



# Interfacing MicroEdge GIFTS with Accounts Payable

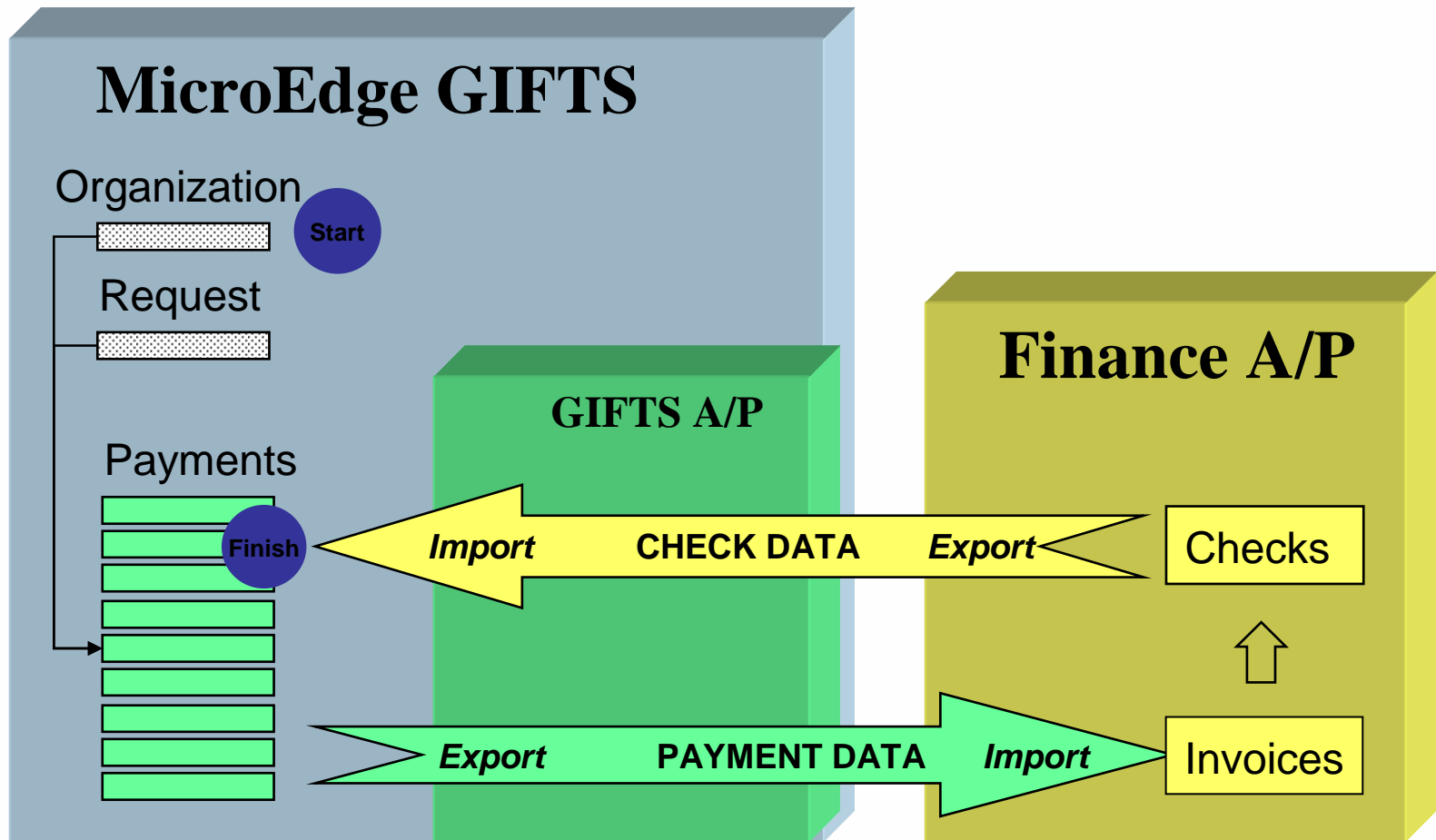
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[www.smrglobal.com](http://www.smrglobal.com)

# Session Overview

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- GIFTS to A/P Interface Overview
- GIFTS A/P Module Overview
- Executing the Interface
- Complicating Factors
- Interfacing A/P in ***Your*** Organization
- Q&A

# Standard GIFTS to A/P Interface



# Business Case

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## BENEFITS

- ✓ Reduce processing time
- ✓ Reduce errors
- ✓ Increase controls
- ✓ Improve compliance
- ✓ Create electronic audit trail
- ✓ Standardize processing
- ✓ Centralize processing

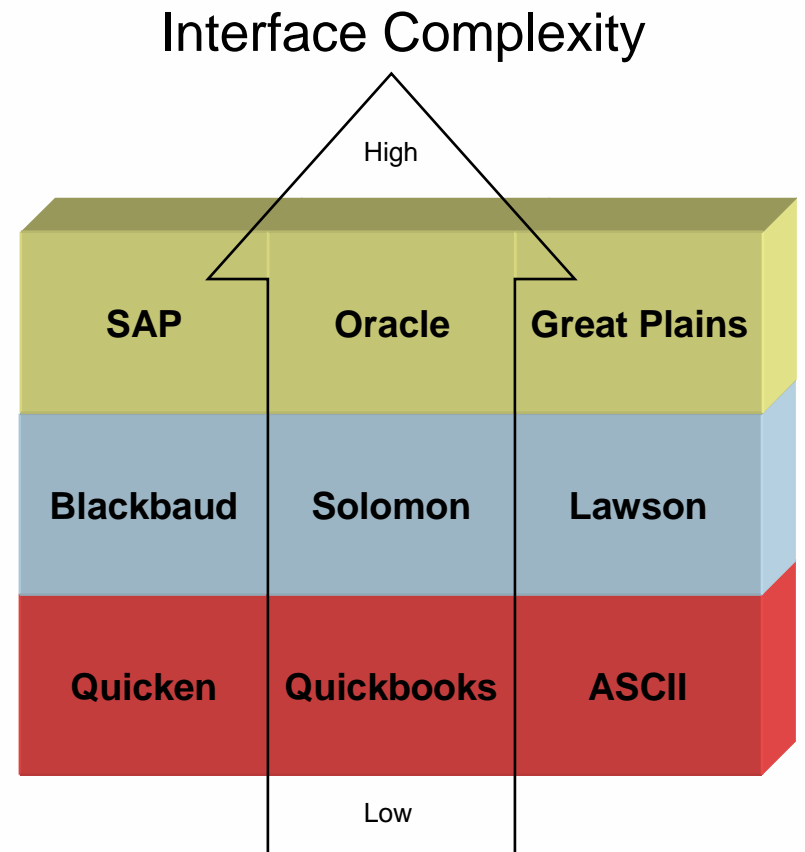
# Getting Started

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- Finance A/P system
- Invoice posting requirements
- GIFTS export file layout
- Organization and Payment records
- Selecting Payments

