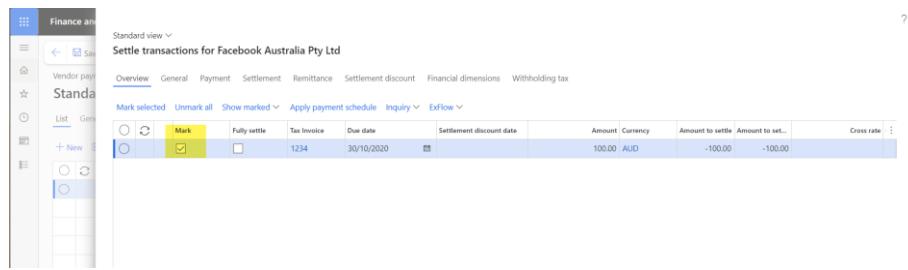
Payments											Page 2 of 2 1/11/2023 11:20 AM	
Journal number	Name	Description	Reported as ready by	Approved by	Rejected by	Posted	Posted on	Log				
PNC-00056		Vendor Payment Journal				No						
Group	Subtotal											
PNC-00051	Facebook Australia Pty Ltd											
Account number	Company name	Name	Due date/payment	Voucher	Tax invoice	Method of payment	Currency	Amount in transaction currency	Settlement discount amount	Amount	Payment amount	Third-party bank account
PNC-00051	pnc	Facebook Australia Pty Ltd	1/11/2023	VPA0001830		EFT	AUD	-1,000.00	0.00	0.00	-1,000.00	ANZ OFF
Total								0.00	0.00	0.00	0.00	
Grand total								0.00	0.00	0.00	0.00	

Once all has been reviewed and approved, [Generate payment](#)

Payment via Settle transactions

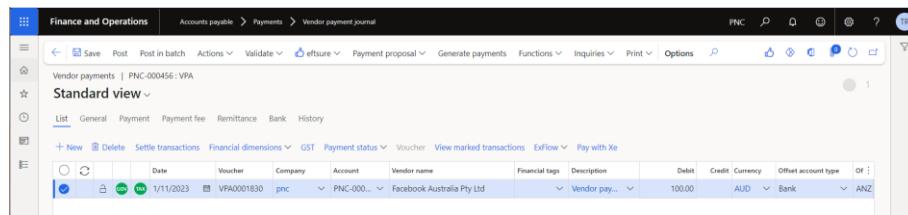


Select correct invoice for payment and Mark selected button then click OK.

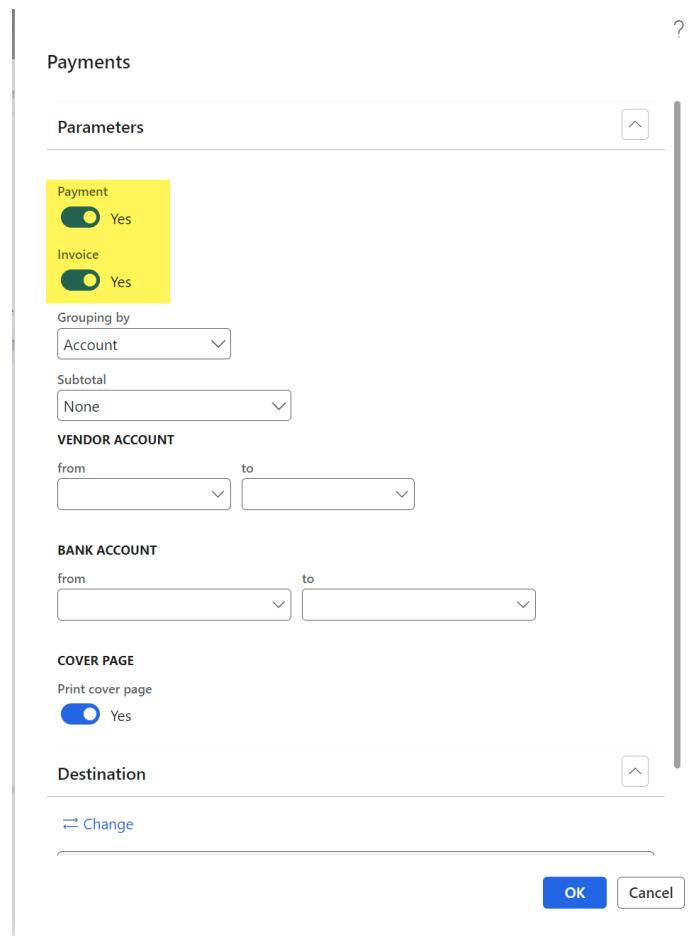


Vendor journal will be total for all invoices.

Once all validated and reviewed [Generate payments](#).



Print payment report with both Payment and Invoice option



Payment with Payment proposal

This option is used to generate multiple payments for multiple vendors by selected criteria.

