

# Payments: How to Record Payments in AnyOrder

## ■ Where Payments are Recorded

Payments are recorded in the "Payment Box" on the lower right hand corner of the Main Invoice Screen. Because payment information is in plain view, right on the invoice, you can page through the invoices and easily spot those which are paid and those which are not.

Approval Codes:	
PAYMENTS <input type="button" value="Check"/>	
PAID (Elsewhere)	
Paid1	17.16
Date1	02/16/05 1
Paid2	0.00
Date2	/ / 0
Balance	338.59

Buttons: Calculate, Help, Search, Repeat Search, Repeat Search Back, Repeat Forward

The Payment Box is located on the lower right corner of the Main Invoice Screen.

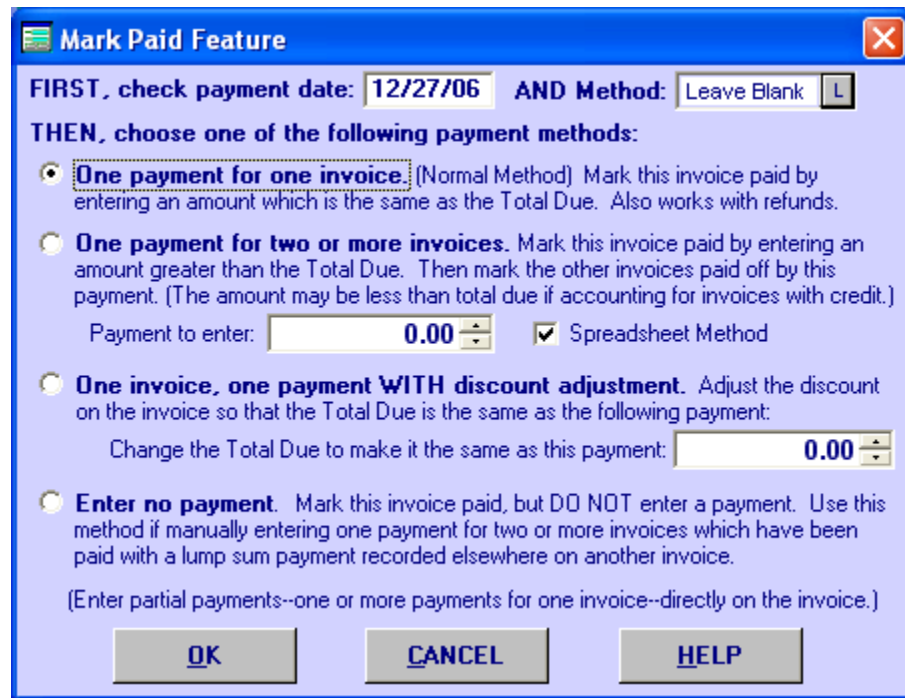
No matter what method you use, the one general principle of recording payments is that you should always record the customer's exact payment. Resist the temptation to add a couple of the customer's checks together. Even if it takes several payments to pay off one invoice, you want to record each payment separately. This way you and your customer have an accurate record of each and every payment.

## ■ How to Record a Payment

There are two methods of entering payments by customers. The first method is not used very often because there is a simpler way, but you can manually enter payment amounts in the Payment Box. Two blanks ("Payment1" and "Payment2") are available on each invoice. Payment1 is used for the first payment from the customer. Payment2 is used if it takes two payments to pay off the invoice. (More than two payments can also be handled. The help documentation that comes with the program has more details on the process.) After typing in a payment, enter the date ("Date1" or "Date2") when you received the payment.

You may manually type the customer's payments as described above, but there is a better way. The program includes a tool to help you keep track of which invoices are paid and which are not. To access it, select INVOICE TOOLS and choose MARK INVOICE PAID. It can also be accessed by pressing the right mouse button while in one of the payment fields and selecting Mark Paid from the Speed Menu.

The Mark Paid feature is the best way to enter payments on the invoice. To reach it, select INVOICE TOOLS and choose MARK INVOICE PAID. It can also be accessed by pressing the right mouse button while in one of the Payment fields and selecting Mark Paid from the Speed Menu.



