



White Paper

AP Vendor Payment

Eftsure inside D365 F&O



eftsure

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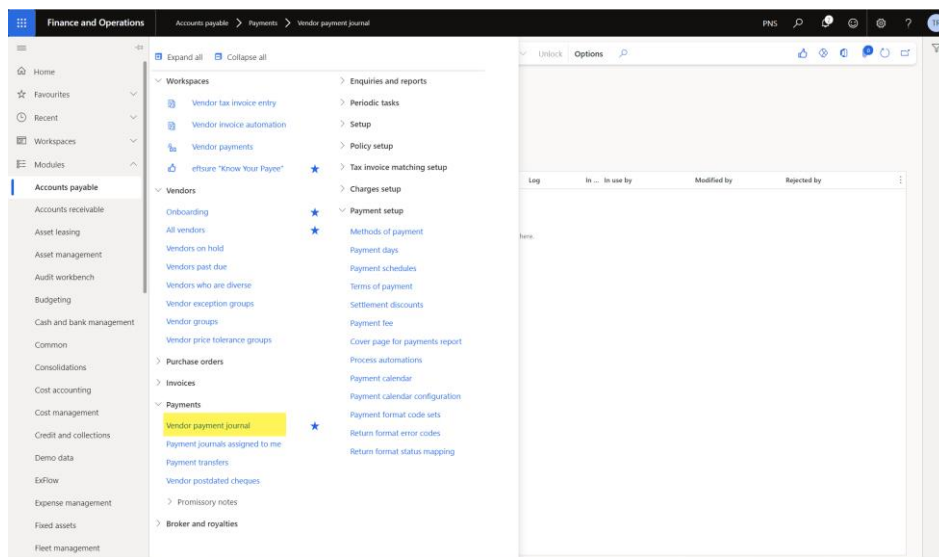
1. Introduction

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**.

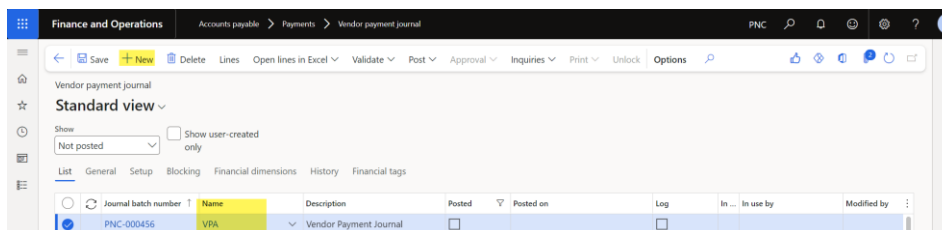
With this extra validation, **eftsure** will provide real time validation during your payment process, before generating your ABA file and before approving it in the bank portal. Our improved processes will provide full confidence against manual alterations and ensuring you pay the right payee and the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

2. Vendor payment journal

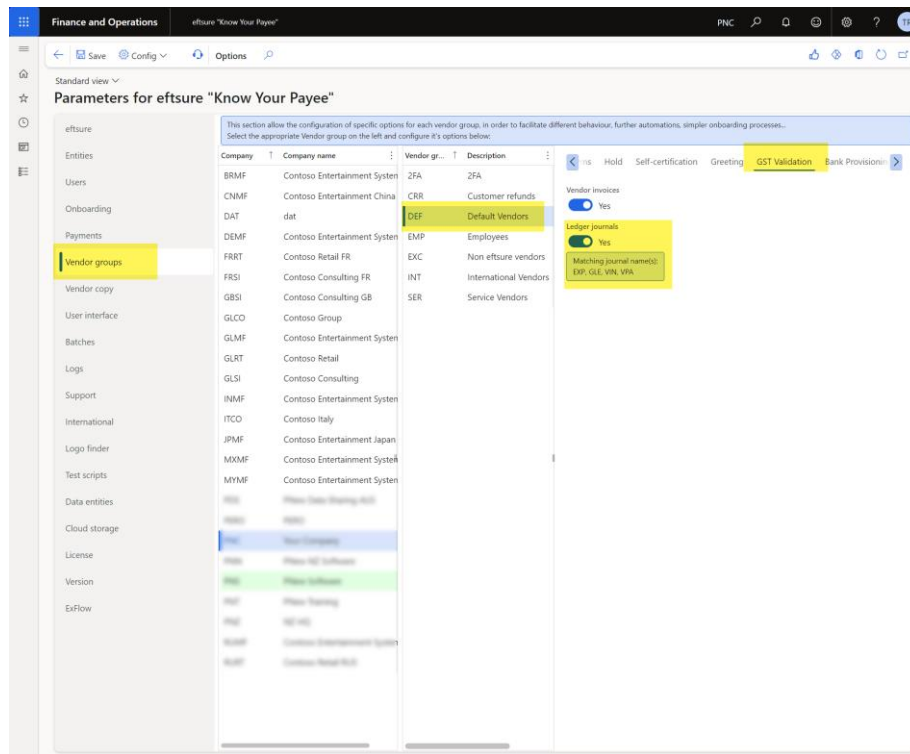
Go to **Accounts payable > Payments > Vendor payment journal**