The screenshot shows the Microsoft Dynamics 365 interface. At the top, the title bar reads 'Finance and Operations' with a back arrow, 'Accounts payable > Payments > Vendor payment journal'. Below the title bar is a navigation bar with icons for 'Save', 'Post', 'Post in batch', 'Actions', 'Validate', 'eftsure', and 'Payment proposal'. The 'Payment proposal' button is highlighted with a yellow box. To the right of the navigation bar are buttons for 'Generate payment' and 'Create payment proposal'. The main content area shows 'Vendor payments | JB1001-975311 : VendPay' and a 'Standard view' dropdown. A context menu is open over the 'Create payment proposal' button, with an option 'Edit invoices for selected payment'.

User can generate payment by Due date or Amount limit.

Finance and Operations Accounts payable > Payments > Vendor payment journal

Vendor payments | PNC-000456 - VPA

Standard view ~

List General Payment Payment fee Remittance Bank History

+ New Delete Settle transactions Financial dimensions GST Payment status Voucher View marked transactions Export

Date	Voucher	Company	Account	Vendor name	Financial tags
1/11/2023	VPA0001830	pnc	PNC-000301	Facebook Australia Pty Ltd	

Vendor payment proposal

Parameters

TAX INVOICE SELECTION CRITERIA

Select invoices by Due date From date To date

Minimum payment date 1/11/2023 00:00

Amount limit Create payments without tax invoice p... No

Records to include

Filter

VENDORS

Vendor account

OPEN VENDOR TRANSACTIONS

Reference

VENDOR TRANSACTIONS

Method of payment

Currency

LOCATIONS

Location ID

Advanced parameters

PAYMENT DEFAULTS

Payment currency

Payment weekday

Offset account type

Offset account

Summarised payment date

Check vendor balance No

Delete negative payments No

Print report only No

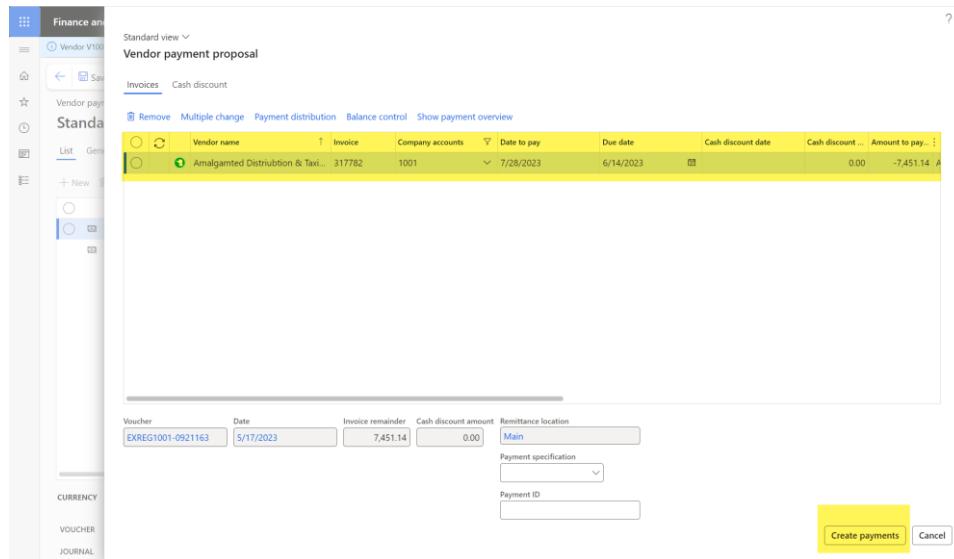
CENTRALISED PAYMENTS

Include vendor invoices from other le... No

Propose separate vendor payment per... No

User to review and select invoice which need to be settled.

Either Remove or Create payments.

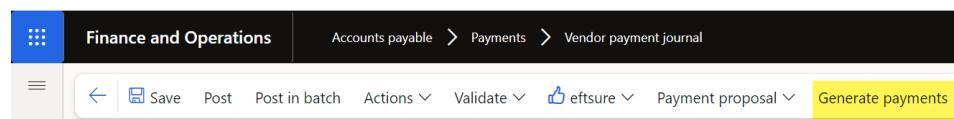


More details can be viewed in below article.