# Finance A/P System

- Identify your accounting system
- Determine requirements for:
  - Posting invoices
  - Changing invoices
- **AND**
  - Creating vendors
  - Changing vendors
- Review standard A/P system import and export programs, if applicable
- Determine compatibility between GIFTS A/P export and standard A/P system programs
- If incompatible:
  - Change A/P system import programs
  - Change GIFTS A/P file layouts



Standard Export Files Available from MicroEdge

# Invoice Posting Requirements<sup>1</sup>

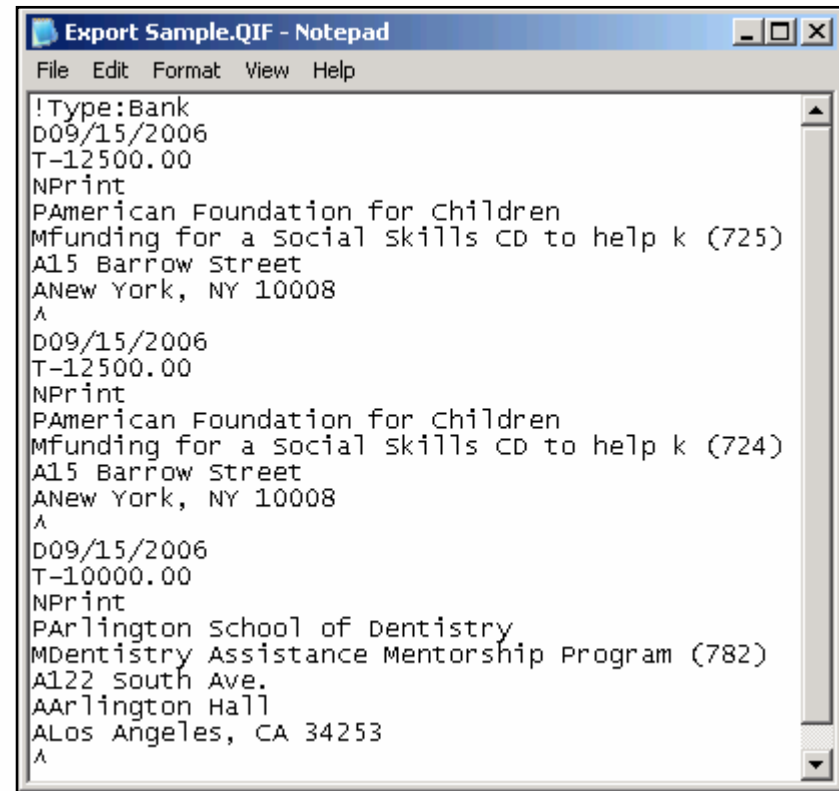
Organization	Accounting	Payment
<b>Legal Name</b> <sup>2</sup>	Company Code	<b>Payment Amount</b>
<b>Address</b>	Cost Center	<b>Schedule Date</b>
Country	Project Code	Notes
Minority Indicator	<b>G/L Account</b>	Payment Type
<b>Tax-ID</b>	Fund	Support Type
<b>Vendor Number</b>	Budget Code	<b>Fiscal Year</b>

<sup>1</sup> Invoice/vendor posting requirements will vary according to A/P system and company requirements

<sup>2</sup> Large, bold fields are required in nearly every A/P system

# GIFTS Export File Layout

- Standard file layouts exist for common A/P systems
- Designed to match invoice/vendor posting requirements for common A/P systems
- File is populated with fields from:
  - Payment
  - Organization
  - Request
- MicroEdge can create custom layouts if required



```

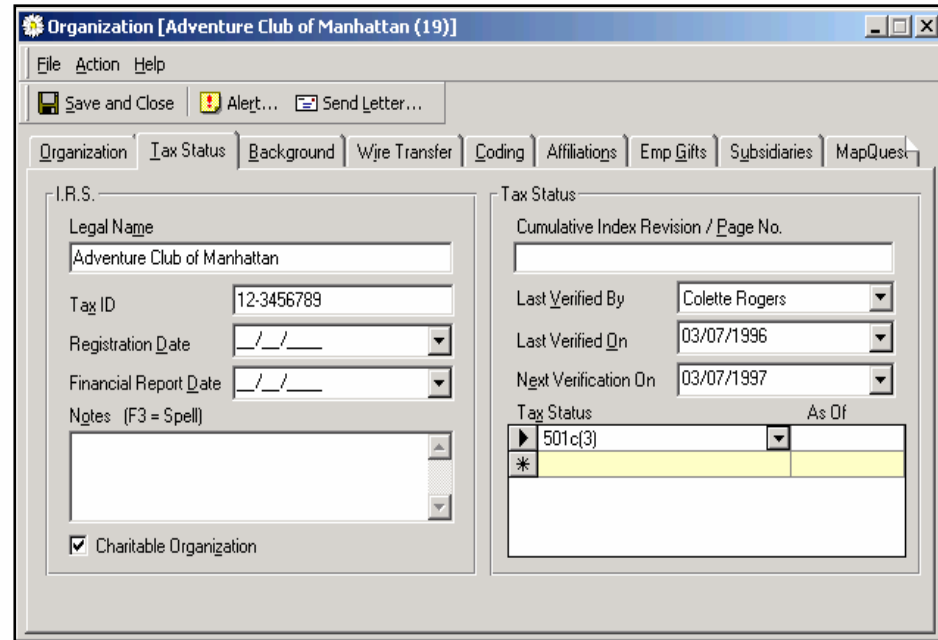
!Type:Bank
D09/15/2006
T-12500.00
NPrint
PAmerican Foundation for Children
Mfunding for a social skills CD to help k (725)
A15 Barrow Street
ANew York, NY 10008
^
D09/15/2006
T-12500.00
NPrint
PAmerican Foundation for Children
Mfunding for a social skills CD to help k (724)
A15 Barrow Street
ANew York, NY 10008
^
D09/15/2006
T-10000.00
NPrint
PARlington School of Dentistry
MDentistry Assistance Mentorship Program (782)
A122 South Ave.
AArlington Hall
ALos Angeles, CA 34253
^
  
```

GIFTS Quicken Standard File Layout



# Organization Record

- Stores “vendor” data for A/P:
  - Legal name
  - Address
  - Tax-ID #
  - Vendor #
- Vendor number can be:
  - Generated by GIFTS during export
  - Populated by GIFTS during import



Organization [Adventure Club of Manhattan (19)]

File Action Help

Save and Close Alert... Send Letter...

Organization Tax Status Background Wire Transfer Coding Affiliations Emp Gifts Subsidiaries MapQuest

I.R.S.

Legal Name  
Adventure Club of Manhattan

Tax ID 12-3456789

Registration Date \_/ \_/ \_

Financial Report Date \_/ \_/ \_

Notes (F3 = Spell)

Charitable Organization

Tax Status

Cumulative Index Revision / Page No.