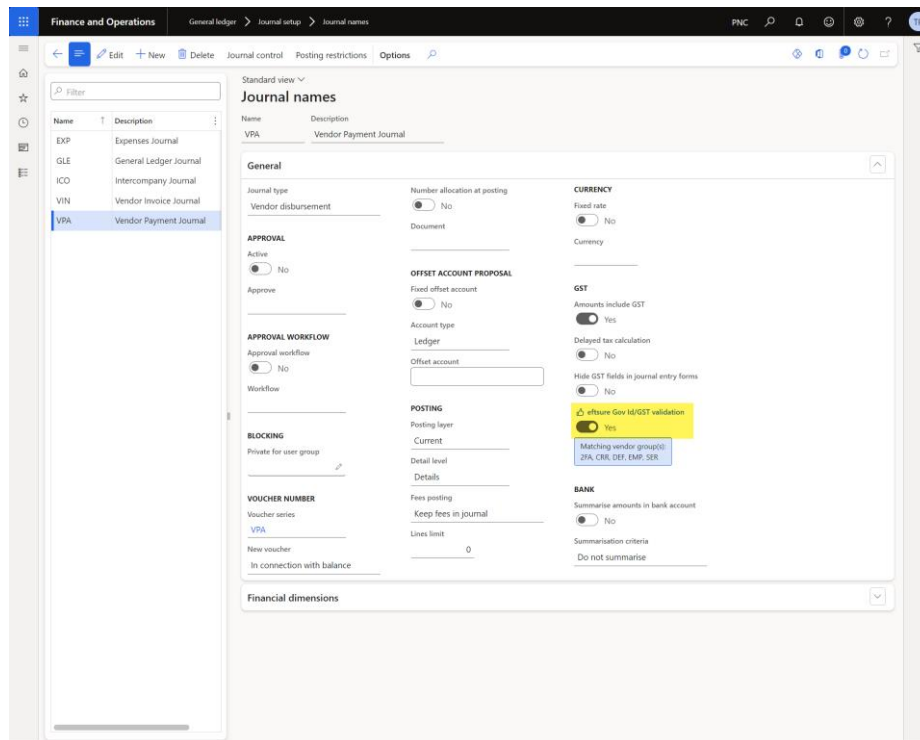
Click New, select Journal Name type.



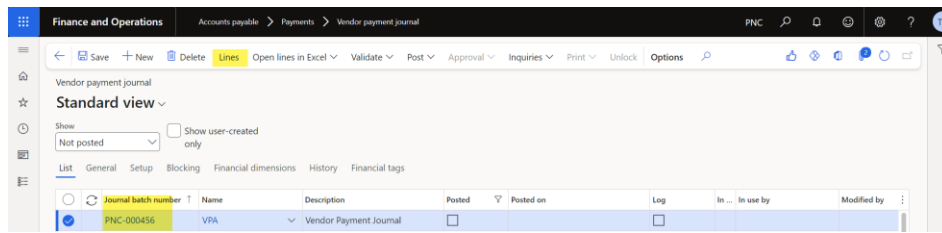
If user want to turn on ABN and GST validation for vendor payment, Journal name type will also need to be configured with eftsure **Parameter > Vendor groups > GST Validation**



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



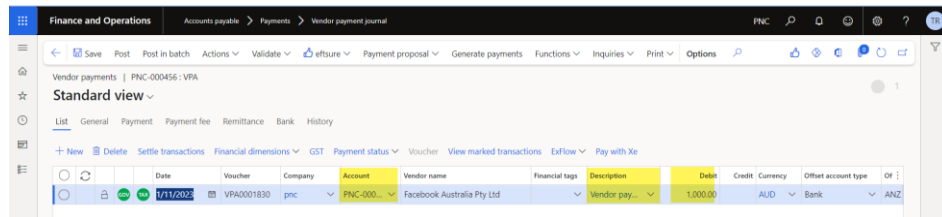
Select Lines or click on Journal batch number.



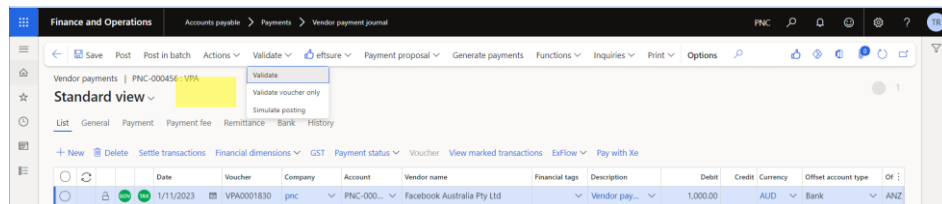
In the next section we will list out 3 standard payment method basing on business requirements.

