



*Setting Up & Receiving
Electronic Invoices
Pens Plus, Inc.*

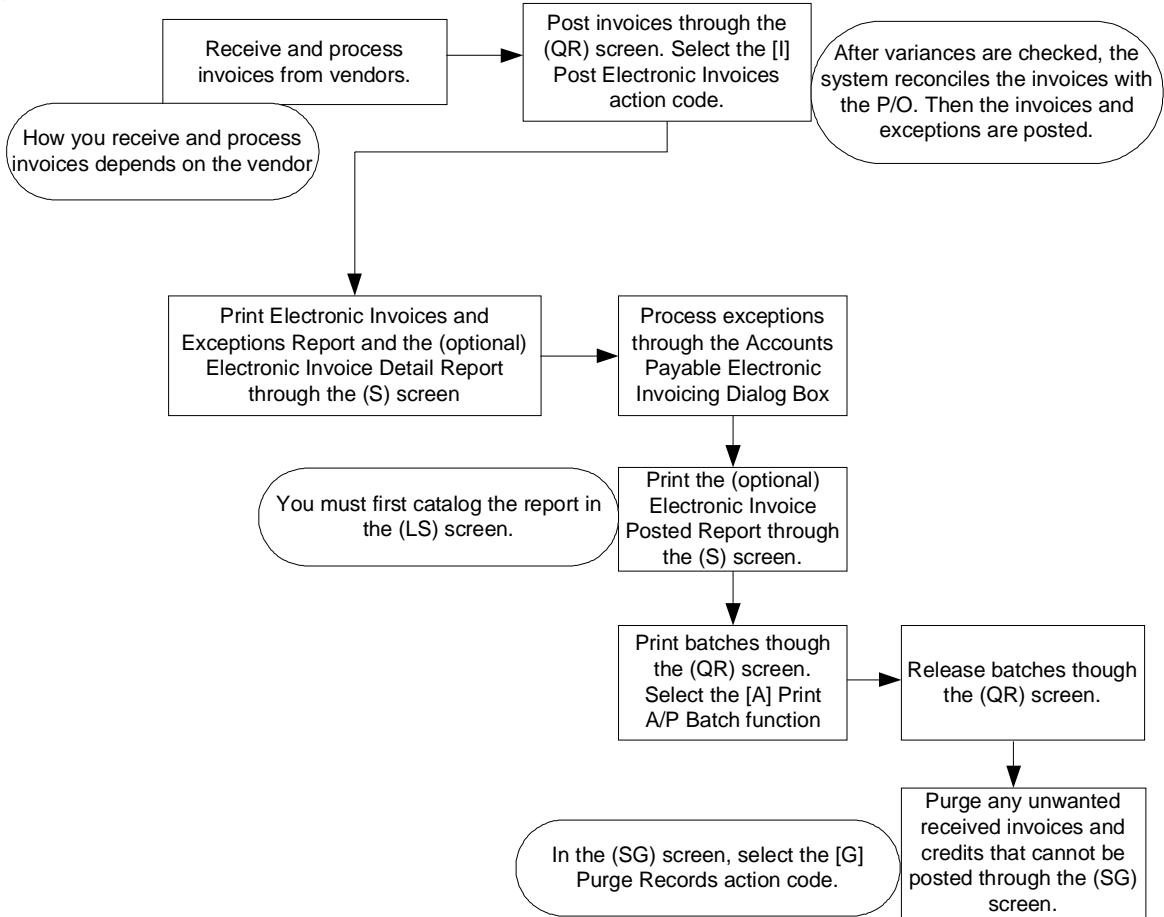
ECi DDMS®

June 2008 Item # H-PPIELIN

Contents

- Chart 1: The Flow of Electronic Invoicing 3**
- Understanding Electronic Invoicing with PPI 4**
- Before You Begin 4**
- What You Need To Set Up 4**
- Installing the Software 4**
- Setting Up Parameters 4**
 - Setting Up the (LF2) Screen 5
 - Setting Up the (LS) Screen 6
 - Setting Up the (L6EF) Screen 7
 - Setting Up the Customer Window 8
 - Setting Up PPI as a Customer 8
 - Setting Up the (SGA) Screen 9
 - Setting Up the Vendor Electronic Invoice Parameters 10
 - Setting Up Vendor Electronic Invoice Parameters in DDMS 10
 - Setting Up Text-Based Vendor Electronic Invoice Parameters 14
- Building the Indexes 15**
- Using Electronic Invoicing 15**
 - Receiving Files from PPI 15
 - Posting Invoices Using the [QR](I) Screen 16