What's so nice about the Mark Paid feature compared to other small business software systems is that it duplicates how people work in a real world situation. While it might not be important for large businesses with teams of accountants, small businesses want to keep track of individual invoices--and whether or not they are paid.

A time-tested method of keeping track of invoices is to write (or stamp) "PAID" on top of the invoice. Many computer software programs, however, don't use the system, rather relying on a separate payment register which is detached from invoices. The Mark Paid feature, however, keeps things simple by printing "PAID" in the Payment Box on the Invoice Screen and keeping invoices and payments together.

## ■ Using Mark Paid: One Payment for One Invoice

This is the process that you'll use the most. When a payment comes in to pay off an invoice, you'll go to the appropriate invoice and select INVOICE TOOLS >> MARK INVOICE PAID. Click on OK and you're finished. It's that's quick. AnyOrder will enter the payment amount and the date, and it will mark it paid on the invoice.

Let's look at this a bit closer. You'll use this technique when the customer is paying off one invoice, and they've sent you check (or another form of payment) that pays off the invoice in one payment. For example, let's say the customer owes you \$75 on Invoice # 305. When you receive the check from them, you find Invoice #305 by clicking on the "Search" button on the lower right corner of the Main Invoice Screen. Select INVOICE TOOLS >> MARK INVOICE PAID. And click OK.

After clicking OK, \$75 will be entered in the "Payment1" blank, and the date in "Date1." "Status: PAID" will appear in the Payment Box. The payment is recorded, and you're all set to enter other payments.

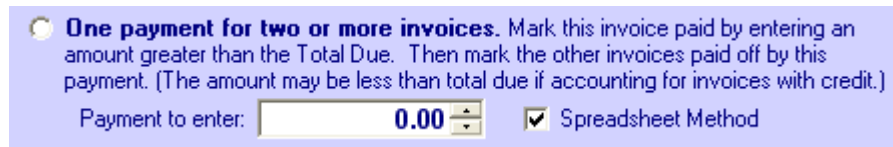
If desired you may also select the payment type from the list: check, cash, credit card or other. This is optional, but if you use it, you'll be able to get a summary of how much of each payment was made when a deposit report is created. The deposit report (available in Level II and higher) is reached by selecting INVOICE TOOLS >> DEPOSIT & PAYMENT REPORT.

If you make a mistake, you can remove the paid status by selecting INVOICE TOOLS >> REMOVE PAYMENT STATUS.

## ■ Using Mark Paid: One Payment for Two or More Invoices.

If a customer pays off more than one invoice in a lump sum payment, choose the second option on the Mark Paid dialog box.

Use the second option on the Mark Paid dialog box when the customer's check pays off two or more invoices.



**One payment for two or more invoices.** Mark this invoice paid by entering an amount greater than the Total Due. Then mark the other invoices paid off by this payment. (The amount may be less than total due if accounting for invoices with credit.)

Payment to enter:   Spreadsheet Method

Enter the total payment amount in the "Payment to Enter" blank. When you press OK, a spreadsheet will appear, and you'll be able to click each of the other invoices which were also paid off by the customer's payment.

For an example, let's say that a customer has three unpaid invoices. The oldest invoice is for \$50, the next oldest is \$100, and the most recent is \$150. The customer sends you a check for \$300 to pay off all three invoices.

**HINT:** *A good way to view a customer's activity is to use the filter function. First go to one of the customer's invoices. Select INVOICE TOOLS >> FILTER INVOICE. Click on the "+" beside "Current Customer. Now, the only invoices displayed will be from the same customer. That makes it easy to see which invoices are paid and which are not.*

Go to the oldest invoice, the \$50 invoice. (If you use the filter method described in italics above, it's easy to page back through the customer's invoices to the one you want.) Select MARK PAID from the menu, and the second option ("One Payment for Two or More Invoices"). Type in \$300 in the "Payment to Enter" blank, and, if desired, select the payment type from the list: check, cash or credit card.

After pressing OK, a spreadsheet ("Mark Other Invoices Paid") will appear. Click on each of the additional invoices that have been paid. More information on this dialog box follows.