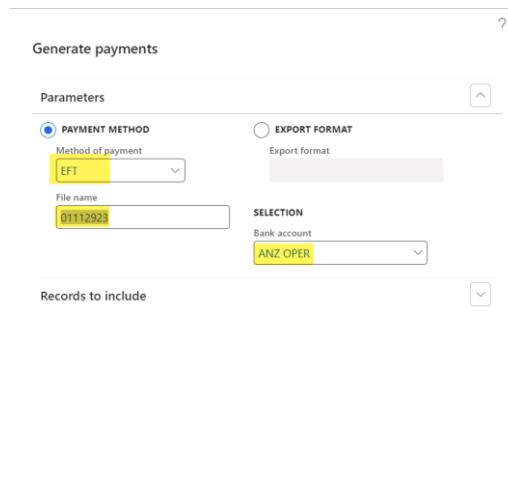
<https://d365tracks.wordpress.com/2021/04/13/vendor-payment-automation-in-dynamics-365-fo/>

3. Generate payment

Generate payments once all steps are completed and bank account has been verified with  icon.



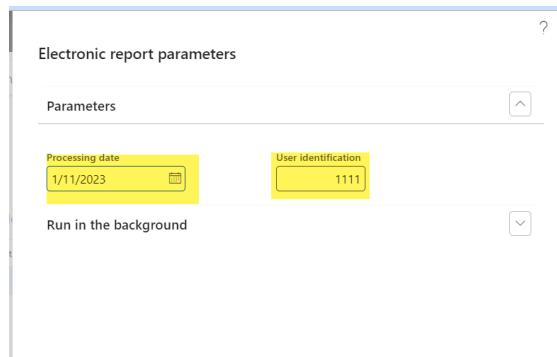
In the Method of payment field, enter bank account or select a value accordingly.



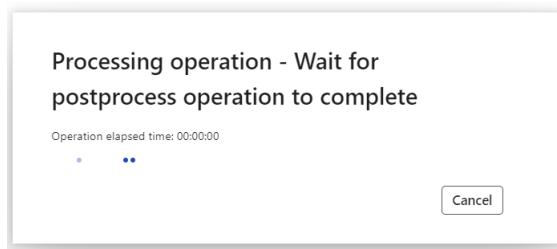
In the File name field, type a value. Suggest to use payment date or business naming convention.

In the Processing date field, enter a date.

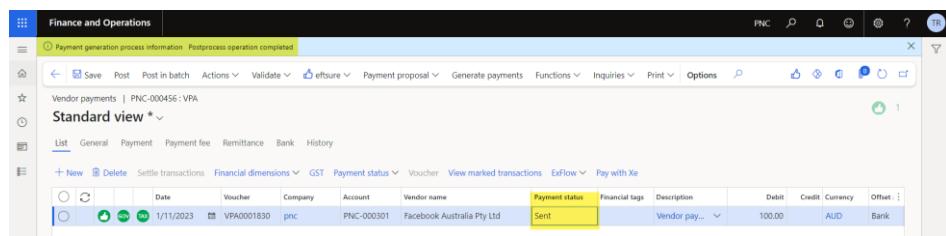
In the User identification field, enter a number.



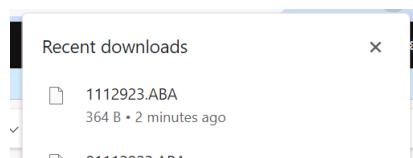
ABA file will be generated.



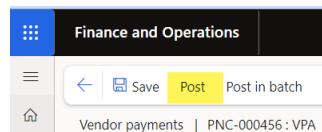
Once payment is generated, Payment status will be automatically changed from None to Sent.



Payment file will be generated.



Once AP clerk has uploaded payment file to bank portal with green light and no error. Payment journal will need to be posted in D365.



Processing operation - Validating and posting journal

Operation elapsed time: 00:00:00

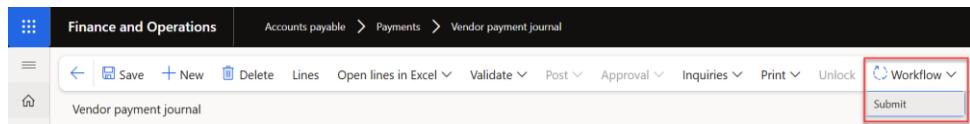
• •

Cancel

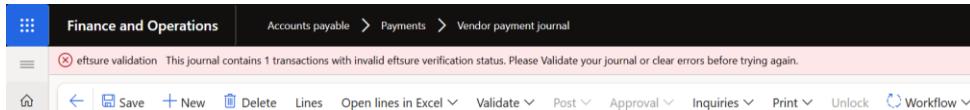
4. Payment workflow

If the customer has enabled the vendor payment workflow, the following steps must be followed:

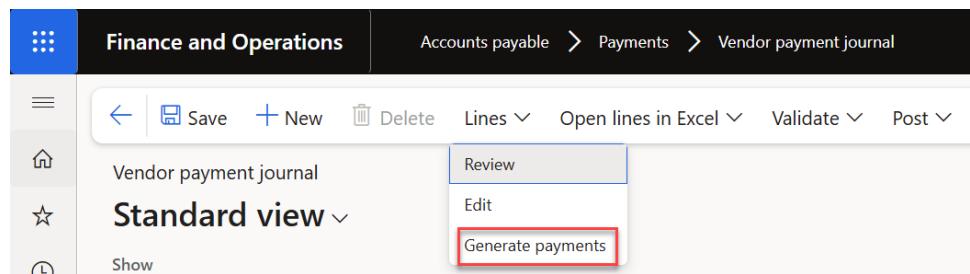
Once all vendor payment journal lines are validated (marked in green or meeting the excluded requirements), the user needs to submit the workflow.