Chart 1: The Flow of Electronic Invoicing



Understanding Electronic Invoicing with PPI

Electronic invoicing lets dealers who are using the Electronic Data Interchange (EDI) application accept electronic invoices from vendors. This electronic link allows paperless transactions and bridges the gap between corporations that use different computer systems.

Getting started with EDI is easy. Most new users require no additional hardware and only minimal training.

First, you set up your vendor and several EDI parameters. Then you can receive and process invoices through the (SG) EDI Communications Screen.

Invoices are reconciled and posted through the (QR) Accounts Payable Reports screen using the [I] Post Electronic Invoices function. For posting instructions, see the handout *Posting Electronic Invoices*. It is available at www.ddms.com/support/faq/ecommerce.htm#edi.

Before You Begin

Arrange to receive invoices. Contact Pens Plus, Inc. (PPI).

What You Need To Set Up

- 1 Install required software
- 2 Set up parameters
- 3 Build the indexes.

Installing the Software

If you are not using version 8.12.0 or later, you must install a version update on your server. Follow the printed instructions that came with your software or go to www.ddms.com and download the installation instructions.

Setting Up Parameters

Once the software is loaded, you must configure your system by setting pa-

rameters. To access the parameter screens in DDMS, double-click



then



- (LF2) P/O Journals Parameters screen
- (LS) P/O Standard Reports screen

- (L6EF) PPI Communications screen
- Customer window
- (SGA) Trading Partner Parameters screen
- Vendor window
- Vendor Electronic Invoice Parameters dialog box.

Setting Up the (LF2) Screen

The (LF2) screen, shown in Figure 1, lets you specify the names and locations of your journalized P/O files. This list is used when invoices are received via EDI from vendors.

To send the invoices to A/P, each invoice must be matched with the corresponding P/O. This list is used to find P/O locations. The file JOUR-PO is searched first. If the P/O is not found, the next file on the list is searched. This second file is probably the most recent journalized file (the one from last month, for example). Enter only the journal names that are necessary. For example, to match on invoices from the past three months, only enter the journal names from that time period.

Note: The information in this screen only applies if you set the Match On P/O # box in the Vendor Electronic Invoice Parameters dialog box to Y or N.

To set up the (LF2) screen:

- 1 In the (LF2) screen, select the [C] Change action code.

Figure 1: The (LF2) P/O Journals Parameters Screen

```

13:30:42                (LF2)  P/O JOURNALS PARAMETERS                06/13/07
=====
ACTION [C] (C=Change, I=Inquiry, N=New Journal)                G/L Location [ 1 ]
=====

```

	Journal Name	Volume	
	JOUR-PO	[W1]	
1)	[JULYPO]	[W1]	(Newest Journal to Oldest Journal)
2)	[JUNEPO]	[W1]	
3)	[MAYPO]	[W1]	
4)	[APRILPO]	[WI]	
5)	[]	[]	
6)	[]	[]	
7)	[]	[]	
8)	[]	[]	
9)	[]	[]	
10)	[]	[]	
11)	[]	[]	
12)	[]	[]	

```

=====
PRESS ANY KEY TO CONTINUE (P=PREVIOUS SCREEN)

```

When adding new journals to the (LF2) screen, the P/O journal in the 1) field of the Journal Name column moves to the 2) field, the journal in the 2) field moves to the 3) field, and so on. If there is a journal in the 12) field, it moves off the list.

- 2 In the G/L Location field, specify the general ledger location or press Enter to accept the default.
- 3 The cursor moves to the Volume field. The first field in the Journal Name column defaults to JOUR-PO. This file represents the current purchase order file. With the cursor in the Volume field, press Tab to accept the default volume, or enter the volume serial where your JOUR-PO file is located, for example, W1. Press Tab.

