

PRELIMINARY ANALYSIS AND CONFIGURATION RELATED TO ACCOUNTS PAYABLE

Block AP01

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Before being able to use **maestro*** to enter orders and perform payments, a certain number of parameters must first be configured in the software. These are general settings that will apply to all suppliers, purchases, or default values. Among other things, the general ledger accounts, to which various purchasing and procurement transactions should be linked, should be specified. Generally, unless changes are made to internal processes or the chart of accounts, these configurations are rarely changed. Once completed during the implementation process, users can go forward and then take the time to create the suppliers.

This document presents all the general settings that are specific to the use of supplier accounts in **maestro***¹. It goes without saying that some of these are specific to particular uses or functionalities - the parameters to complete are, of course, those that apply and answer to the needs of the organization.

Also, although all the fields and sections of the **maestro*** windows are listed in this document, some may not be thoroughly explained by the trainer, as they do not apply to the context or reality of the client.

PREREQUISITES

- [General Ledger](#)
- [Projects](#)
- Security Management
- [Document Management](#) (optional)
- [Contact Management](#) (optional)

¹Other configurations and options are displayed in **maestro***'s **Configuration** option. These will be covered in accompanying documents for other courses or modules.

SUMMARY

- [Complete the **General Settings** of the **Purchasing** Module Linked to the Use of Accounts Payable in **maestro***](#)
 - [Complete the Parameters in the **General** Option](#)
 - [Complete the Parameters in the **Purchases** Option](#)
 - [Complete the Parameters in the **Payments** Option](#)
 - [Complete the Parameters in the **Payment Declaration** Option](#)
- [Checklist](#)


STEPS


Complete the General Settings of the Purchasing Module

TO VALIDATE

TO COMPLETE

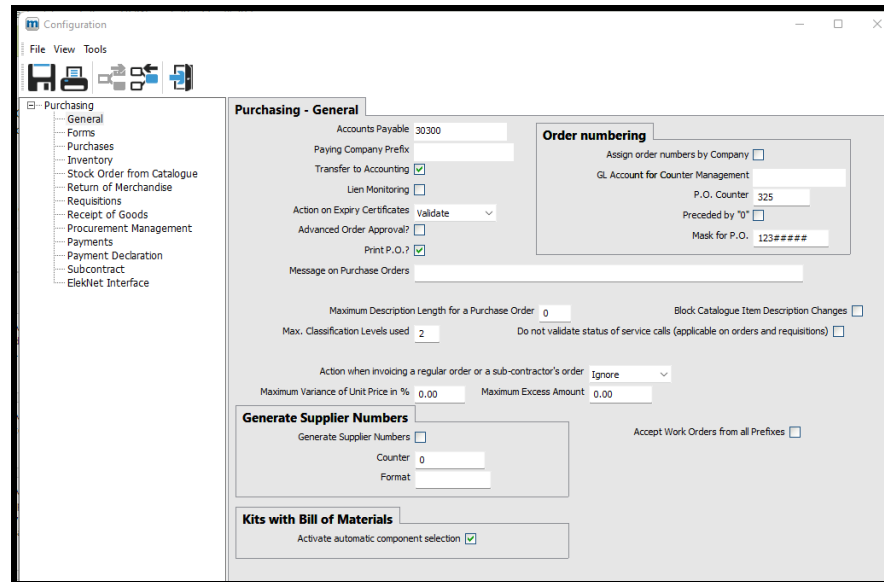
Four options in the **Purchasing** module's **Configurations** concern the accounts payable and must be completed at this stage of the implementation process/training: the **General**, **Purchases**, **Payments**, and **Payment Declaration** options.


 **maestro*** > Purchasing > Maintenance > Suppliers > **Configuration**


 Online Help (F1) - [Configuration](#)


Complete the Parameters in the General Option



1. In the Configuration window, first complete the fields in the **General** option by clicking on it, in the leftmost part of the window.
2. Complete the settings in the right section of the window using the information provided in the following table.



Le symbole  , qui suit le nom d'un champ, signifie que ledit champ peut/doit être complété à cette étape-ci du processus d'implantation. L'utilité et davantage d'informations concernant les autres champs vous seront partagées tout au long de la formation, selon les modules et options avec lesquels ils ont une incidence.

If a  follows the name of a field, the field can/must be completed at this stage of the implementation process. The usefulness and more information about the other fields will be shared with you later, depending on the modules and options they affect.