## ■ One Payment for Two or More Invoices: Marking Other Invoices Paid

As explained above when you are marking more than one invoice as paid, a spreadsheet will appear ("Mark Other Invoices Paid"). The spreadsheet shows all of the customer's invoices. Each invoice is shown on a separate row.

When the spreadsheet appears, you select the invoices that should be included with the payment. To make a selection, double click on that invoice's row. (You can also do select by a single click by placing a checkmark beside: "Select by One-click" found at the bottom of the spreadsheet.)

When you double-click, a checkmark appears in the first column, meaning that the invoice will be marked paid along with the starting invoice and any others you select. Keep double clicking until you've marked all the invoices that should be included in the payment.

### Mark More Invoices Paid

This spreadsheet appears when one payment pays off two or more invoices. Click on each of the invoices that the check pays off. A checkmark will appear in the "Yes" column (to indicate this payment) and the "Pd" column (meaning that the invoice is paid.) The amount left on the lower left hand corner of the spreadsheet will eventually reach zero(0) when you've marked all of the invoices.

Yes	Inv Date	Invoice	Pd	Bill Name	City	St	Country	Po Number	Total Due
	06/23/05	443785	✓	Barnes & Noble	Westbury	NY		114744	59.95
	07/21/05	443792	✓	Barnes & Noble	Westbury	NY		122812	41.16
	07/21/05	443795	✓	Barnes & Noble	Westbury	NY		129602	41.81
	08/11/05	443815	✓	Barnes & Noble	Westbury	NY		162462	78.97
	12/02/05	443863	✓	Barnes & Noble	Westbury	NY		279809	41.16
	12/27/05	443873	✓	Barnes & Noble	Westbury	NY		302419	42.99
	12/28/05	443874	✓	Barnes & Noble	Westbury	NY		309358	23.99
	03/03/06	443894	✓	Barnes & Noble	Westbury	NY		379911	79.57
	05/31/06	443939	✓	Barnes & Noble	Westbury	NY		480578	76.32
▶	06/15/06	443950	✓	Barnes & Noble	Westbury	NY		496132	24.34
	07/05/06	443964		Barnes & Noble	Westbury	NY		517527	26.04
	08/10/06	443983		Barnes & Noble	Westbury	NY		555650	41.56
	08/24/06	443998		Barnes & Noble	Westbury	NY		570747	41.56
	10/12/06	444025		Barnes & Noble	Westbury	NY		622980	24.34
	12/14/06	444063		Barnes & Noble	Westbury	NY		688356121306	24.34
	12/22/06	444073		Barnes & Noble	Westbury	NY		696777	44.39

To mark an invoice paid, click twice on the appropriate row above. Clicking twice again removes it.

Select By One-click   Show only those invoices with the same billing name

**Amount Left: \$225.66**

Starting Invoice (where you began and where the original payment is recorded): 443950

If you wrongly mark an invoice, you can remove the checkmark by clicking on it again. As you mark invoices paid, the amount remaining from the original payment will be shown at the bottom, left of the screen. After you've marked all of the invoices paid, the amount remaining will reach zero(0). At this point, the program will ask if you want to exit. Select "Yes" and you're all finished. For more details on this second dialog box, select HELP >> SEARCH HELP and find: "Mark Paid Feature." [Web Link](#)

## ■ One Payment for Two or More Invoices: Dealing with Credits

You can also use the second option on the Mark Paid dialog box when a customer pays off more than one invoice with a lump sum payment *that includes at least one invoice with a credit*. The credit might be returned item or it might be credit memo.

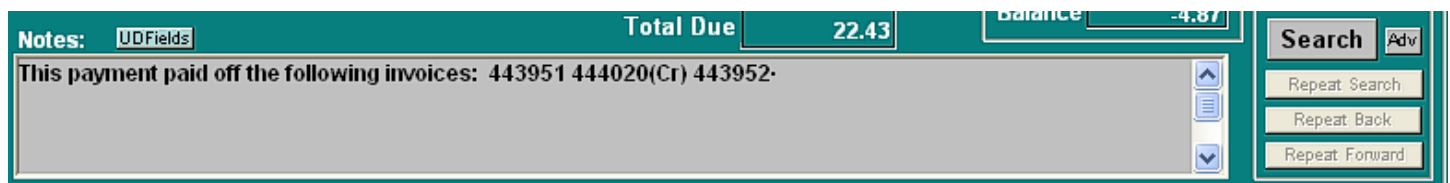
*In this case, always start with an invoice that has a positive total due.* In other words, don't start with an invoice with a credit on it. (If you start with a credit invoice, the program assumes you are trying to mark it as a refund. In this case, however, you are not issuing a refund. You are combining the customer's credit with other invoices.)