Payment without invoice

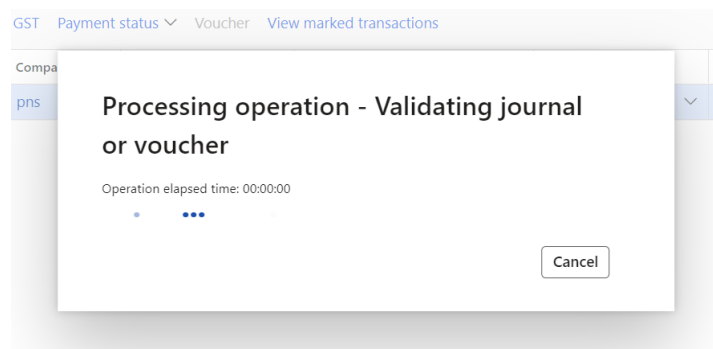
Update Description and enter payment amount.



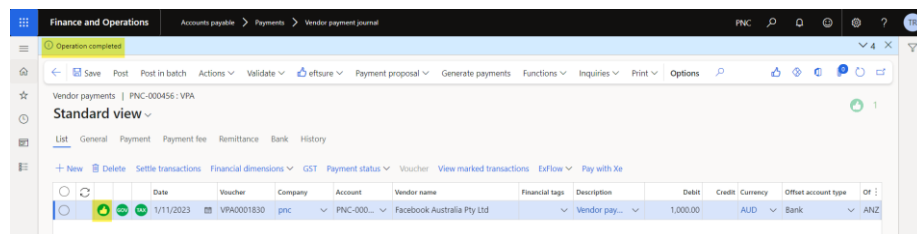
Click Validate



Below message will pop up.

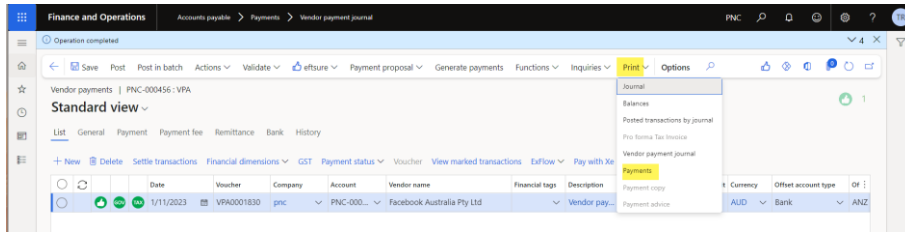


Once validated, journal line is ready for next step **Generate payments**.



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.

Payments

Parameters

Payment ☒ Yes

Invoice ☐ No

Grouping by
 Account

Subtotal
 None

VENDOR ACCOUNT

from
 to

BANK ACCOUNT

from
 to

COVER PAGE

Print cover page
 ☒ Yes

Destination

[Change](#)

OK

Cancel

Payment report can be reviewed and approved.

Payments

Your Company

Journal number

PNC-000456

Name

VFA

Description

Vendor Payment Journal

Reported as ready by

Approved by

Rejected by

Posted

No

Posted on

Log

Group

Name

Subtotal

PNC-000301

Facebook Australia Pty Ltd

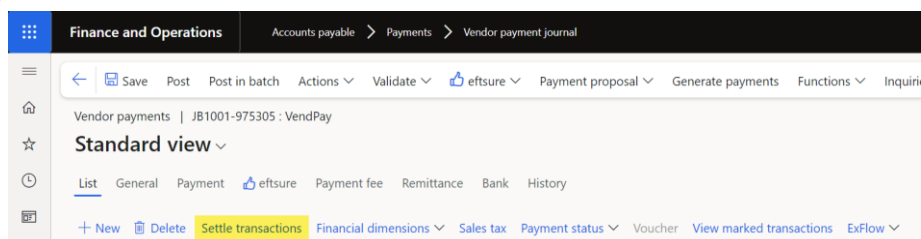
Account number	Company account	Name	Due date	Payment date	Voucher	Tax Invoice	Method of payment	Currency	Amount in transaction	Settlement discount amount	Amount	Payment amount	Third party bank account	Bank account	Payment ID
PNC-000301	gmc	Facebook Australia Pty Ltd	1/11/2023		VFA0001830		eft	AUD	-1,000.00	0.00	0.00		Facebook	ANZ CDFR	
Total										0.00	0.00	-1,000.00			
Grand total										0.00	0.00	-1,000.00			