Note: You *must* specify the volume serial where your JOUR-PO file is located.

- 4 Use the Journal Name field to list your P/O files from most recent (at the top) to oldest (last on the list). You can list up to 12 journalized purchase order files.

In the Journal Name field, enter the name of the purchase order file you are adding to the list. For example, you might have renamed your JOUR-PO from August to AUGPO. To add that file to the list, you would enter AUGPO.

You can continue to enter journals and their corresponding volumes. Press Tab to move the cursor from one field to the next.

- 5 When you finish, press Enter.

Setting Up the (LS) Screen

You should catalog the selectors, INVPOS, INVDET and INVEXC in the (LS) screen so the reports are available to print from the (S) Purchase Order Selectors screen. To set up the (LS) screen:

- 1 In the (LS) screen, select the [C] Change action code.
- 2 In the G/L Location field, enter the location for which to catalog the report. Press Tab until the cursor moves to a blank line.
- 3 There are three reports that you can catalog:

INVPOS	Electronic Invoice Posted Report
INVDET	Electronic Invoice Detail Report
INVEXC	Electronic Invoice Exceptions Report

With the cursor on a blank line, type the report's name, INVPOS, for example.

- 4 The selector name and title appear at the bottom of the screen, along with the Catalog This prompt, as shown in Figure 2. Type **Y** or press Enter to catalog the selector.
- 5 The selector name, title, and description appear on the line where you entered the selector name, and the cursor moves to the next blank line so you can specify another selector to catalog.
- 6 Continue this process until you finish cataloging selectors, then press Enter. For example, you would now type INVDET, then INVEXC. When you finish, the cursor returns to the action code field.

Note: If you do not press Enter when you finish cataloging selectors, your changes are not saved, and the selectors are not cataloged.

- 7 Press Esc twice to return to the Master Menu.

Setting Up the (L6EF) Screen

Before you can download invoices electronically from PPI, you must set the communication parameters.

- 1 From the (L6E) screen, type **F** in the Selection Code field. PPI's Wholesaler Group Communications screen opens.
- 2 To use PSN, you must set up an additional field. The PSN field, shown to the right of the Elec Inv # field, allows you to receive electronic invoices using PSN. To use this feature, set this field to **Y**.

Figure 2: The (LS) P/O Standard Reports Screen

```

15:33:10                (LS) P/O STANDARD REPORTS                05/31/01
=====
ACTION [C] (C=CHANGE, I=INQUIRY) G/L LOCATION [ 1 ]
=====
SELECT SUBTITLE DESCRIPTION                                REPORT TITLE
-----
INVDET ELECTRONIC INVOICE ITEM DETAIL                    ELECTRONIC DETAIL REPORT
FR-REC SAR-FURNITURE PO RECEIVE REPORT                  P/O RECEIVING REPORT
NPAFAX NPA/NOB FAX P/O FORMAT                            NPA/NOB PURCHASE ORDER FAX FORMAT
CROSS
PO-1 OPEN PO'S;SORT;VENDOR;LIMIT;CLASSF                 OPEN PO'S NOT ACKNOWLEDGED
PO-7 PO RECEIVED;SORT;PO#;LIMIT;NONE                     PO RECEIVED REPORT
REG
DROP
DANC
RUSH
INVPOS
=====
INVPOS ELECTRONIC INVOICES POSTED                        CATALOG THIS Y/N ?Y
    
```

Setting Up the Customer Window

You must set up PPI in the Customer window if you have not already done so.

Setting Up PPI as a Customer



- 1 In the Customer window, click .
- 2 In the Name box, enter a unique name for the PPI customer.
- 3 In the Acct# box, type **PPI**
- 4 Click  to save your changes.
- 5 If you removed the number from the Next Customer # field in the (LA) screen when you started setting up the Customer window, follow these instructions to replace it now.
 - 5.1 Go to the (LA) screen, and select the [C] Chg action code. See Figure 3.
 - 5.2 Tab to the Next Customer # field. Enter the number you noted previously and press Enter.
 - 5.3 Press Esc to return to the Master Menu.