Last Verified By Colette Rogers

Last Verified On 03/07/1996

Next Verification On 03/07/1997

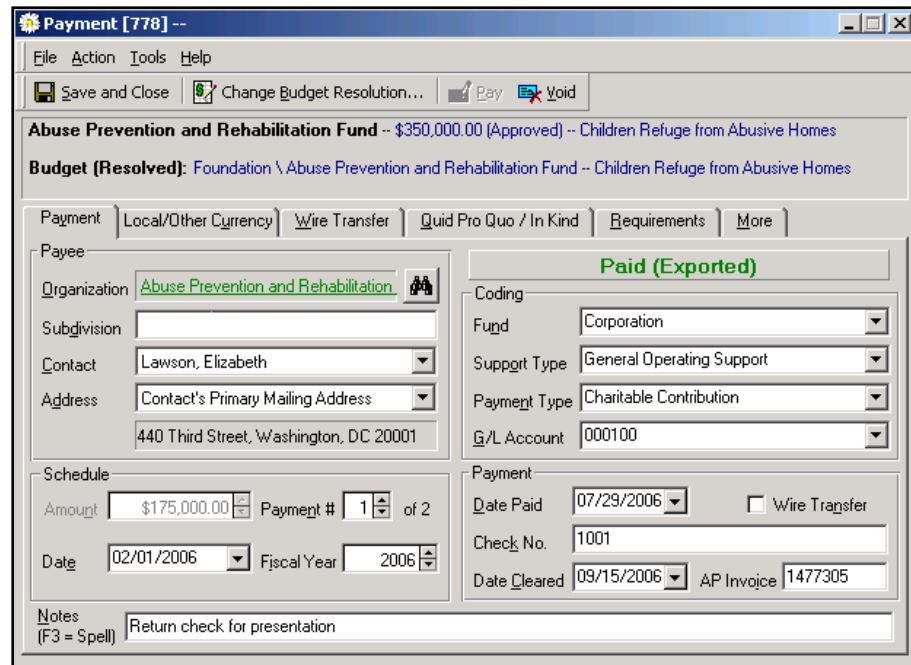
Tax Status As Of

501c(3)	
*	

GIFTS Organization Record

# Payment Record

- Stores invoice data for A/P export:
  - Schedule date
  - Amount
  - Payee
  - **Account codes**
  - Notes
  - Interface “triggers”
- Displays check data updated via A/P import
  - Date paid
  - Check number
  - Date cleared
  - AP invoice number



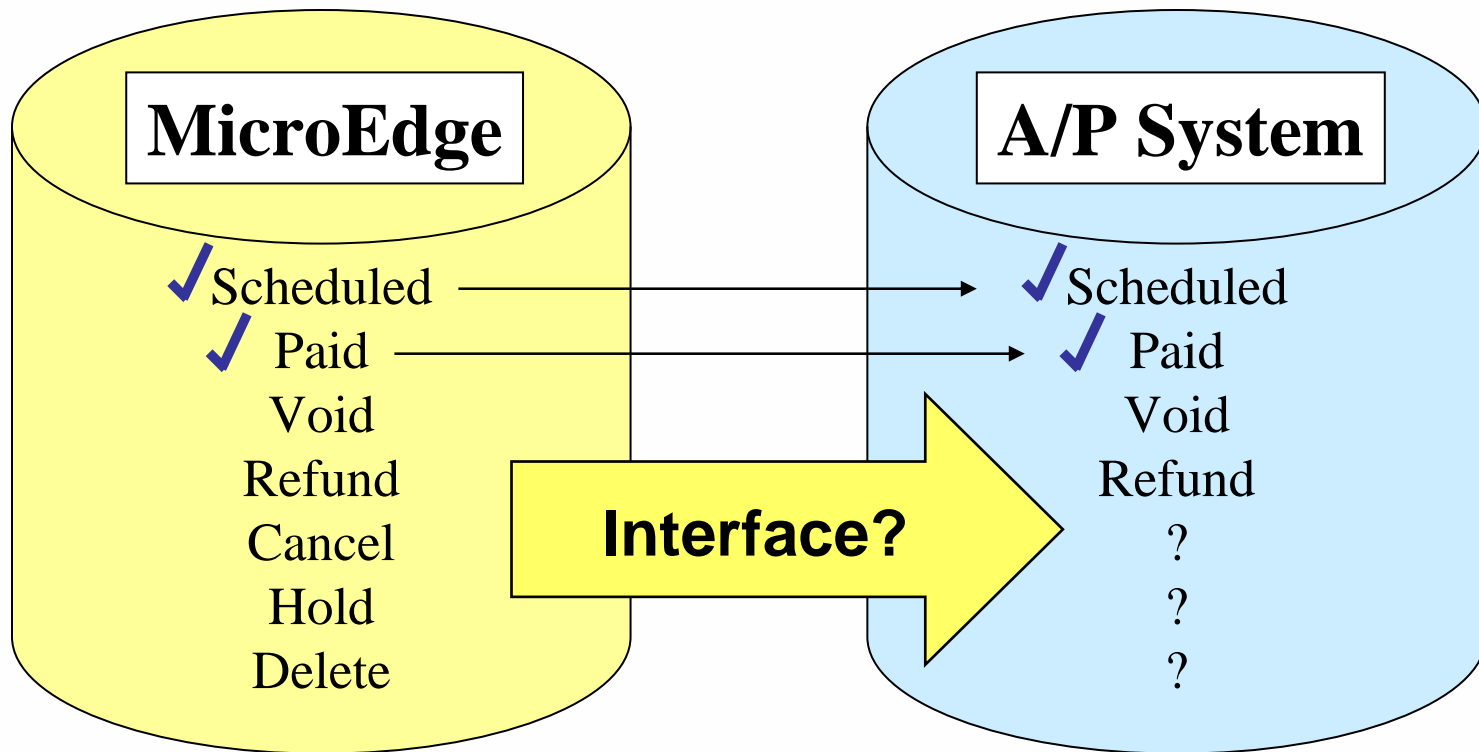
The screenshot shows a software window titled "Payment [778] --". The interface includes a menu bar (File, Action, Tools, Help) and a toolbar with buttons for "Save and Close", "Change Budget Resolution...", "Pay", and "Void".

The main content area displays the following information:

- Abuse Prevention and Rehabilitation Fund -- \$350,000.00 (Approved) -- Children Refuge from Abusive Homes**
- Budget (Resolved):** Foundation \ Abuse Prevention and Rehabilitation Fund -- Children Refuge from Abusive Homes
- Payment type: Local/Other Currency, Wire Transfer, Quid Pro Quo / In Kind, Requirements, More
- Payee:**
  - Organization: Abuse Prevention and Rehabilitation
  - Subdivision: [Empty]
  - Contact: Lawson, Elizabeth
  - Address: Contact's Primary Mailing Address, 440 Third Street, Washington, DC 20001
- Schedule:**
  - Amount: \$175,000.00
  - Payment #: 1 of 2
  - Date: 02/01/2006
  - Fiscal Year: 2006
- Notes (F3 = Spell):** Return check for presentation
- Coding:**
  - Fund: Corporation
  - Support Type: General Operating Support
  - Payment Type: Charitable Contribution
  - G/L Account: 000100
- Payment:**
  - Date Paid: 07/29/2006
  - Wire Transfer:
  - Check No.: 1001
  - Date Cleared: 09/15/2006
  - AP Invoice: 1477305