Field	Description
Accounts Payable 	General ledger account used for the entry of supplier invoices.
Paying Company Prefix	Company responsible for the payment of invoices. <i>NOTE: Available in multidimensional mode only.</i>

Field	Description
Transfer to Accounting 	Allows transactions to be posted to the general ledger. If this field is not checked, the transactions will be generated without being transferred, and will not update the account balances. <i>NOTE: This box must therefore always be checked for entries to be transferred in the different general ledger accounts.</i>
Lien Monitoring	If the box is checked, maestro* will display a window with the supplier's liens, if any, when a purchase or invoice is entered.
Action of Expiry Certificates 	<p>Allows maestro* to prevent supplier disbursements or to display a warning message when a supplier's certificate has expired.</p> <p>Available values:</p> <p>Block Impossible to create the disbursement of a supplier whose certificate has expired.</p> <p>Validate Warning when creating a disbursement for a supplier with an expired certificate. Maestro* offers the possibility to either accept, or not, the transaction.</p> <p><i>NOTE: If a supplier's certificates are expired, a warning is given when entering invoices.</i></p> <div data-bbox="1081 919 1711 1250" data-label="Image"> </div> <p><i>NOTE: For example, the subcontractor performing the construction work for which they are required to have a license are also required to have a valid attestation from Revenu Québec (ARQ), under Chapter V of Bill 28. They must give it to their contractors for the execution of certain</i></p>




Field	Description
	<i>construction contracts. As for contractors, they are required to get from their subcontractors a copy of this attestation, to ensure it is valid, and to verify its authenticity. The latter can be saved in maestro*, in the Define Supplier Certification option.</i>

Field	Description
Advanced Order Approval?	The settings in this section will be explained in the APP01 course. Please refer to its document if needed.
Print P.O.?	
Message on Purchase Orders	
Maximum Description Length for a Purchase Order	
Block Catalogue Item Description Changes	
Max Classification Levels used	
Do not validate status of service calls <i>(applicable on orders and requisitions)</i>	
Action when invoicing a regular order or a subcontractor's order	
Maximum Variance of Unit Price in %	
Maximum Excess Amount	

Order Numbering Section

The settings in this section will be explained in the [APP01](#) course. Please refer to its document if needed.

Generate Supplier Numbers Section

Field	Description
Generate Supplier Numbers 	When activated, this functionality allows to automatically and sequentially generate the supplier numbers, thus saving the user from having to enter them manually.
Counter 	Allows to indicate the next number that will be assigned. <i>NOTE: It is possible, in multidimensional mode, to use a separate counter per prefix.</i>
Format 	Allows to apply a specific format to the assigned numbers. <i>NOTE: The # symbol in the Format field means the supplier number will be completed and preceded by 0. For example, if the next number needs to be 12345, entering ##### in the Format field will generate the number 00012345. This field can also be used to add a prefix to generated numbers.</i>

Kits with Bill of Materials Section

The setting in this section will be explained in the [APP01](#) course. Please refer to its document if needed.

3. Click on the **Save** icon.

Notes:

Complete the Parameters in the Purchases Option

1. Click on the **Purchases** option in the left part of the window.
2. Enter the general ledger accounts corresponding to the account descriptions, on the right side of the window, and complete the other settings according to the information given below.

The screenshot shows the 'Configuration' window with the 'Purchasing - Purchases' section active. The left sidebar lists various purchasing options, with 'Purchases' highlighted. The main area contains the following settings:








Bank Account	10200
Standard A/P Account	30300
Project A/P Account	30300
Purchase Discount	51125
Disb. Discount Account	51125
Holdback: Account - Purchases	30301
Supplier Advance	10101
Interest Payment Account	72000
Payment Terms	
Due Date Calculation	Always when the invoice date, accounting date or payment terms are changed.
Supplier Display Order	Code
Cheque Print Order	Cheque Number
Invoice Status	8
Lien Invoice Status	
Status if the invoice meets the approval requirements	
Minimum Purchase	0.00
Miscellaneous Supplier ID	





Some of the following account descriptions can also be found in the **General Settings** of the **General Ledger, General** section. It is



essential to associate the same account numbers to avoid error messages.

Field	Description
Bank Account 	Bank account to use by default for disbursements.
Standard AP Account 	General ledger account to use by default for standard supplier accounts. <i>NOTE: Be default, this account should be the same as the one entered in the Project A/P Account.</i>
Project AP Account 	General ledger account to use by default for supplier accounts linked to projects. <i>NOTE: Be default, this account should be the same as the one entered in the Project A/P Account.</i>
Purchase Discount 	General ledger account associated to the discount posted when a Project Purchase or an invoice is entered in the Invoicing option. <i>NOTE: This account is usually used to accumulate bulk discounts.</i>
Disb. Discount Account 	General ledger account associated to the payment discount posted when disbursements are issued.
Holdback Account - Purchases 	General ledger account used to record holdbacks to be paid.
Supplier Advance 	General ledger account used to record payments to suppliers (deposits/advances) with no reception of invoice.
Interest Payment Account	General ledger account used to record amounts paid that are greater than the invoices.