Go to one of the invoices (with a positive total due) that the customer is paying off. (Use the filter method described on page 3 to make finding the invoices easy). Then follow the same procedure you would any time you are dealing with one payment for two or more invoices. That means to select MARK INVOICE PAID from the Menu Bar and click on the second option. Enter the total payment amount in the "Payment to Enter" blank.

When you press OK, the spreadsheet will appear and you'll be able to mark off each of the other invoices covered by the customer's payment. Included among those invoices can be any invoice with a credit.

When you are finished with the Mark Paid process, you can page through the invoices and you'll see that those with a positive total due will be marked "PAID (Elsewhere)." That means that the invoice has been paid by a lump sum recorded on another invoice. And those with a credit (negative total due) will be marked "CREDIT (Covered)" which means that the invoice's credit has been included in a lump sum payment on another invoice.

When you are finished, the NOTES on the bottom of the Invoice Screen will include the numbers of all invoices processed. Any credit invoices will have a "(cr)" after the invoice number.



The screenshot shows a software interface for an invoice. At the top, there are fields for 'Total Due' (22.43) and 'Balance' (-4.87). Below these is a 'Notes' field containing the text: 'This payment paid off the following invoices: 443951 444020(Cr) 443952-'. To the right of the notes field are several buttons: 'Search', 'Repeat Search', 'Repeat Back', and 'Repeat Forward'. The 'Notes' field also has a small 'UDFields' label and a search icon.

When one payment pays off several invoices, AnyOrder keeps a record of it in the Notes area at the bottom of the Main Invoice Screen. This information is found on the invoice where you started the Mark Paid process. In the example above, the payment paid off three invoices. One of the three invoices (444020) was a credit invoice. You can tell the credit invoices by the "(Cr)." Be sure not to delete this information. It's quite helpful. You can get a summary of payment activity for a selected customer by using Payment Analysis (accessed by selecting INVOICE TOOLS >> PAYMENT ANALYSIS from the menu bar.)

If you make a mistake, you can remove the "Paid (Elsewhere)" or "Credit (Covered)" Status on selected invoices by using Remove Payment Status (INVOICE TOOLS >> REMOVE PAYMENT STATUS).

## ■ One Payment for One Invoice: Dealing with a Refund

You can use the Mark Paid feature to indicate that a refund check has been sent to a customer. *If you are not planning to issue a refund, but rather will be applying the customer's credit to future purchases, then don't use*

*Mark Paid yet. Leave the Payment Box as it is. The credit will later be accounted for when the Mark Paid feature is used when customer pays off other invoices (See: "One Payment for Two or More Invoices: Dealing With Credits," previous page).*

If you are doing a refund, wait until you have prepared the refund check before using Mark Paid. When the check has been sent, find the invoice on which the customer's credit is recorded. Select MARK PAID from the Menu Bar. A message will appear reminding you only to use the procedure with customers receiving refunds, and it asks you whether or not you want to continue. Select YES to continue.

The Mark Paid dialog box will appear. Choose the first or default option ("One Payment for One Invoice"). Click on OK. When the dialog box closes, you'll see that the Balance will now be 0, and the Payment Box will show "REFUND ISSUED."

### ■ One Invoice, One payment WITH Discount Adjustment.

This is the third option on Mark Paid Dialog Box. *(Note that this option is available only with Level IV and greater.)* You can use this option for one of two purposes. For the first purpose, let's say you've invoiced a customer for \$25.05. When the check comes, it's made out for \$25.00. It will cost you much more than .05 when you figure the time involved in calling or sending out a statement, so rather than try to collect such a small amount, the discount on invoice is upped slightly so total comes out to \$25.00. By selecting this option and indicating the amount, the discount will be automatically adjusted.