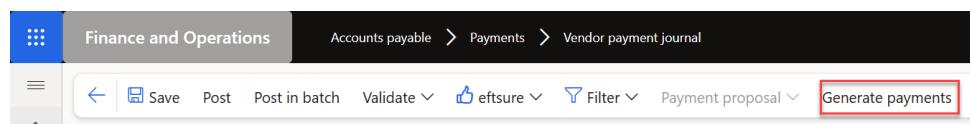
Note: If any vendor payment journal line is marked red or orange, the user will not be able to submit the workflow as it will result in below eftsure validation error.



Once payment journal is approved, user can Generate the payments from vendor payment journal screen.



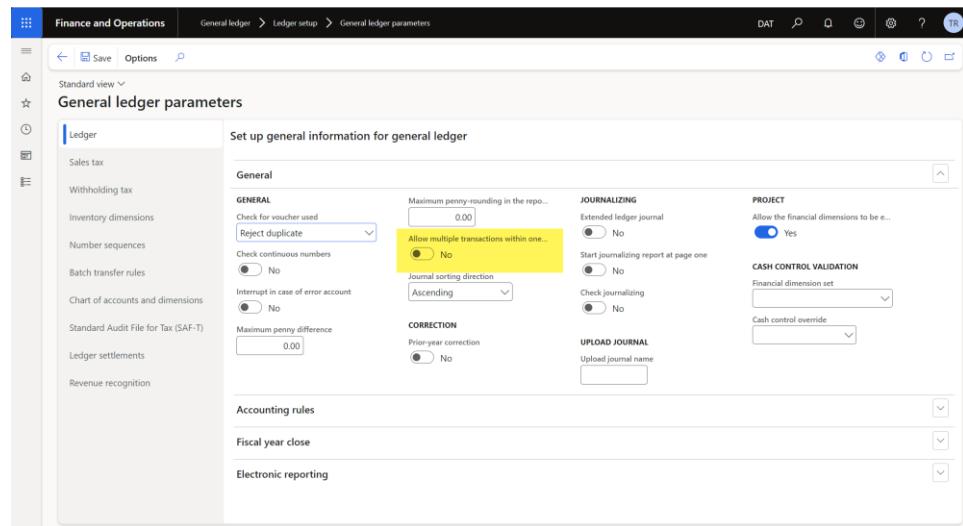
Generate ABA file from Journal screen



Appendix

General ledger parameter

We recommend to not have one voucher for multiple journal line so keep below option as off.



Below is also the note recommended by Microsoft, if user wish to have more detail.

Allow multiple transactions within one voucher
Select this option to allow multiple vendor, customer, fixed asset, bank or project transactions to be entered within a single voucher. We do not recommend using this option because of the accounting impact to various processes and reporting. For more information, see <https://go.microsoft.com/fwlink/?linkid=869389>.

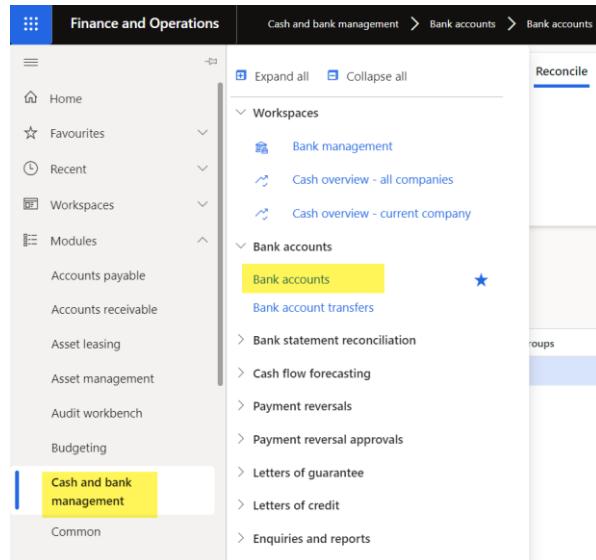
Allow multiple transactions within one...

No

More information can be viewed in below link.

<https://learn.microsoft.com/en-us/dynamics365/finance/general-ledger/one-voucher>

Create Bank account



Complete required information.