Figure 3: The (LA) Customer and A/R Parameters Screen

```

08:35:10                (LA) Customer And A/R Parameters                06/07/01
=====
Action [C] (C=Chg, I=Inq, 1=Sales, 2=A/R, 3=Statement, 4=Journals) G/L Loc [ 1 ]
=====
Next Customer #          Save Changes ?          Swap Name ?Y
Inc/Exc In (B) ?E      From ?P To ?P      From ? To ?      Add In (B) Y/N ?N Status ?A
Inc/Exc In (G) ?I      From ? To ?      From ? To ?      Add In (G) Y/N ?Y Status ?A
=====
Reindex ?DDMS      Release ?DDMS      Purge ?DDMS      EOM ?DDMS      EOY ?DDMS
Delete ?DDMS      Credit Card ?          Mask Inquiry ?N
=====
Monthly Usage From ?G To ?Z      Quarterly Usage From ?G To ?Z

Print Copies With Original Invoice Y/N ?Y
In O/E on Customer Query, Display Shipto Address instead of Billto Y/N ?Y
In Gateway Set Shipto Name to ? (A=Add. Name, C=Add. Contact, S=Shipto Contact)
Set Dept Name to ? (B=Billto Name, A=Add. Name, C=Add. Cont., S=Ship Cont.)
Keep Service Quality Statistics for Customer Status : [A] to [Z] + [ , , , , ]
Locs.to Exclude from Service Quality Statistics [ ] to [ ] + [ , , , , ]
National Drop Ship Route [NDS ]
Auto Bill Invoices:      Print, Fax, Neither P/F/N ?N      Formats: Invoice :      Fax :
Sort Order ?N (#=Customer Nbr, N=Customer Name, R=Route, Z=Zip Code)
    
```

Setting Up the (SGA) Screen

You must set up the (SGA) screen, shown in Figure 4, with information from O Henry.

- 1 In the (SGA) screen, select the [C] Chg action code.
- 2 Tab to the Acct# field, and type **PPI** and press Enter.
- 3 In the Interchange ID Qualif field, type **ZZ** and press Tab.
- 4 In the ID field, type **PPI** and press Tab.
- 5 In the Interchange Control Std field, type **U** and press Tab.
- 6 In the Version field, type **00400** and press Tab.
- 7 In the Receivers Code ID field, type **PPI** and press Tab.
- 8 In the Responsible Agency Code field, type **X** and press Tab.
- 9 In the Version field, type **004010** and press Tab.
- 10 In the Interchange Control field, type **1000**
- 11 In the Group Control field, type **10000**
- 12 When you finish, press Enter.

Figure 4: The (SGA) Trading Partner Parameters Screen


```

10:28:35          (SGA) TRADING PARTNER PARAMETERS REV. (06/13/03)          06/15/07
-----
Action [C] ( C=Chg, D=Del, I=Inq, R=Ref Codes)
-----
Name :PPI          Account #          PPI Dept :
                        KELLER          TX
                        817- -
-----
EDI VAN :
Interchange ID Qualif :ZZ ID :PPI          Auto Send          .. (Y/N)
Auth. Info Qualif.   :   Info :          Negate Credit Inv. ..
Security Info Qualif. :   Info :          Use Received Price .. (Y/N)
Interchange Control Std:U Version :00400    Using 810          ..
Receivers Code Id    :PPI          Using 855          ..
Responsible Agency Code:X Version :004010  Auto Create Orders .. (Y/N)
Interchange Control# 1000          Sales Auto Group   ...
Group Control #      10000        Auto 850 Sendfile ..
Test Indicator .. (T/P) Buy Unit.. (S/M/W) | Contract #...
Acknowledgement .. Customer Ref ..      | Delivering Dlr #.....
Release/Contract:.. 1.. 2:..          | Contracting Dealer #...
Round Quantities when Needed U/D/R ?. Seg Term:... | 2nd Party Delivery :.
-----
** ENTER DATA OR <?> FOR HELP !!
    
```

Setting Up the Vendor Electronic Invoice Parameters

You must set up the vendor electronic invoice parameters before using electronic invoicing. You can do this either using DDMS or text-based.