GIFTS Payment Record

# Selecting Payments



Payments have different status codes in MicroEdge

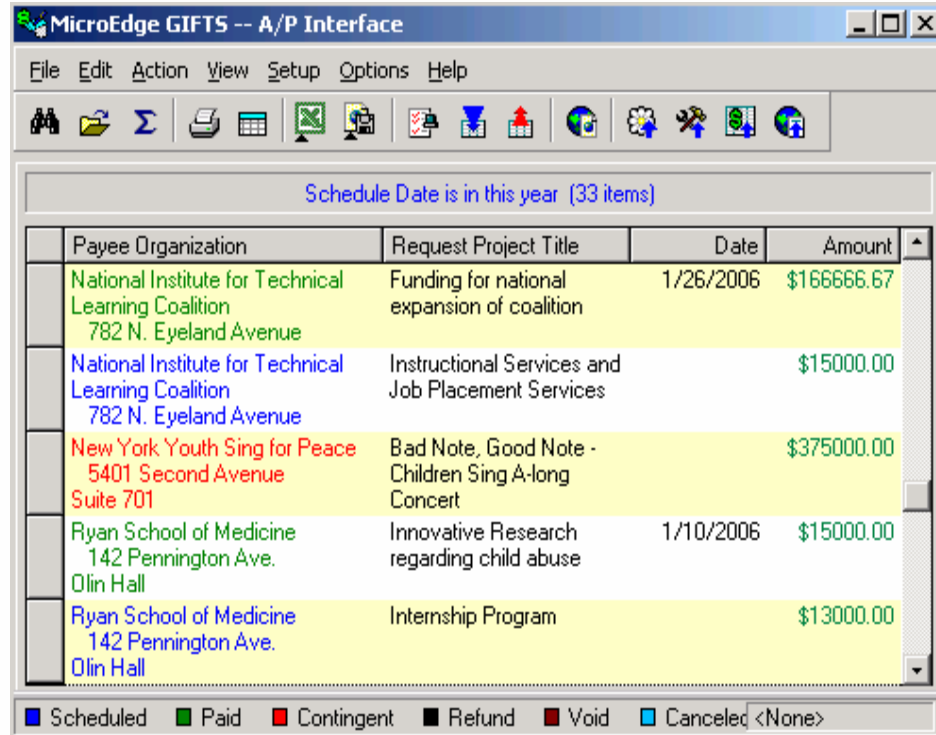
How should each be handled in the Finance A/P system?



## **GIFTS A/P Module Overview**

# GIFTS A/P Module

- Acts as gateway for exporting and importing payments
- Uses Quick Find to select payments for export
- Leverages other standard GIFTS features
- Creates export files based on Preference
- Retains history of all exports and imports
- Enables re-export of payments
- Validates import file format



MicroEdge GIFTS -- A/P Interface

Schedule Date is in this year (33 items)

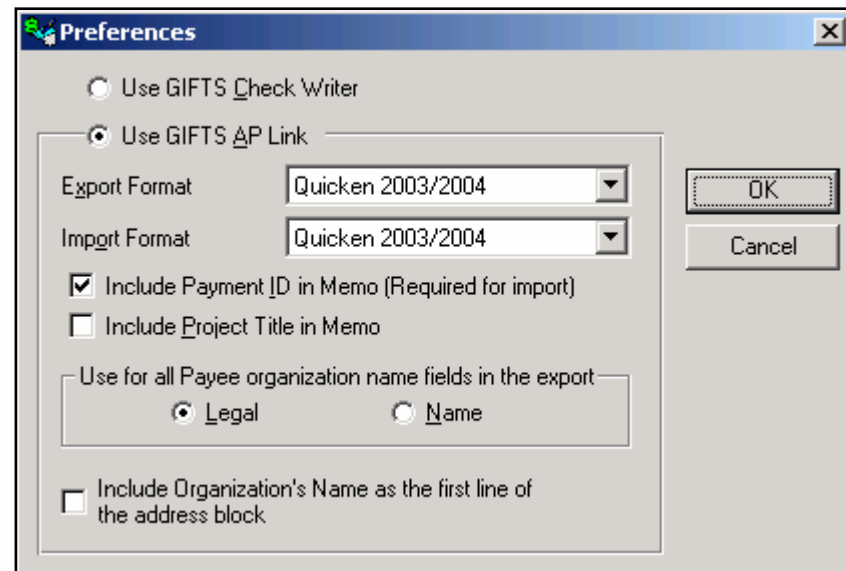
Payee Organization	Request Project Title	Date	Amount
National Institute for Technical Learning Coalition 782 N. Eyeland Avenue	Funding for national expansion of coalition	1/26/2006	\$166666.67
National Institute for Technical Learning Coalition 782 N. Eyeland Avenue	Instructional Services and Job Placement Services		\$15000.00
New York Youth Sing for Peace 5401 Second Avenue Suite 701	Bad Note, Good Note - Children Sing A-long Concert		\$375000.00
Ryan School of Medicine 142 Pennington Ave. Olin Hall	Innovative Research regarding child abuse	1/10/2006	\$15000.00
Ryan School of Medicine 142 Pennington Ave. Olin Hall	Internship Program		\$13000.00

Scheduled
  Paid
  Contingent
  Refund
  Void
  Canceled <None>

GIFTS A/P Module

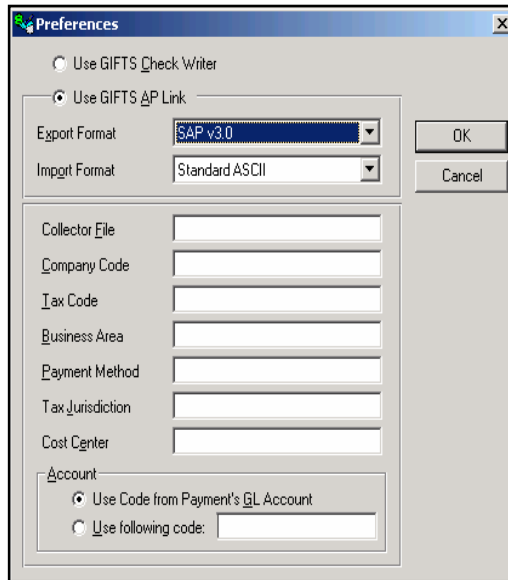
# GIFTS A/P Module Preferences

- Select GIFTS AP Link to set-up external interface
- Choose export/import formats for A/P system
- Preferences will depend on formats selected
- Settings can be customized by MicroEdge