Method of payment

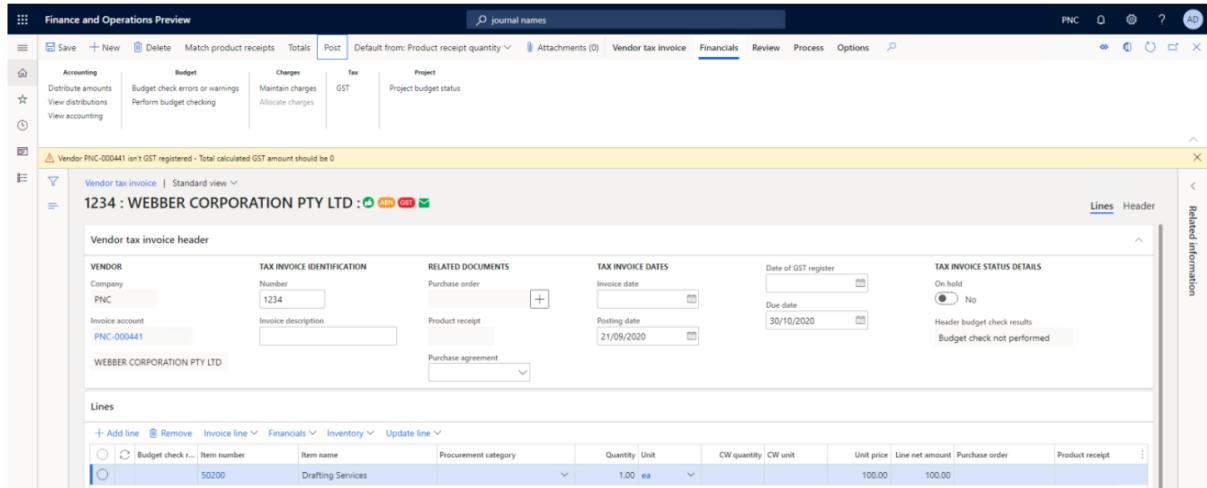
Set up payment method and link to specific payment bank account as well as activate eftsure verification according to business requirements.

Note: Business can setup different Payment method using same payment accounts with and without eftsure verification setup which will be clarified in the next section Tips and tricks.

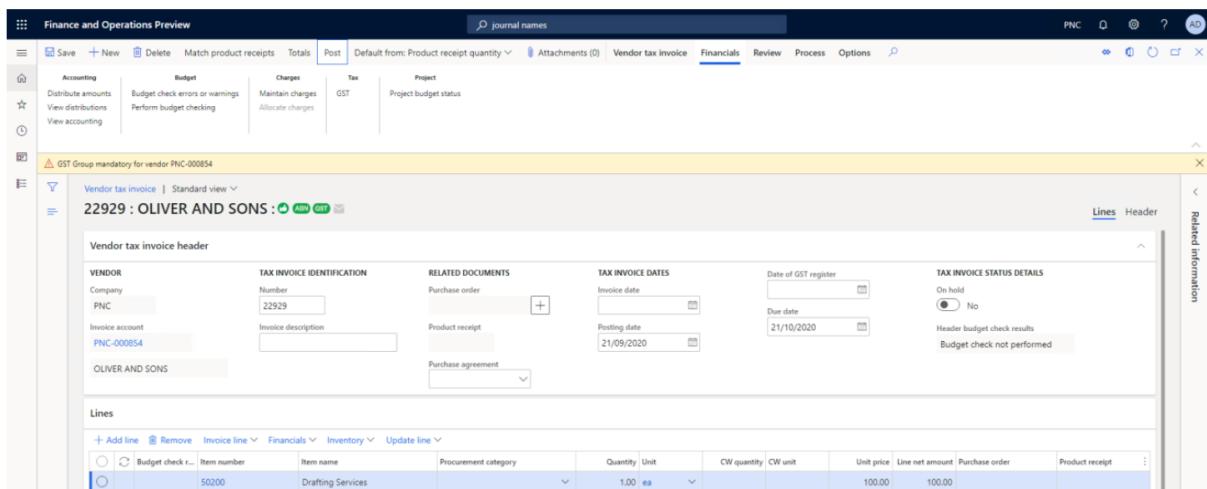
Vendor payment common errors

Vendor invoice GST error

When posting a vendor invoice with GST for a vendor that is not registered for GST, matching a vendor group configured to validate GST, the following message will prevent the invoice posting:



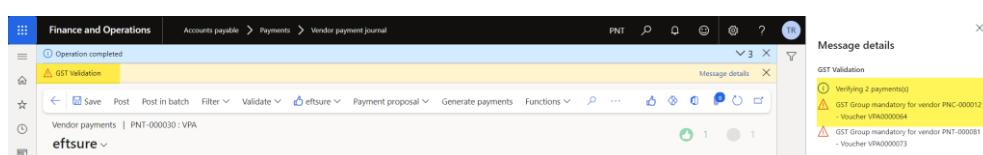
When posting a vendor invoice without GST Group for a vendor matching a vendor group configured to validate GST, the following message will prevent the invoice posting:



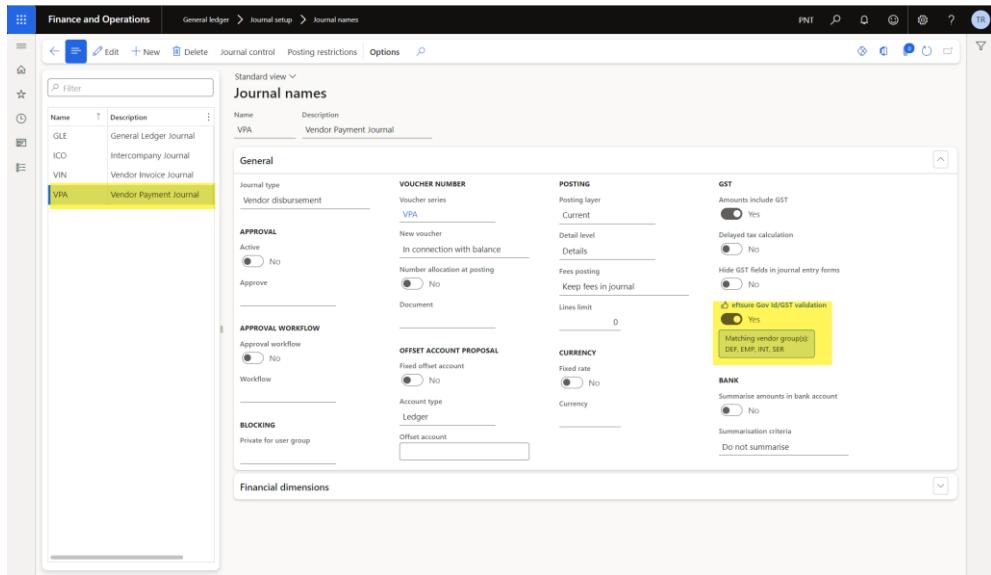
Journal with GST error

When posting a journal with a voucher configured for GST for a vendor that is not registered for GST, matching a vendor group configured to validate GST, the following message will prevent the journal posting.

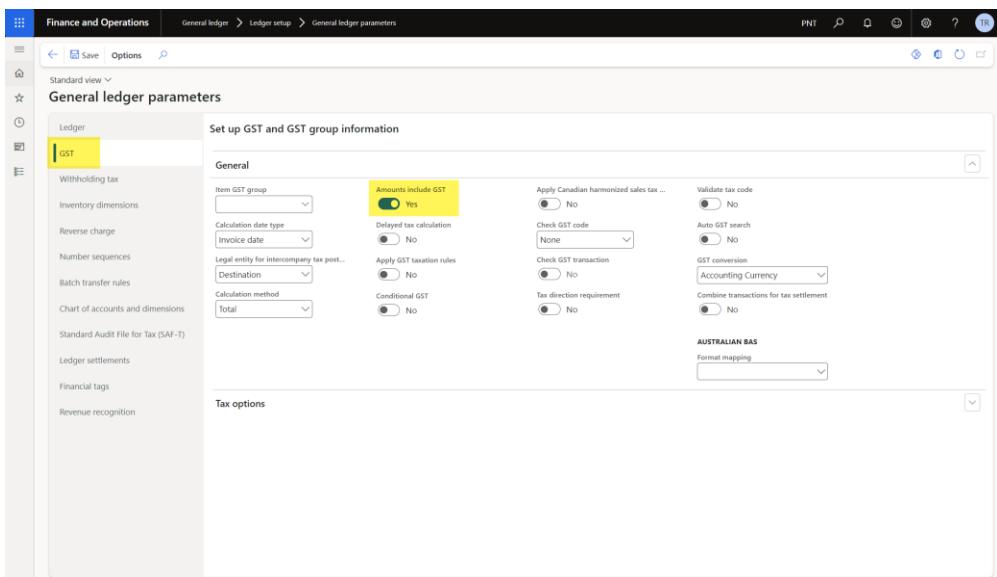
When posting a journal with a line without GST Group for a vendor matching a vendor group configured to validate GST, the message will prevent the invoice posting.



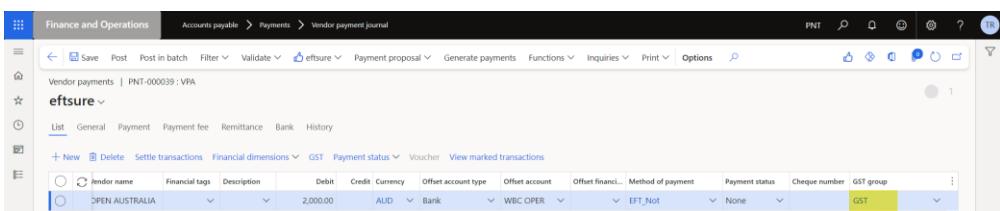
To disable GST vendor payment journal validation, it can be completed via below menu.