Setting Up Vendor Electronic Invoice Parameters in DDMS

- 1 From the DDMS Main Menu, double-click  .
- 2 In the Vendor # box, type the vendor number for PPI to bring up your Pens Plus vendor (e.g. PENS PLUS). See Figure 5. The vendor name displays, and the Code and general ledger boxes are completed.

Notes: The Code box shows the vendor code for the specified vendor.

The Expense G/L # box shows the specified vendor's G/L account number.


- 3 After you retrieve the correct vendor, click  . The Vendor Electronic Invoice Parameters dialog box opens.
- 4 In the Receivers Code ID box, type **PPI**.
- 5 In the Allow Auto Post box, type **Y** to automatically post invoices to A/P.

Figure 5: The Vendor Electronic Invoice Parameters Dialog Box

Code	G/L#	Stop	Description
601-01			FREIGHT CHARGE

- 6 In the A/P Batch box, enter the batch number to which to post PPI invoices.

Note: If you leave this box blank, the batch number is the Julian date, which is the number of the day in the year, counting from 1 to 365 (366 in a leap year). For example, the Julian date for January 31 is 31, and the Julian date for December 31 is 365, except in a leap year, when the Julian date is 366.

- 7 In the Period box, specify to which business period to post electronic invoices.

Type **C** to post them in the current business period. Go to **Step 9**.

Type **I** to post them by the invoice date.

Type **P** to post them by the purchase order receiving date.

- 8 In the Cutoff box, specify the last day to post to a previous business period for invoice date or purchase order receiving date. The Cutoff box only applies if you specified I or P in the Period box.

The date entered in the Cutoff box is up to and including the date specified. This only works for invoices from the previous month.

Suppose you receive an invoice dated July 29. Today is August 7. If you specify I in the Period box and 10 in the Cutoff box, the invoice posts to the prior business period. If today is August 11, though, the invoice posts to the current business period.

If the Cutoff box is blank, the invoice posts to the prior business period.

- 9 In the G/L Loc box, you can specify the location to which to post when using auto-posting.

Type **P** to post to the location in the JOUR-PO file for purchase order lines. Go to **Step 11**.

Type **M** to post to the location assigned to the terminal from which you are posting (the master location). Go to **Step 11**.

Type **L** to enter the location to which to post.

- 10 In the corresponding Loc box, enter the location to which to post, only if you set the G/L Loc box to L. Otherwise, leave this box blank.

- 11 In the Match On P/O # box, type **Y** to match on the P/O number.

- 12 In the Post A/P To Billing Acct # Vendor box, type **Y**.

- 13 Using the Variances:Invoice boxes, you can specify which invoice total differences to automatically post to A/P.

Setting Up and Receiving Electronic Invoices — Pens Plus, Inc.

There are three ways to determine whether an invoice's variance is acceptable or is an exception: by dollar amount, by the percentage of the invoice total, or both. If the invoice total exceeds the acceptable variance, an exception is created for the invoice. The invoice posts according to your response in the corresponding Post box. If the invoice is within the acceptable variance, it posts automatically.

Some price differences between you and the vendor are too small to worry about. However, you should track the larger price differences.

To set an invoice variance:

- 13.1** In the first Invoice box, enter the largest percentage of an invoice total that is an acceptable variance. If the vendor's bill exceeds your expected charge by more than this percentage, an exception is created for this invoice.
- 13.2** In the second Invoice box, enter the highest dollar amount that is an acceptable variance. If the variance is greater than this amount, an exception is created for this invoice.
- 13.3** In the corresponding Post boxes, specify whether to post invoices with variances.

Type **Y** to post every invoice outside the variance.

Type **N** if you are not posting invoices outside the variance.

Type **U** to post the invoice only if the difference is less than the P/O.


- 14** Using the Variances:Item boxes, you can specify which unit price differences automatically post to A/P.

You can determine whether unit price differences are acceptable or exceptions by dollar amount, by the percentage of the unit price, or both. If the unit price exceeds the acceptable variance, an exception is created. The invoice posts according to your response in the corresponding Post box. If the unit price is within the acceptable variance, the invoice posts automatically.