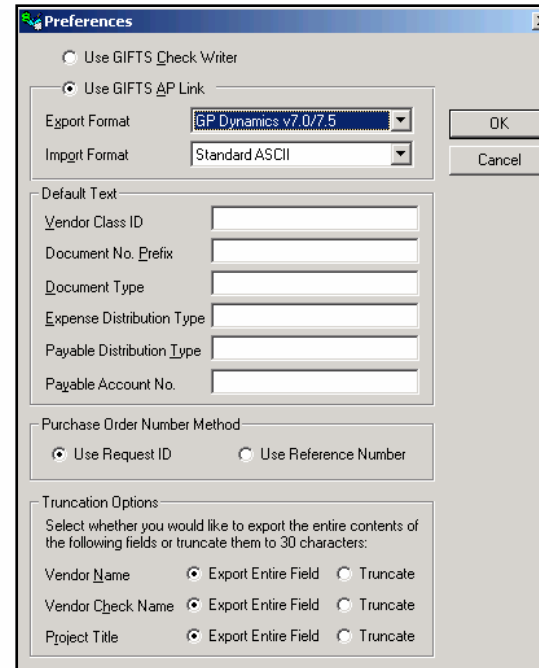
MicroEdge A/P Preferences for Quicken

# Preferences for Various A/P Systems



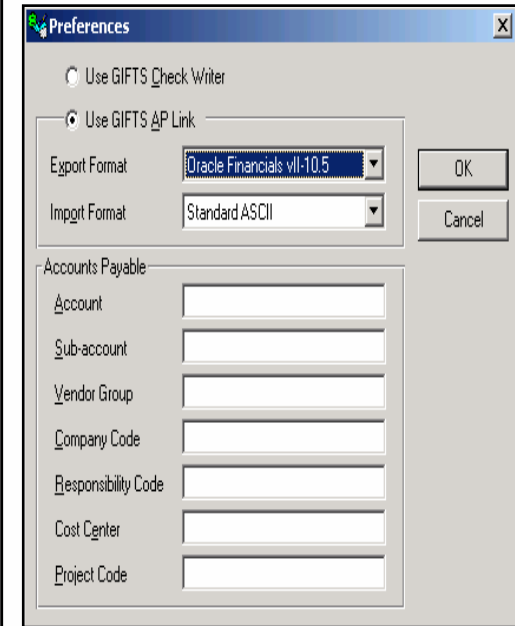
Use GIFTS Check Writer  
 Use GIFTS AP Link  
 Export Format:   
 Import Format:   
 Collector File:   
 Company Code:   
 Tax Code:   
 Business Area:   
 Payment Method:   
 Tax Jurisdiction:   
 Cost Center:   
 Account:  
 Use Code from Payment's GL Account  
 Use following code:

**SAP**



Use GIFTS Check Writer  
 Use GIFTS AP Link  
 Export Format:   
 Import Format:   
 Default Text:  
 Vendor Class ID:   
 Document No. Prefix:   
 Document Type:   
 Expense Distribution Type:   
 Payable Distribution Type:   
 Payable Account No.:   
 Purchase Order Number Method:  
 Use Request ID  Use Reference Number  
 Truncation Options:  
 Select whether you would like to export the entire contents of the following fields or truncate them to 30 characters:  
 Vendor Name:  Export Entire Field  Truncate  
 Vendor Check Name:  Export Entire Field  Truncate  
 Project Title:  Export Entire Field  Truncate

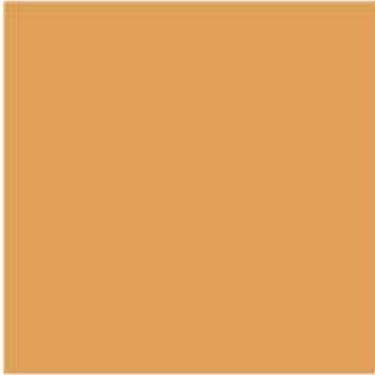
**Great Plains**



Use GIFTS Check Writer  
 Use GIFTS AP Link  
 Export Format:   
 Import Format:   
 Accounts Payable:  
 Account:   
 Sub-account:   
 Vendor Group:   
 Company Code:   
 Responsibility Code:   
 Cost Center:   
 Project Code:

**Oracle**


**Preferences can capture static values, required for A/P, that aren't stored in GIFTS**

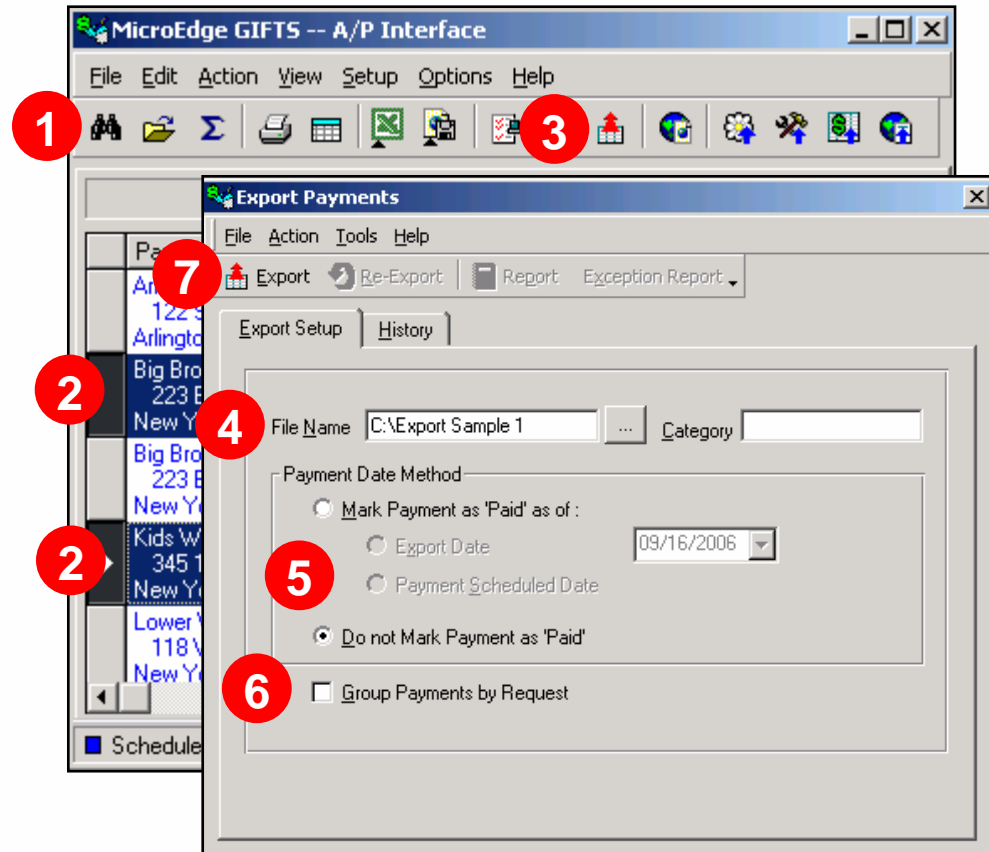


## Executing the Interface



# GIFTS A/P Export

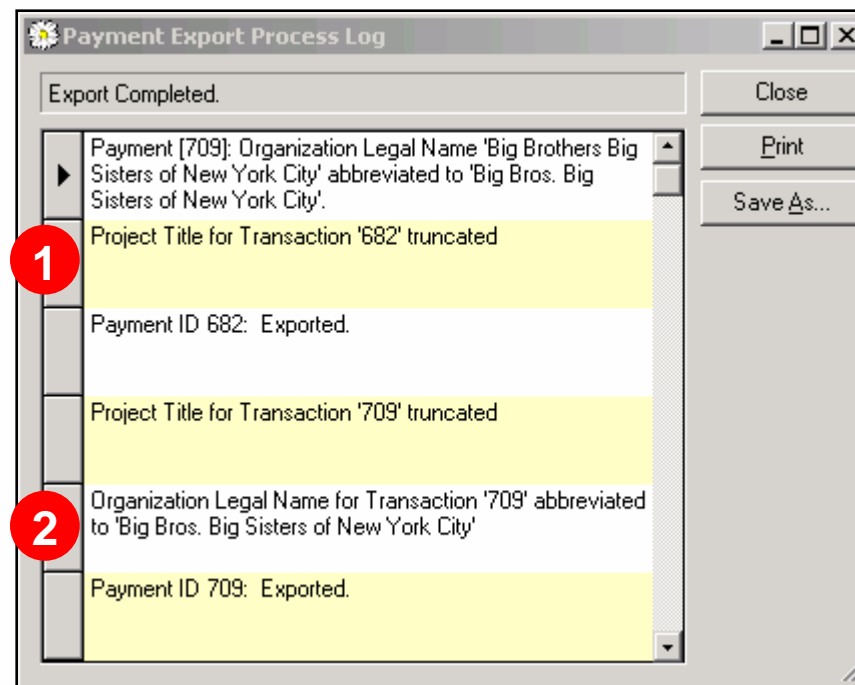
1. Search for Payments using Quick Find
2. Select Payments to export
3. Click export button 
4. Specify filename and location
5. Choose Payment Date Method
6. Group Payments by Request, if appropriate
7. Export Payments



Select and Export Payments

# Export File Process Log

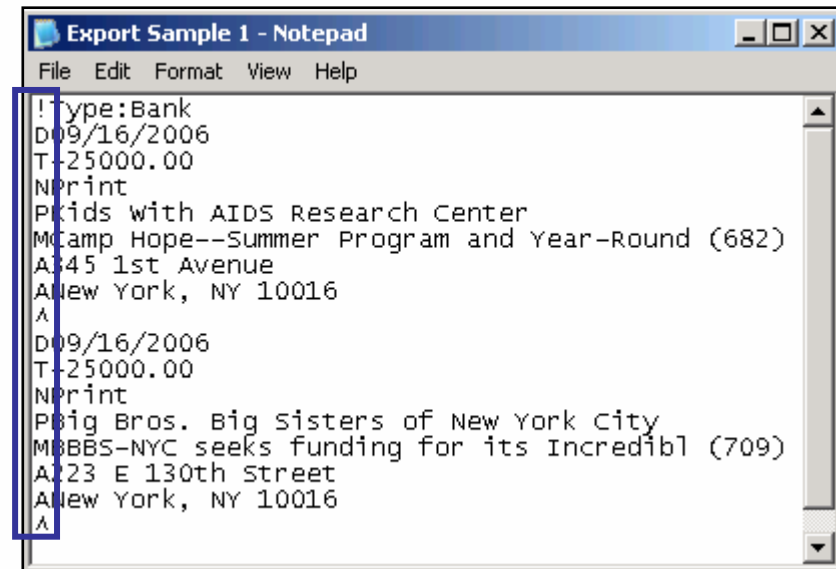
- A process *monitor* displays results during export
- A process *log* is created with record-by-record results
- Log can be printed or saved (helpful for audits)
- Review the log to ensure export completes as expected!
- Note truncated Project Title (1) and Organization Legal Name (2)



A/P Payment Export Process Log

# Export File

- Header data identifies file as Quicken invoice import file
- Codes specify data type; enables Quicken to process line:
  - “D” = Date
  - “T-” = Amount
  - “P” = Organization
  - “M” = Title
- *Every export format has a different file layout!*



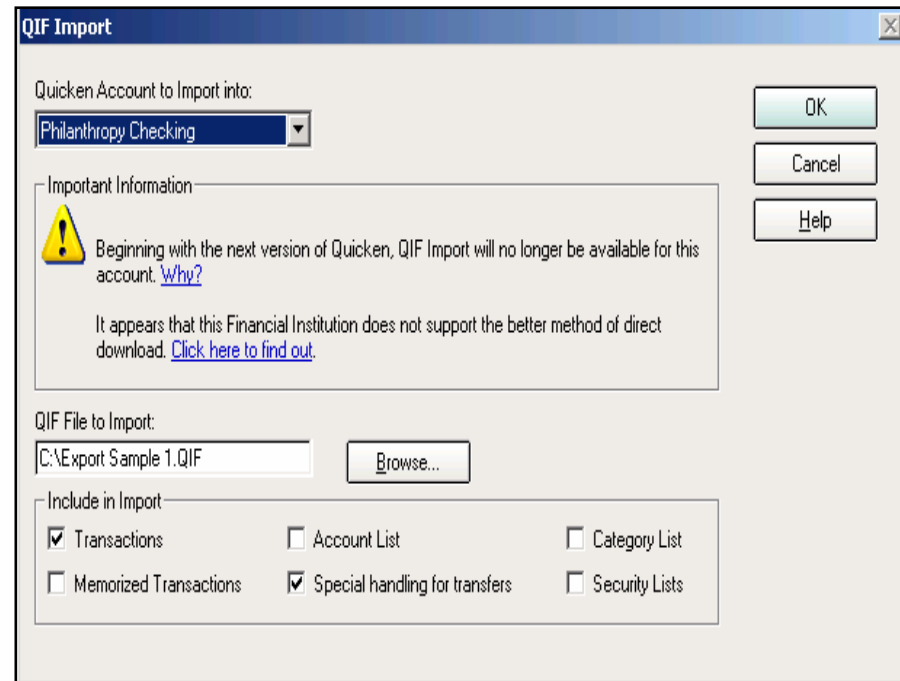
```

! type:Bank
D09/16/2006
T-25000.00
Nprint
Pkids with AIDS Research Center
MCamp Hope--Summer Program and Year-Round (682)
A45 1st Avenue
ANew York, NY 10016
A
D09/16/2006
T-25000.00
Nprint
PBig Bros. Big Sisters of New York City
MBBBS-NYC seeks funding for its Incredibl (709)
A23 E 130th Street
ANew York, NY 10016
A
  
```

Quicken Export File

# A/P System Import

- Follow import / upload procedure(s) for A/P system
- Desktop A/P applications have upload/import utilities
- Enterprise A/P applications require more sophisticated procedures:
  - Secure file transfer
  - **VENDOR** processing
  - Data reconciliation
  - Suspense accounting



Quicken File Import

# Process Payments in A/P System

- Create invoices based on imported Payment records
- Cut checks based on company Treasury guidelines
- Check number and other A/P data can be imported back into GIFTS