Or if user prefer to have GST group to be set as default for journal gross amount, GL parameter GST will need to be setup.

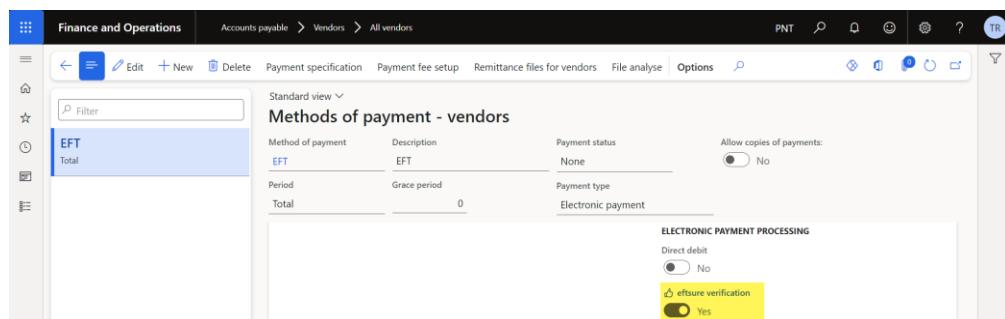
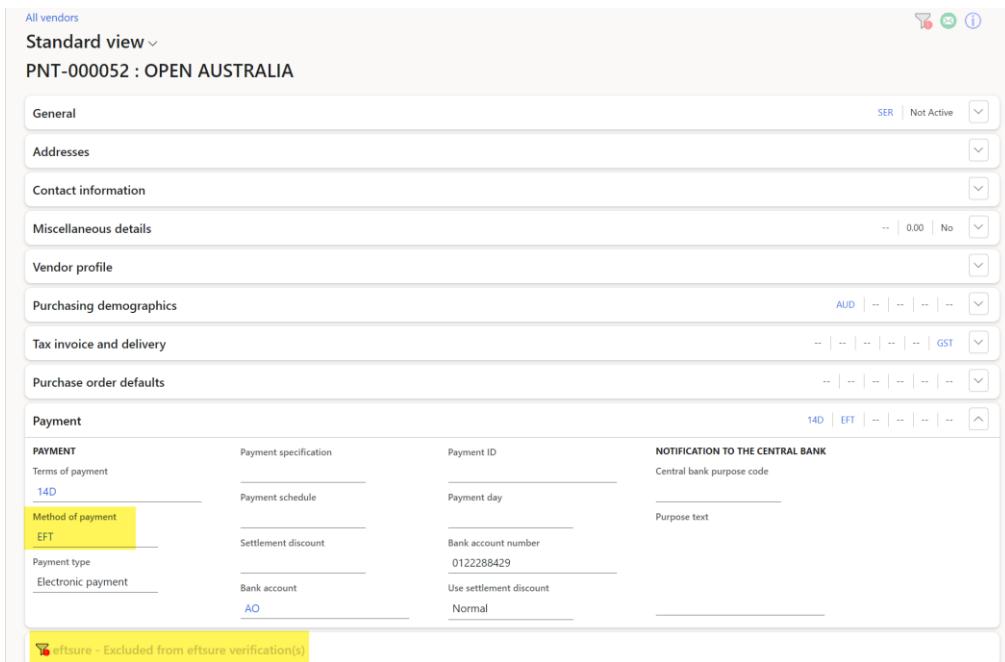


GST group will be auto populated.

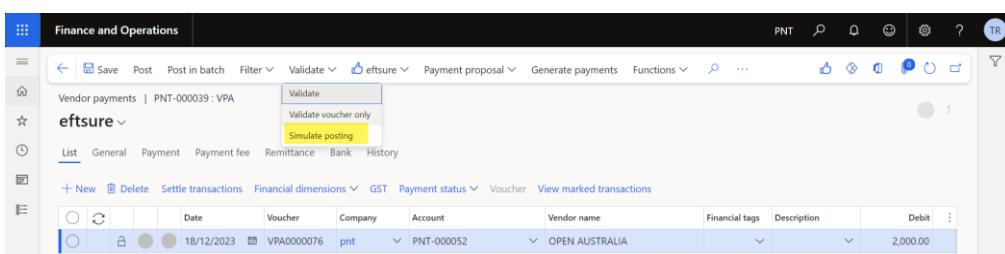


Journal with excluded vendor error

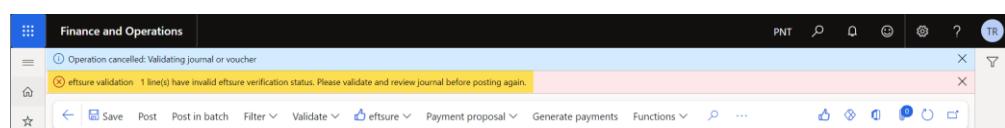
Simulate posting for excluded vendors with **eftsure** enabled method of payment will generate an error.