To set a unit price variance:

- 14.1** In the first Item box, enter the largest percentage of the unit price that is an acceptable variance. If the vendor's unit price exceeds your expected unit price by more than this, an exception is created.
- 14.2** In the second Item box, enter the greatest dollar amount that is an acceptable variance. If the variance is greater than this, an exception is created.

- 14.3** In the corresponding Post boxes, specify whether to post invoices with variances.
- Type **Y** to post every invoice outside the variance.
- Type **N** if you are not posting invoices outside the variance.
- Type **U** to post invoices only if the difference is less than the P/O.
- 15** Use the Update P/O Cost box to determine whether to update the journal cost in the JOUR-PO file. The cost is only updated if there are no variances specified or if the cost falls within the variances specified.
- Type **Y** to update the purchase order cost.
- Type **N** if you are not updating the purchase order cost.
- 16** In the Hold Invoices In These Cases: Excessive Qtys box, specify whether to automatically post invoices when the invoice quantity is greater than the received quantity on the purchase order.
- Type **Y** to automatically hold the invoices when the invoice quantity is greater than the received quantity on the purchase order.
- Type **N** if you do not want to automatically hold the invoices even when the invoice quantity is greater than the received quantity on the purchase order.
- 17** In the Hold Invoices In These Cases: Excessive Line Item box, specify whether to automatically post invoices when there is at least one item on the invoice that is not on the purchase order. ECI recommends you always set this parameter to **Y**. This keeps invoices with unmatched items from automatically posting.
- Type **Y** to automatically hold the invoices when there are items on the invoice that are not on the purchase order. Invoices post only if the totals on the P/O match the invoice totals.
- 18** The Additional Charges: Code box specifies surcharges. For example, PPI orders may have freight charges. These codes are predefined by the vendor.
- In the Code boxes, you can specify up to 10 four-character codes that correspond to charges from the vendor. For example, the vendor may assign freight charges a code of D240.
- The first Code box is for charges that do not fit in other codes.
- 19** In the Additional Charges: G/L # box, specify the general ledger account to which to post this charge. For example, enter the G/L# for freight.

- 20 In the Additional Charges: Stop box, specify how to post transactions for each general ledger account.
 - Type **Y** to treat the transaction as an exception rather than automatically posting it.
 - Type **N** to automatically post the charge.
 - Type **E** to automatically post the charge and report the transaction as an exception.
- 21 The Additional Charges: Description box is user-defined. You use this box to enter a description of the type code. Using the previous example, you would enter **Freight Charge** in the description box.
- 22 When you finish, click Exit to return to the Vendor window.
- 23 When the cursor returns to the Vendor window, click  to save your changes.

Setting Up Text-Based Vendor Electronic Invoice Parameters

- 1 In the (CP) Vendor Electronic Invoice Parameters screen, type **C** in the action field. See Figure 6.
- 2 At the Correct Record prompt, type **Y**
- 3 Tab to the Vendor # field, and enter your vendor number for Pens Plus (e.g. PENS PLUS).
- 4 In the Receiver's Code ID field, type **PPI**

Figure 6: The (CP) Vendor Electronic Invoice Parameters Screen

```

11:19:06 (CP) Vendor Electronic Invoice Parameters Rev. (09/20/03) 06/15/07
=====
ACTION [C] C=Change, I=Inquire
=====
Vendor#PPI PEN PLUS INC. Code :A G/L # -
Receiver's Code Id #PPI Allow Auto-Post Y/N ?Y
A/P Batch : Period C/I/P ? Cutoff : G/L Loc P/M/L ? Loc :
Match on P/O Nbr Y/N/O ?Y Post A/P to Billing Acct # Vendor ?Y
VARIANCES : Invoice ....% $...... Post Y/N/U ?.
Item ....% $...... Post Y/N/U ?. Update P/O Cost Y/N ?.

HOLD Invoices in these cases Y/N : Excessive Qtys:. Excessive Line Item :.
Post Credits to A/P ?.
ADDITIONAL CHARGES :
Type Stop Type Stop
Code G/L # Y/N/E Description Code G/L # Y/N/E Description
601-01 . FREIGHT CHARGE .....
.....
.....
.....
.....
=====
CORRECT RECORD Y/N ?Y
    
```

- 5 In the Auto-Post field, type **Y**
- 6 In the Match on P/O Nbr field, type **Y**
- 7 In the Post A/P to Billing Acct # Vendor field, type **Y**

Note: For more information on these fields or other fields in the (CP) screen, see the description of the corresponding boxes under the heading **Setting Up Vendor Electronic Invoice Parameters in DDMS**.