Field	Description
	
Payment Terms	<p>Payment terms generated by the Payment Terms Management option, applicable by default to all purchases.</p> <p><i>NOTES: Maestro* displays this default payment term if no other payment term is set in the Supplier Management option.</i></p> <p><i>This field can affect the immediate payment of a Project Purchase with Immediate disbursement, in that the default payment term will prevail. However, maestro* will display a warning message that can be overridden by deleting the payment term. As many construction companies are accustomed to making payments upon the receipt of an invoice, this parameter is rarely automatically completed.</i></p> <p><i>Maestro* determines the due date of invoices entered based on the applicable payment terms.</i></p>
Due Date Calculation	<p>Determines when the due date should be calculated.</p> <p>Available values:</p> <ul style="list-style-type: none"> • 0 - Only when the due date is blank. • 1 - Always when the invoice date, accounting date, or payment terms are changed. • 2 - Confirm when the invoice date, accounting date, or payment terms are changed. <p><i>NOTE: By default, the configuration is set to 1 - Always when the invoice date, accounting date, or payment terms are changed.</i></p>
Supplier Display Order 	<p>Supplier display order.</p> <p><i>NOTE: The display order used in the AP Aging report (Purchasing module), List of Purchases, and AP Aging Report - Summary (General Ledger module).</i></p> <p>Available values:</p> <p>Code The supplier display order, on the generated reports, will be established according to their code.</p>

Field	Description
	The name and address indicated in the project purchase will be visible in the invoice's detail window, when making an invoice inquiry.

3. Click on the **Save** icon.

Notes:

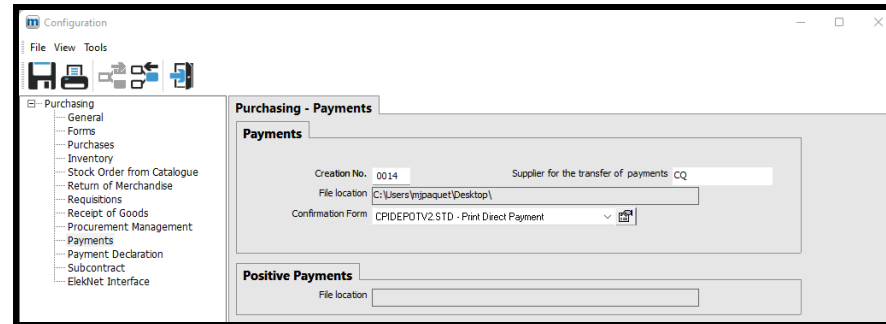
Complete the Parameters in the Payments Option

The fields in the right portion of the window essentially allow to specify the location and certain characteristics linked to the **Direct Payments** and **Positive Payments** (Positive Pay) files, two very different services, offered by a majority of financial institutions, that require the sharing of information through a file.

The **Direct Payments** option makes it possible for **maestro*** to share information with the financial institution so that it can act as an intermediary and make invoice payments to designated suppliers on behalf of the company.

The **Positive Payments** option (also called *Positive Pay*), on the other hand, is a widely known cash management service used by most banks to detect fraud. This service consists of matching the dollar amount of each cheque, the cheque number, and the account number presented for payment to cheques that have been previously authorized and issued by the company using the service.

1. Click on the **Payments** option in the leftmost part of the window.
2. Complete the fields in the right section of the window using the following explanations.



Payments Section

Field	Description
Creation No.	<p>Number issued for the last direct payment.</p> <p><i>NOTES: The number is incremented during the creation of a direct payment file.</i></p> <p><i>The number can also be incremented during the creation of a bank deposit file if the Use the direct payments creation number box is checked in the window of the Configuration icon of the Bank Deposit File window, where the same bank issuer number is used for direct payments to suppliers and for bank deposits related to employees' wages.</i></p> <p><i>In multidimensional mode, a button to the right of the field allows to set up a creation number by company prefix.</i></p>
Supplier for the transfer of payments	<p>Supplier code used to produce the individual disbursement when transferring the preparation of the direct payments file.</p> <p><i>NOTE: This individual disbursement is used to automatically transfer direct payment amounts issued from the internal bank account towards the current bank account. If this supplier is omitted, this disbursement will not be created. For more information, read the content of course APO4.</i></p>
File location	<p>Location where the direct payment files are saved.</p> <p><i>WARNING! If not location is specified, maestro* will save direct payment files in the user's Document directory by default.</i></p>

Field	Description
	This directory is accessible through the Windows explorer and can be found, for example in the Library or My Documents section.
Confirmation Form	<p>Customized form for payment confirmation.</p> <p><i>NOTE: The prevailing direct payment confirmation form is the one in the Direct Payment Form field in maestro* > Maintenance > General Maintenance > Processing > Cheque Configuration.</i></p>

Positive Payments Section

It must be completed if your financial institution offers the disbursement validation service to eliminate fraud attempts when cashing cheques. Currently, *HSBC Standard Bank 300 Bytes* offers this service.