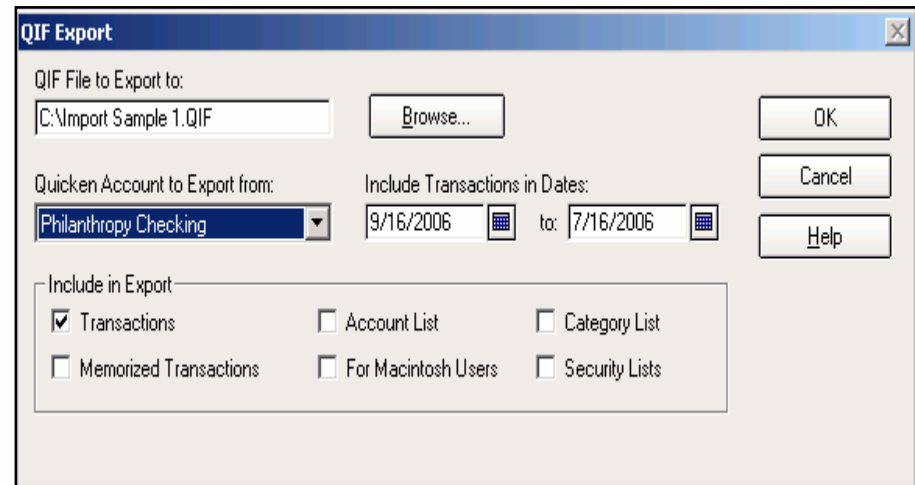
Philanthropy Checking		Register	Overview
Delete	Find	Transfer	Reconcile
		Write Checks	Set Up Online
Date Δ	Num	Payee/Category/Memo	Payment
7/29/2006		Opening Balance [Philanthropy Checking]	
7/29/2006	1001	Abuse Prevention and Rehabilitation Fund	175,000 00
7/30/2006	1002	Brooklyn Ballet	3,000 00
7/30/2006	1003	American Foundation for Children	12,500 00
9/16/2006	1004	Big Bros. Big Sisters of New York City	25,000 00
9/16/2006	1005	Kids With AIDS Research Center	25,000 00

Creating Checks in Quicken A/P System

Special handling “triggers” may be required to indicate check stock, returned checks, etc.

# Export Check Data from A/P System

- Desktop applications have standard export utilities
- Enterprise applications may require custom programming
- A/P export & GIFTS A/P import file formats must match!
- Export includes updates for:

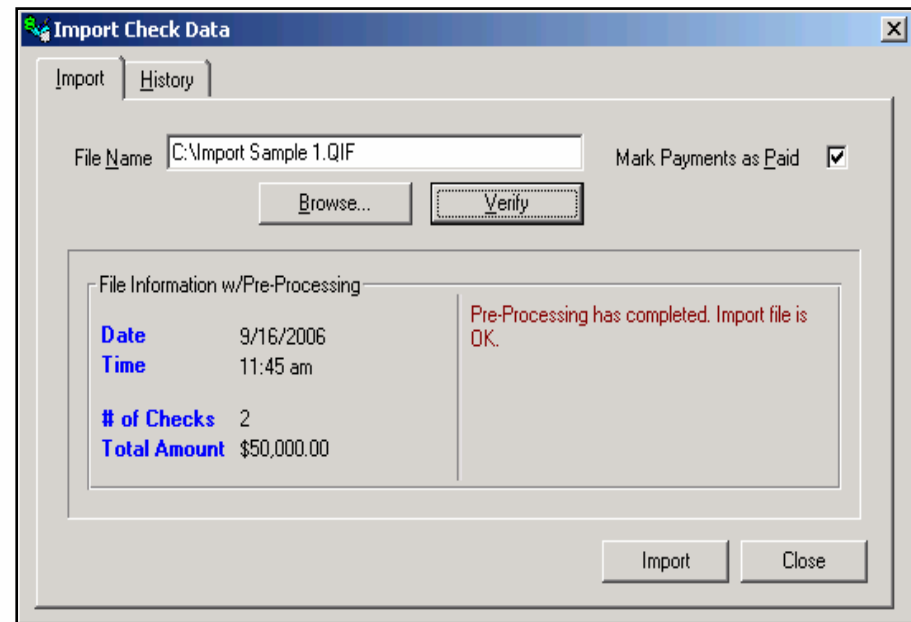


Creating Checks in Quicken A/P System

Payment	
Date Paid	<input type="text" value="___/___/___"/> <input type="checkbox"/> Wire Transfer
Check No.	<input type="text"/>
Date Cleared	<input type="text" value="___/___/___"/> AP Invoice <input type="text"/>

# Import Check Data into GIFTS

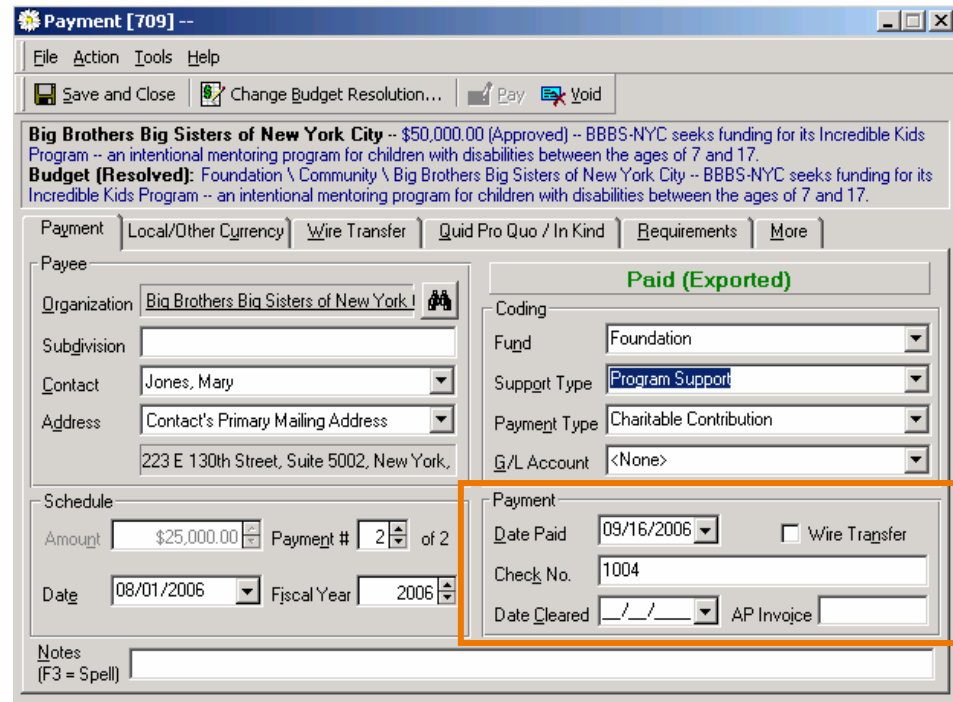
- Select the import file
- Verify the file to confirm:
  - File layout
  - File contents
- Mark Payments as Paid (if not done during export)
- If Pre-Processing is OK, import payments
- Payments are matched on ID, and relevant payment fields are updated
- A process log is created



Validate Import File in GIFTS A/P Module

# GIFTS Payment is Updated

- Updated fields include:
  - Date Paid
  - Check No.
  - Wire Transfer
  - AP Invoice
  - Date Cleared
- Payment import can be repeated (data is simply overwritten) until check clears