Page 2 of 2

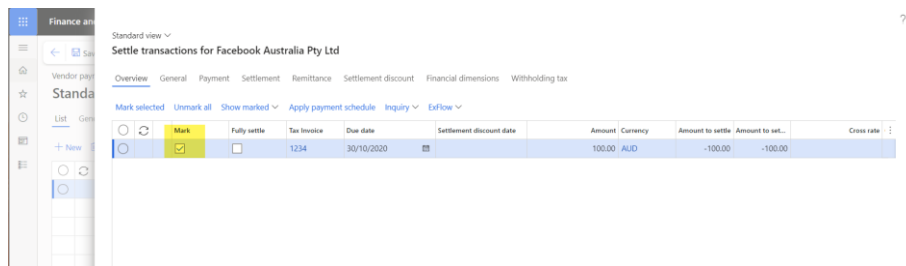
1/11/2023 11:23 AM

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

Payment via Settle transactions

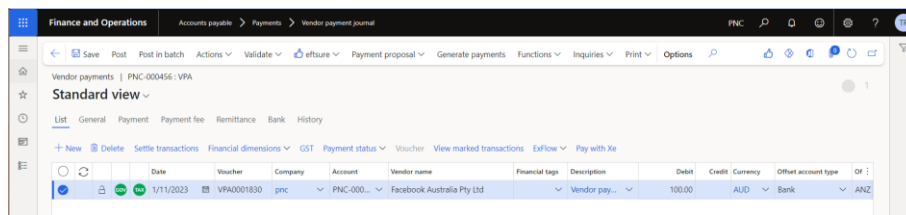


Select correct invoice for payment and Mark selected button then click OK.



Vendor journal will be total for all invoices.

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



Print payment report with both Payment and Invoice option

?

Payments

Parameters

Payment

Yes

Invoice

Yes

Grouping by

Account

Subtotal

None

VENDOR ACCOUNT

from

to

BANK ACCOUNT

from

to

COVER PAGE

Print cover page

Yes

Destination

⇌ Change

OK

Cancel

Payment with Payment proposal

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

Standard view ▾

Vendor payment proposal

Invoices Cash discount

Remove Multiple change Payment distribution Balance control Show payment overview

Vendor name	Invoice	Company accounts	Date to pay	Due date	Cash discount date	Cash discount ...	Amount to pay...
Amalgamated Distribution & Tax...	317782	1001	7/28/2023	6/14/2023		0.00	-7,451.14

Voucher: EXREG1001-0921163 Date: 5/17/2023 Invoice remainder: 7,451.14 Cash discount amount: 0.00 Remittance location: Main


Payment specification: Payment ID:

Create payments Cancel

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.

Finance and Operations Accounts payable > Payments > Vendor payment journal

Save Post Post in batch Actions ▾ Validate ▾ eftsure ▾ Payment proposal ▾ Generate payments

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

Generate payments

Parameters

☒ PAYMENT METHOD ☐ EXPORT FORMAT

Method of payment: EFT

File name: 01112923

SELECTION: Bank account: ANZ OPER

Records to include:

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.

Electronic report parameters

Parameters

Processing date: 1/11/2023

User identification: 1111

Run in the background

ABA file will be generated.

Processing operation - Wait for postprocess operation to complete

Operation elapsed time: 00:00:00

Cancel

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

Finance and Operations

Payment generation process information Postprocess operation completed

Vendor payments | PNC-000456 : VPA

Standard view

Date	Voucher	Company	Account	Vendor name	Payment status	Financial tags	Description	Debit	Credit	Currency	Offset
1/11/2023	VPA0001830	pnc	PNC-000301	Facebook Australia Pty Ltd	Sent		Vendor pay...	100.00		AUD	Bank

Payment file will be generated.

Recent downloads

1112923.ABA
364 B • 2 minutes ago

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.