Use the third option on the Mark Paid Dialog Box when you need to adjust the total on your invoice to match the customer's payment



To provide you with a record of the change, the notation will be placed in the Notes area. The notation looks like: ADJ/DISC: \$25.05. This means that the invoice was originally issued for \$25.05, but you've adjusted the discount to the Total Due (\$25.00) now showing on the screen.

Secondly, this option can be used in a situation where you need to adjust the discount for an Early Payment Discount. Early Payment Discounts are extra discounts that you provide to the customer for expediting payment of an invoice. For example, you may provide an additional 2% discount if a customer pays within 10 days. By selecting this option and indicating the amount, discount will be automatically adjusted. A record of the adjustment appears in the Notes area.

We do want to caution you about use of this method. Some accountants feel that you should issue a credit invoice for early payment discounts instead of adjusting the discount. We'll leave this up to you whether you want to use this method or not. This is quick and easy to use, but you should discuss it with your accountant about before implementing it.

Note that if a customer is paying off several invoices with one payment, and is taking advantage of an Early Payment Discount, then you'll need to issue a credit invoice. This method (third option on Mark Paid dialog box) can only be used when the customer is making one payment for one invoice.

## ■ Customer's Computer Calculates Discounts Differently Than AnyOrder

You may find that some of your customers will calculate the discount of an order in a slightly different manner than AnyOrder. Usually, this never amounts to much more than a few pennies. Nevertheless, they'll only accept their way of doing things. When the difference is very small, it's easiest for you to simply accept their calculations. If you try to correct it, you'll find yourself sending out statements, making phone calls, and generally expending much more effort than it's worth.

If one payment is paying off one invoice, then you can use the third method on the Mark Paid Dialog Box ("One Invoice, One payment WITH Discount Adjustment"). See the explanation on the previous page for more details.

If the customer is paying off two or more invoices with one payment, you'll need to adjust one or more of the invoices to match their calculations. Here's an example of how to adjust one invoice to match their calculations: Let's say that one of the invoices to Baker and Taylor is for a total of \$39.95, but Baker and Taylor says you owe \$39.94. To make the adjustment, first find the appropriate invoice. Then select INVOICE TOOLS >> CALCULATE DISCOUNT from the Menu Bar. In the dialog box that appears, enter: \$39.94. After you click on OK, AnyOrder will automatically readjust the discount to match Baker and Taylor's.

This dialog box appears when you select INVOICE TOOLS >> CALCULATE DISCOUNT from the Menu Bar on the Main Invoice Screen. Use it when you need to adjust discount so that the Total Due on the invoice matches the customer's payment. Similarly, it can also be used to adjust the discount for one of the products listed in the Item Area.

**Calculate Overall Discount from Total Amount**

Sometimes you know what the total amount of the sale is, but you need to work backwards and calculate overall discount (and sales tax, if any). To do so, make sure you have indicated on the invoice whether it is a taxable sale or not and that you have entered quantities and catalog numbers of the items sold. Then in the blank, below, enter the desired total due amount of the sale and click "Calculate Overall Discount":

Total Due Amount:

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**OR Calculate the Discount of an Individual Product**

Or, if desired, you can also work backwards & calculate the discount of an individual product that you've listed in the "Item" area of the invoice. To do so select the item from the list below by moving the color highlight to the correct row (stay in the "Quan" column). Type in the amount in the blank and click on "Calculate Item Discount."

Quan	Cat #	S	Item	Price @	Total	Discount	Discounted Total
3	BK/NTBP1	S	Never Turn Back-Paper	14.95	44.85	0.0000000	44.85 ▲

Select a Product Row, Above, and Enter Discounted Total:

## ■ More Information on Payments

More details on other payment situations are described in the Help Documentation built into the program. To access it, select HELP from the Menu Bar on top of the screen. Then click on SEARCH HELP. Search for "Payments, How to Record." [Web Link](#). You can also click on the HELP button found on the Mark Paid dialog boxes.