Building the Indexes

You must build the C-EDI index to incorporate the information you added to DDMS. You can only reindex in the text-based Customer screen.

- 1 In the (A) Customer Master screen, select the [R] Reindex action code.
- 2 At the Enter Desired Function prompt, type **C**
- 3 At the Are You Sure prompt, type **Y**

Using Electronic Invoicing

You can receive files from PPI and post electronic invoices.

Receiving Files from PPI

Use the (SR) screen to download invoices from Pens Plus, Inc., as shown in Figure 7.

- 1 In the (SR) screen, select the [I] Receive Electronic Invoices function.

**Figure 7:
Receive
Electronic
Invoices in the
(SR) Purchase
Order Reports
Screen**

```

13:41:24          (SR) Purchase Order Reports rev. (05/21/01)          07/03/01
=====
A. Print P/O's.   P/O Form Format Y/R/B/S ?   Past Due Y/N ?   Outstanding Y/N ?

B. Transmit P/O To Vendor          Send Special Codes ?
C. Receive P/O Transmission From Vendor.          A=Azerty   F=United
D. Print P/O Receipts From Vendor.   Delete File Y/N ?   C=Sparco   G=Horizon
F. Talk To Wholesaler.              Who ?F   D=Daisytek   J=Emco
I. Receive Electronic Invoice.       Regional Wholesaler ?.   E=Whl-Grp   X=OPDX

E. Backorder Reports.              Short Buy Report Y/N ?
   Keep Short Buy File for P/O's ?   Print All ?   Match Against P/O's A/E ?
M. Debit Memo Report.
P. Purge Purchase Orders.          Archive Purge to Journal Y/N ?
   From File [PO-MASTER ] Vol. [IN??]          E=Dept
   To File [JOUR-PO ] Vol. [IN??]          D=Date   P=Prefix   V=Vendor
                                          S=Slsm   R=Route   N=Item Nbr
R. Inquire or Report on Archive   Reindex Y/N ?.   C=Cust   L=Class   I=Invoice
                                          Sort Codes 1( ), 2( ), 3( )

P/O Numbers #           To #
Vendor Nbr #           To #
Request [I]   Location ? 1   Printer ?PA   COPIES ? 1   Totals Only ?N Y/N
ARE YOU SURE Y/N ?N
    
```

Setting Up and Receiving Electronic Invoices — Pens Plus, Inc.

- 2 In the Who field, type **E** for Wholesaler Group.
- 3 In the Regional Wholesaler field, type **F** for **PPI**
- 4 The Location field shows the G/L location parameters you set in the (L6EF) screen. Each G/L location can be set up with different PPI accounts. Make sure that you specify the G/L location that is set up with the account to use. Press Tab to accept the default, or enter another location number.

Note: To download invoices for location 2, you must change your master location before running the [SR](I) program.

- 5 Press Enter.
- 6 In the Copies field, press Enter.
- 7 At the Are You Sure prompt, type **Y**

Posting Invoices Using the [QR](I) Screen

- 1 To see detail of invoices downloaded to system, run the Electronic Invoice Detail Report (INVDET).
- 2 Run [QR](I) to post invoices.
- 3 Run the Electronic Invoice Posted Report (INVPOS) to see what posted.
- 4 Run the Electronic Invoice Exceptions Report (INVEXC) to see what exceptions were created.
- 5 Post exceptions manually in the AP Electronic Invoicing Dialog Box.

Note: For more information on processing electronic invoices are contained in the handout *Posting Electronic Invoices*. It is available at www.ddms.com/support/faq/ecommerce.htm#edi.