Field	Description
File location	Location where the fields generated by the Prepare Positive Payment File option are saved.

Notes:

3. Click on the **Save** icon.

Complete the Parameters in the Payment Declaration Option

The **Payment Declaration** tab refers to the information return, the [T5018 slips - Statement of Contract Payments](#), which is required of businesses in the construction industry. Indeed, the latter are required to report amounts paid or credited to subcontractors for construction services, and encouraged to share this information electronically. The fields in this section are therefore used to indicate the directory where the XML file, generated by **maestro*** to this effect, will be saved, the *Canadian Revenue Agency's* account number, necessary to transfer the report, as well as all the necessary information about the person in charge of transmitting the report. Finally, there is a section of the window designated to the entrance of values necessary for the production of the report if some of these subcontractors are American; in this case the 1099-MISC form will have to be sent to the IRS (*Internal Revenue Service*), the American federal agency that collects income tax and various taxes.

1. Click on the **Payment Declaration** option in the leftmost part of the window.
2. Complete the fields in the right section of the window.

Configuration

File View Tools

Purchasing - Payment Declaration

Saving Directory of XML File

CRA Account Number

Contact

Name

Phone () - Extension

Email

Transmitter

Number

Name

Address

City Postal Code

Province Zip Code

1099-MISC Form

Minimum amount per category:

01- Rents	0,00	07- Non-Employee Compensation	0,00
02- Royalties	0,00	08- Substitute Payments in Lieu of Dividends or Interest	0,00
03- Other Income	0,00	09- Payer-Made Direct Sales of \$5,000 or More	0,00
04- Federal Income Tax Withheld	0,00	10- Crop Insurance Proceeds	0,00
05- Fishing Boat Proceeds	0,00	13- Excess Golden Parachute Payments	0,00
06- Medical and Health Care Payments	0,00	14- Gross Proceeds Paid to an Attorney	0,00

Field	Description
Saving Directory of XML File	Location where files generated by the XML File Payment Decl. option are saved.
CRA Account Number	Account number provided by the Canada Revenue Agency (CRA) for the transmission of the XML File Payment Decl. report.
1099-MISC Form Minimum Amount	Minimum amount from which a payment declaration must be produced for a supplier located in the United States of America. This configuration is used when printing the 1099 form, available under the Dec. of payment - Form 1099 - MISC option.

Contact Section

3. Enter the contact information for the payment declaration.

Transmitter Section

4. Enter the transmitter information needed to send the **XML Subcontractor Payment Declaration** report.
5. Click on the **Save** icon.



In **maestro***, multiple options, that at first glance seem quite similar, are meant to produce the necessary information needed to send the T5018 form. The three that are used the most are:

- The **Payment Declaration** option allows a user to display or validate the payment information of subcontractors in a succinct manner,
- The **Subcontract Payment Declaration - File** option allows a user to generate the information in an XML file, for electronic transmission, and finally
- The **Subcontractor Payment Declaration - T5018 Form** option offers two display formats (government or subcontractor) for hard copy printing or recording.



Furthermore, it is in the subcontractor's record and the **Payment Declaration** tab, which can be displayed through the **Supplier Management** option, that information specific to the payment declaration of a particular subcontractor can be specified (beneficiary, social insurance number, adjustment, etc.).

Notes:

CHECKLIST

Legend

Type	Description
C	Configurations to be completed
A	Approval or meeting with management
T	Tests and trial runs

Block AP01

No.	Type	Task	Employee	Due Date	Done
1	C	Complete the configurations in the General tab of the supplier Configuration option. Complete the Generate Supplier Numbers section.			✓
2	C	Complete and validate the identification of account numbers linked to purchase operations in the Purchases option of the supplier Configuration option.			
3	C	Define the supplier display order and the cheque print order in the Purchases option of the supplier Configuration option.			
4	C	Complete the parameters linked to the use of direct payments, if applicable, in the Payments option of the supplier Configuration option.			
5	C	Indicate the file location linked to the positive payments, if used, in the Payment option of the supplier Configuration option.			

No.	Type	Task	Employee	Due Date	Done
6	C	Complete the configurations linked to the online mailing of the T5018 slip in the Payment Declaration option of the supplier Configuration option.			
7	C				
8	C				
9	C				
10	T				

Last modification: mai 31, 2024