Finance and Operations

Save Post Post in batch

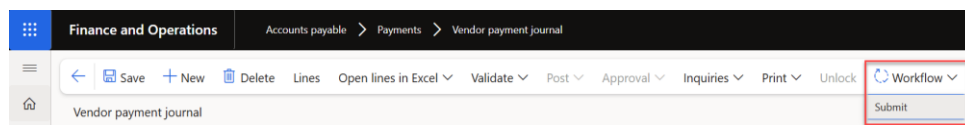
Vendor payments | PNC-000456 : VPA



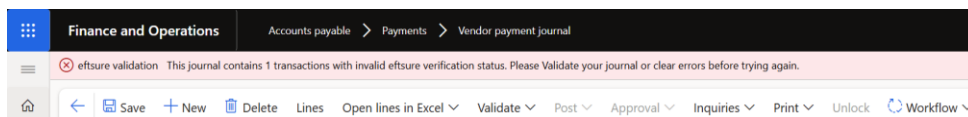
4. Payment workflow

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

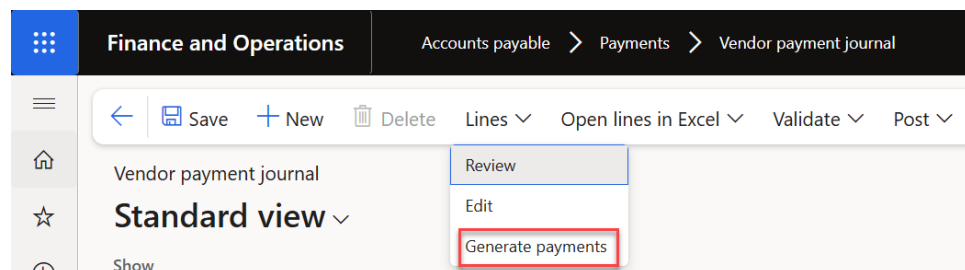
Once all vendor payment journal lines are validated (marked in green or meeting the excluded requirements), the user needs to submit the workflow.



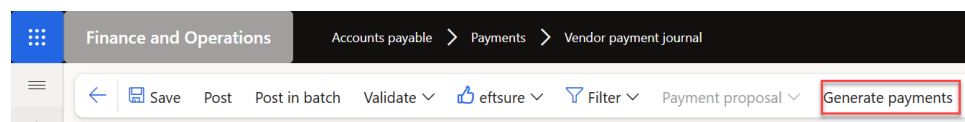
Note: If any vendor payment journal line is marked red or orange, the user will not be able to submit the workflow as it will result in below eftsure validation error.



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



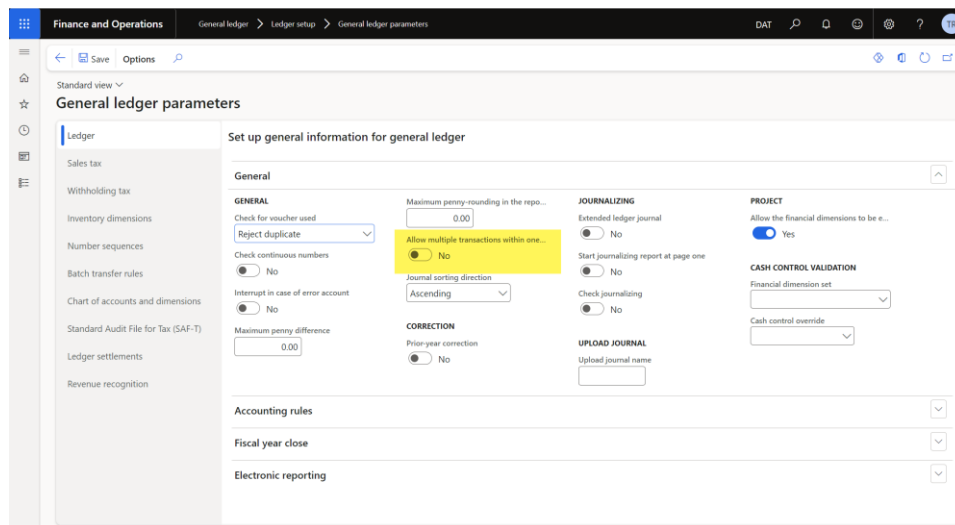
Generate ABA file from Journal screen



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>.

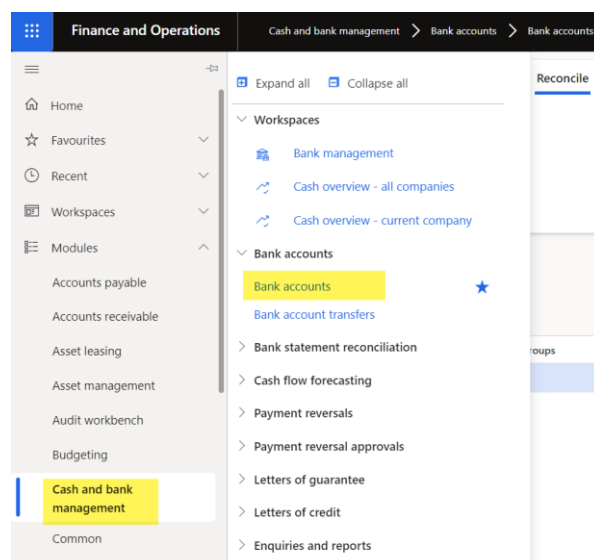
Allow multiple transactions within one...

☐ 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.