Performing Simulate posting will have an error.



eftsure validation1 line(s) have invalid eftsure verification status. Please validate and review journal before posting again.



Recommendation: for all excluded vendor, business should have a separate method of payment with disabled eftsure.

EFT_Not method of payment can be created with same details.

Note: More details on how to enable and disable eftsure for method of payment will be in Technical configuration document.

For journal line with error, change method of payment will also change journal line icon.

After changing method of payment, Simulate posting will be successful.

Payment with account not verified yet

If some of payment lines with vendor's account have not been verified.

Below are some steps you can follow before generating payment. For more technical solutions, please refer to White paper **Cloud outage(s)** which can be found under Help section.

Verify bank account

User can select verification menu from eftsure menu within Vendor payment journal menu path.

Finance and Operations

Vendor payments | PNC-000456 : VPA

Standard view * ▾

List General Payment Payment fee Remittance Bank

+ New Delete Settle transactions Financial dimensions ▾

			Date	Voucher	Com
<input type="checkbox"/>	<input type="checkbox"/>		1/11/2023	VPA0001830	pnc
<input checked="" type="checkbox"/>	<input type="checkbox"/>		1/11/2023	VPA0001832	pnc

eftsure ▾ Payment proposal ▾

LOCAL ONLY

- Onboarding - Registered
- Exclude - EFT requires eftsure

AVAILABLE IN EFTSURE

- Request details
- Verification
- High priority verification - No verification

ACTIONS

- Payment limit - Unlimited
- Self-certification
- Expire

Once verification process (please refer to eftsure inside D365 FO User guide) has been completed, user can refresh the line and continue with normal vendor payment process.

Self-certification

Finance and Operations

Vendor payments | PNC-000456 : VPA

Standard view * ▾

List General Payment Payment fee Remittance Bank

+ New Delete Settle transactions Financial dimensions ▾

			Date	Voucher	Com
<input type="checkbox"/>	<input type="checkbox"/>		1/11/2023	VPA0001830	pnc
<input checked="" type="checkbox"/>	<input type="checkbox"/>		1/11/2023	VPA0001832	pnc

eftsure ▾ Payment proposal ▾

LOCAL ONLY

- Onboarding - Registered
- Exclude - EFT requires eftsure

AVAILABLE IN EFTSURE

- Request details
- Verification
- High priority verification - No verification

ACTIONS

- Payment limit - Unlimited
- Self-certification
- Expire

For more information on self-certify, please refer to User guide.

Standard view ▾

Self certification

This process self-certifies the selected vendor bank account(s).

Vendor account	Name	ABN	Method of payment	Group
PNC-000522	Coles Liquor	82 007 512 414	EFT	SER

Self-certify

Yes

Select bank account(s) to self-certify

Self-certification requested by	Bank account	Name	Currency
<input type="checkbox"/>	Default	Default from vendor registration	AUD
<input checked="" type="checkbox"/>			

Once Vendor bank account is self-certified, re-validate. Payment line will be Green.

Remove un-verified line(s)

Delete journal line with vendor's bank account not yet verified for future payment once it has been verified.

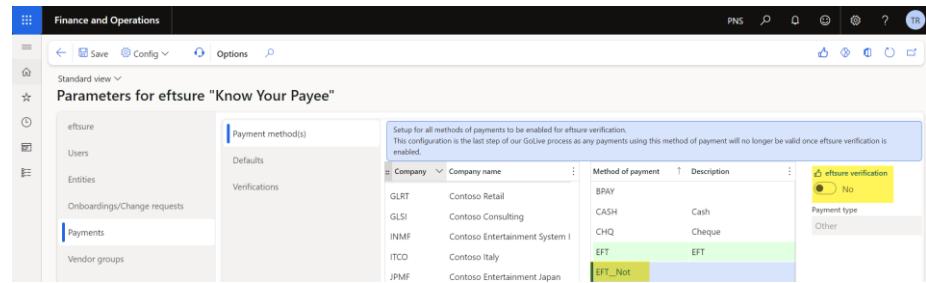
Change payment method

User can also change payment method for not yet verified line to proceed with vendor payment journal.

From eftsure verification Method of payment to a non eftsure verification.

As per this example, EFT has eftsure verification switched on.

And EFT_Not does not have eftsure verification switched on.



Once Method of payment has been changed, Journal can be re-validated. Not yet verified icon will be replaced and line is ready for payment.