The screenshot shows a software window titled "Payment [709] --". The window contains a menu bar (File, Action, Tools, Help) and a toolbar with buttons for "Save and Close", "Change Budget Resolution...", "Pay", and "Void". The main content area displays the following information:

- Payee:** Big Brothers Big Sisters of New York City
- Subdivision:** (empty)
- Contact:** Jones, Mary
- Address:** Contact's Primary Mailing Address, 223 E 130th Street, Suite 5002, New York, NY
- Schedule:** Amount: \$25,000.00, Payment #: 2 of 2, Date: 08/01/2006, Fiscal Year: 2006
- Notes:** (F3 = Spell)
- Coding:** Fund: Foundation, Support Type: Program Support, Payment Type: Charitable Contribution, G/L Account: <None>
- Payment Section (highlighted with a red box):**
  - Date Paid: 09/16/2006
  - Wire Transfer:
  - Check No.: 1004
  - Date Cleared: / /
  - AP Invoice: (empty)

GIFTS Payment with Imported Check Data





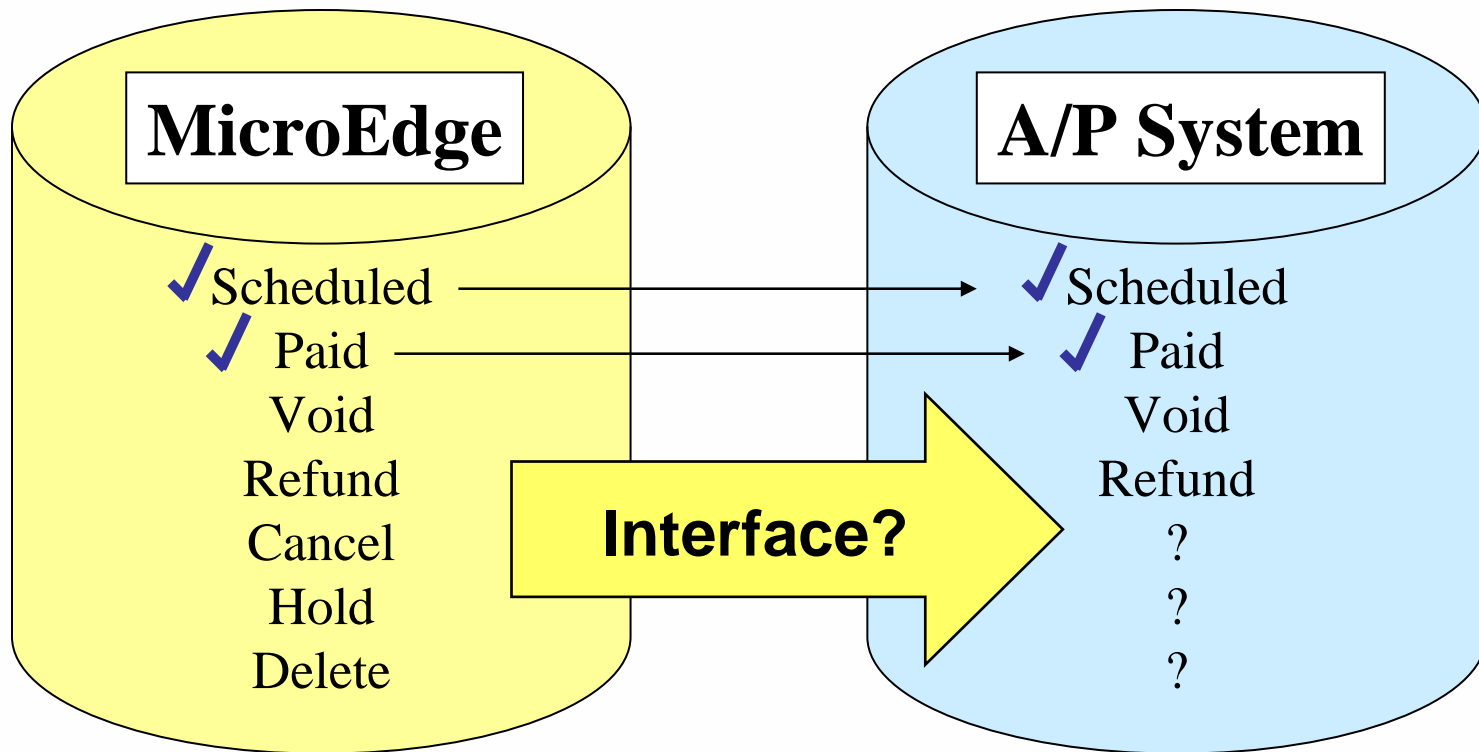
# Complicating Factors

# Vendor Maintenance

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- Organizations in GIFTS are Vendors in A/P!
- Successful interfaces **MUST** establish procedures to:
  - Create new vendors in A/P
  - Synchronize vendor updates
  - Synchronize vendor numbers
- Vendor numbers can be:
  - Assigned by GIFTS when payments are exported
  - Populated in GIFTS when check data is imported

# Selecting Payments



Payments have different status codes in MicroEdge

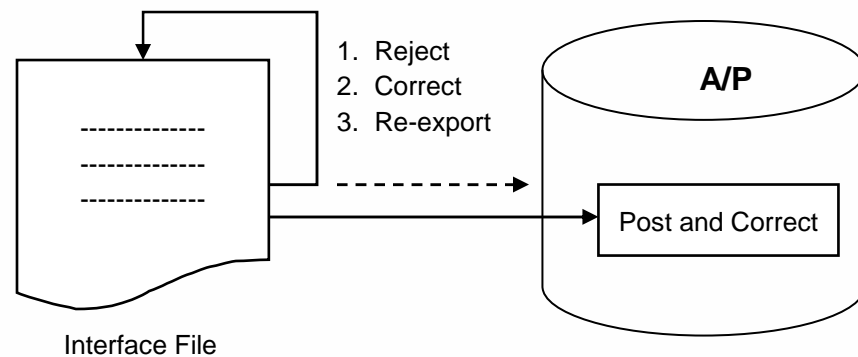
How should each be handled in the Finance A/P system?

# Error Handling

- Types of errors:
  - Incomplete data
  - Invalid data
  - Incorrect data

<b>Incomplete:</b>	Las Vegas, __, 89101
<b>Invalid:</b>	Las Vegas, CA, 89101
<b>Incorrect:</b>	Las Vegas, NV, 89201

- Options for handling:
  - Reject, correct, re-export
  - Post and correct
  - Process manually



# SOX (Sarbanes-Oxley) Considerations

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- Separate vendor creation and maintenance
- Validate counts and dollars in all file exchanges
- Secure interface files
- Maintain audit trail
- Incorporate additional sign-off for external accounting feeds

“...the responsibility of management for establishing and maintaining an adequate internal control structure and procedures for financial reporting...”

Section 404: Management Assessment of Internal Controls



# Interfacing *A/P* in *Your* Organization

# Interfacing A/P in *Your* Organization

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- Plan!
- Secure resources
- Include ALL relevant departments
- Document invoice posting requirements
- ***Document error handling procedures***
- Evaluate standard export and import files
- Develop custom file layouts programs as needed
- Test, test, test!
- Prepare for change



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