The screenshot shows the 'New Record' form in the 'Finance and Operations' system. The form is divided into several sections: 'General', 'INTERNAL INFORMATION', 'ACCOUNT ACTIVE STATUS', and 'POSITIVE PAY FORMAT'. The 'General' section includes fields for 'Bank account', 'Bank account number', and 'Bank account name'. The 'INTERNAL INFORMATION' section includes fields for 'Main account', 'Company statement name', 'Destination name', and 'Name'. The 'ACCOUNT ACTIVE STATUS' section includes fields for 'Active from', 'Active to', 'Bank account status', and 'Active for all transactions'. The 'POSITIVE PAY FORMAT' section includes fields for 'Format' and 'Positive pay start date'. The form is currently in 'Standard view'.

Method of payment

The screenshot shows the 'Methods of payment' setup screen in the 'Finance and Operations' system. The screen displays a list of payment methods, including 'BPAY', 'CASH', 'CHQ', 'EFT', 'EFT_Not', 'EFTInter', 'EFT-TEST', and 'TEST'. The 'EFT-TEST' method is highlighted. The screen also shows a list of payment methods and their associated settings, including 'Payment method', 'Period', 'Description', 'Grace period', 'Payment status', 'Payment type', and 'Allow copies of payments'.

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

The screenshot shows the 'Methods of payment - vendors' setup screen in the 'Finance and Operations' system. The screen displays the configuration for the 'EFT-TEST' payment method. The configuration includes fields for 'Method of payment', 'Period', 'Description', 'Grace period', 'Payment status', 'Payment type', and 'Allow copies of payments'. The 'General' section includes fields for 'File', 'Posting', 'Promissory note', and 'Local instrument'. The 'EFT-TEST' method is highlighted. The screen also shows a list of payment methods and their associated settings, including 'Payment method', 'Period', 'Description', 'Grace period', 'Payment status', 'Payment type', and 'Allow copies of payments'.

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:

Finance and Operations Preview

Journal names

PNC

Save + New Delete Match product receipts Totals Post Default from: Product receipt quantity Attachments (0) Vendor tax invoice Financials Review Process Options

Accounting Budget Charges Tax Project
Distribute amounts Budget check errors or warnings Maintain charges GST Project budget status
View distributions View accounting Allocate charges

Vendor PNC-000441 isn't GST registered - Total calculated GST amount should be 0

Vendor tax invoice | Standard view

1234 : WEBBER CORPORATION PTY LTD

Vendor tax invoice header

VENDOR: Company PNC, Invoice account PNC-000441, WEBBER CORPORATION PTY LTD

TAX INVOICE IDENTIFICATION: Number 1234, Invoice description

RELATED DOCUMENTS: Purchase order, Product receipt, Purchase agreement

TAX INVOICE DATES: Invoice date, Posting date 21/09/2020, Due date 30/10/2020

Date of GST register

TAX INVOICE STATUS DETAILS: On hold No, Header budget check results Budget check not performed

Lines

Budget check	Item number	Item name	Procurement category	Quantity	Unit	CW quantity	CW unit	Unit price	Line net amount	Purchase order	Product receipt
	50200	Drafting Services		1.00	ea			100.00	100.00		

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:

Finance and Operations Preview

Journal names

PNC

Save + New Delete Match product receipts Totals Post Default from: Product receipt quantity Attachments (0) Vendor tax invoice Financials Review Process Options

Accounting Budget Charges Tax Project
Distribute amounts Budget check errors or warnings Maintain charges GST Project budget status
View distributions View accounting Allocate charges

GST Group mandatory for vendor PNC-00054

Vendor tax invoice | Standard view

22929 : OLIVER AND SONS

Vendor tax invoice header

VENDOR: Company PNC, Invoice account PNC-00054, OLIVER AND SONS

TAX INVOICE IDENTIFICATION: Number 22929, Invoice description

RELATED DOCUMENTS: Purchase order, Product receipt, Purchase agreement

TAX INVOICE DATES: Invoice date, Posting date 21/09/2020, Due date 21/10/2020

Date of GST register

TAX INVOICE STATUS DETAILS: On hold No, Header budget check results Budget check not performed

Lines

Budget check	Item number	Item name	Procurement category	Quantity	Unit	CW quantity	CW unit	Unit price	Line net amount	Purchase order	Product receipt
	50200	Drafting Services		1.00	ea			100.00	100.00		

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.

Finance and Operations

Accounts payable > Payments > Vendor payment journal

PNT

Operation completed

Vendor payments | PNT-000030 : VPA

Message details

GST Validation

Verifying 2 payment(s)

GST Group mandatory for vendor PNC-000012 - Voucher VPA0000064

GST Group mandatory for vendor PNT-000081 - Voucher VPA0000073

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.

Vendor name	Financial tags	Description	Debit	Credit	Currency	Offset account type	Offset account	Offset financ...	Method of payment	Payment status	Cheque number	GST group
OPEN AUSTRALIA			2,000.00		AUD	Bank	WBC OPER		EFT_Net	None		GST

Journal with excluded vendor error

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

All vendors

Standard view ▾

PNT-000052 : OPEN AUSTRALIA

General SER Not Active ▾

Addresses ▾

Contact information ▾

Miscellaneous details -- 0.00 No ▾

Vendor profile ▾

Purchasing demographics AUD -- -- -- -- ▾

Tax invoice and delivery -- -- -- -- -- GST ▾

Purchase order defaults -- -- -- -- -- -- ▾

Payment 14D EFT -- -- -- -- ▾

PAYMENT	Payment specification	Payment ID	NOTIFICATION TO THE CENTRAL BANK
Terms of payment 14D	Payment schedule	Payment day	Central bank purpose code
Method of payment EFT	Settlement discount	Bank account number 0122288429	Purpose text
Payment type Electronic payment	Bank account AO	Use settlement discount Normal	

eftsurance - Excluded from eftsurance verification(s)

Finance and Operations Accounts payable > Vendors > All vendors PNT

Standard view ▾

Methods of payment - vendors

Method of payment	Description	Payment status	Allow copies of payments:
EFT	EFT	None	<input type="radio"/> No
Period	Grace period	Payment type	
Total	0	Electronic payment	

ELECTRONIC PAYMENT PROCESSING

Direct debit ☐ No

eftsurance verification ☒ Yes

Performing Simulate posting will have an error.

Finance and Operations PNT

Vendor payments | PNT-000039 : VPA

eftsurance ▾

Validate
Validate voucher only
Simulate posting

List General Payment Payment fee Remittance Bank History

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

Date	Voucher	Company	Account	Vendor name	Financial tags	Description	Debit
18/12/2023	VPA0000076	pnt	PNT-000052	OPEN AUSTRALIA			2,000.00

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

Finance and Operations PNT

Operation cancelled: Validating journal or voucher

eftsurance validation 1 line(s) have invalid eftsurance verification status. Please validate and review journal before posting again.

Save Post Post in batch Filter Validate eftsurance Payment proposal Generate payments Functions

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

Parameters for eftsure "Know Your Payee"

Setup for all methods of payments to be enabled for eftsure verification. This configuration is the last step of our GoLive process as any payments using this method will no longer be valid once eftsure verification is enabled.

Company	Company name	Method of payment	Description	eftsure verification
PNT	Phieu Training	BPAY	BPAY	No
		CASH	Cash	
		CHQ	Cheque	
		EFT	EFT	
		EFT_Not	EFT not eftsure	No

EFT_Not method of payment can be created with same details.

Methods of payment - vendors

Method of payment: EFT_Not, Period: Tax Invoice, Description: EFT not eftsure, Grace period: 0, Payment status: None, Payment type: Other.

Allow copies of payments: No

General

FILE: Last file No. 0, Today 0, Date: [empty]

POSTING: Account type: Bank, Payment account: WBC OPER, Bridging posting: No, Bridging account: [empty], Bank transaction type: [empty]

PROMISSORY NOTE: Type of draft: No draft

PAYMENT CODES: Category purpose: [empty], Charge bearer: [empty]

ELECTRONIC PAYMENT PROCESSING: Direct debit: No, eftsure verification: No

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.

Vendor payments | PNT-00039 : VPA

Date	Voucher	Company	Account	Vendor name	Financial tags	Description	Debit	Credit	Currency	Offset account type	Offset account	Offset financ...	Method of payment
18/12/2023	VPA0000076	pnt	PNT-000...	OPEN AUSTRALIA			2,000.00		AUD	Bank	WBC OPER		EFT_Not

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

Vendor payments | PNT-00039 : VPA

Date	Voucher	Company	Account	Vendor name	Financial tags	Description	Debit	Credit	Currency	Offset account type	Offset account	Offset financ...	Method of payment
18/12/2023	VPA0000076	pnt	PNT-000...	OPEN AUSTRALIA			2,000.00		AUD	Bank	WBC OPER		EFT_Not

Payment with account not verified yet

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

Vendor payments | PNC-000456 : VPA

Date	Voucher	Company	Account	Vendor name	Payment status	Financial tags	Description
1/11/2023	VPA0001830	pnc	PNC-000...	Facebook Australia Pty Ltd	None		Vendor pay...
1/11/2023	VPA0001832	pnc	PNC-000522	Coles Liquor	None		Vendor payment

Message details

eftsure verification

Verifying 2 payment(s)

eftsure verification results

Line number -1.00

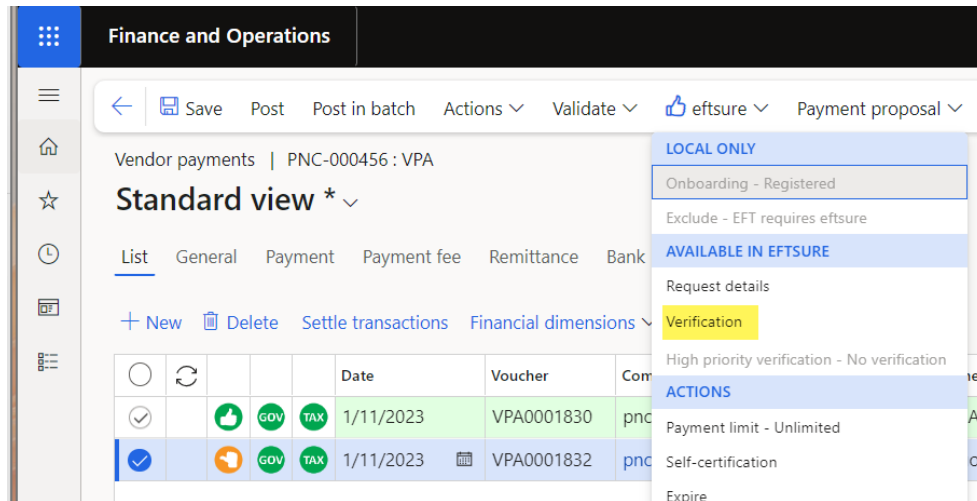
Payee not verified yet

0 request emails sent

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.

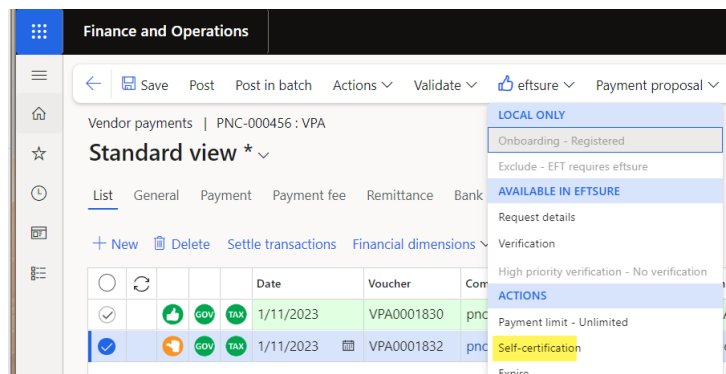
Verify bank account

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



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



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

Level 1: TestGroup1 Level 2:

Select bank account(s) to self-certify

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

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

Date	Voucher	Company	Account	Vendor name	Payment status	Financial tags	Description	Debit	Credit	Currency	Offset
1/11/2023	VPA0001830	pnc	PNC-000301	Facebook Australia Pty Ltd	None		Vendor payment	100.00		AUD	Bank
1/11/2023	VPA0001832	pnc	PNC-000...	Coles Liquor	None		Vendor pay...	10,000.00		AUD	Bank
1/11/2023	VPA0001833	pnc	PNC-000...	Max	None		Disbursement	500.00			

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.

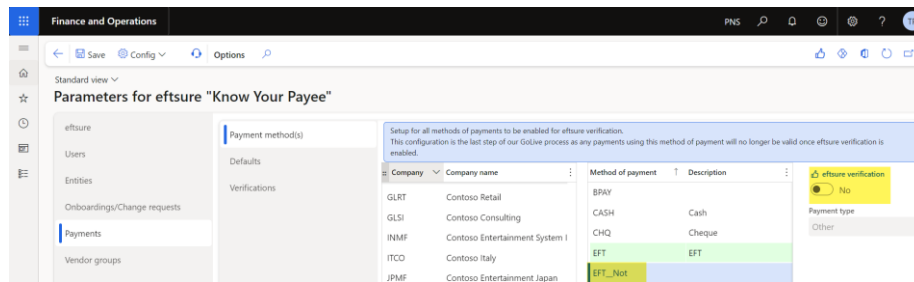
From eftsure verification Method of payment to a non eftsure verification.

Date	Voucher	Company	Account	Vendor name	Payment status	Method of payment	Description	Debit
1/11/2023	VPA0001830	pnc	PNC-000301	Facebook Australia Pty Ltd	None	EFT	Vendor payment	100.00
1/11/2023	VPA0001832	pnc	PNC-000522	Coles Liquor	None	EFT	Vendor payment	10,000.00
1/11/2023	VPA0001833	pnc	PNC-000...	Max	None	EFT	Disbursement	500.00

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

Company	Company name	Method of payment	Description
GLRT	Contoso Retail	BPAY	
GLSI	Contoso Consulting	CASH	Cash
INMF	Contoso Entertainment System I	CHQ	Cheque
ITCO	Contoso Italy	EFT	EFT
JPMF	Contoso Entertainment Japan	EFT_Not	
MXMF	Contoso Entertainment System	EFTInter	EFT International
MYMF	Contoso Entertainment System	EFT-TEST	EFT-TEST

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.

