



ORACLE
NETSUITE

Vendors



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Vendor Records

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Vendor Records Overview

Vendors supply you with goods or services you need to run your business. For each vendor you purchase from, use vendor records to do the following:

- Track associated items and pricing
- Track addresses for a vendor's locations and offices
- Track financial data and purchasing transactions
- Track balance of prepayments
- Track CRM information like contacts, notes, messages, and marketing campaigns
- Attach and track files
- Give online access to enable vendors to see your orders



Important: If you use the Multiple Currencies and Multi-Currency Vendor features and have vendors with multiple currencies, note the following. You configure an inventory item with a default purchase price, set a preferred location, and a re-order point value. The purchase price must be the preferred default for the item, and in the preferred currency.

You can also create vendor records for tax agencies. You can then use the tax agency records to pay sales tax that you have collected. Likewise, you can create vendor records as payroll items to withhold and pay tax and insurance on behalf of your employees.

If you use NetSuite OneWorld, you can assign a primary subsidiary and an unlimited number of secondary subsidiaries to a vendor record. This is useful when you have multiple subsidiaries using the same vendor. A shared vendor record provides the vendor's total outstanding balance and total unbilled balance in the primary subsidiary's currency. These two balances are the sum of all of the assigned subsidiaries' balances.

A running balance is kept for each vendor based on bills you have entered and payments you have made. You can also keep track of the balance of prepayments for each vendor. Run reports to see who your vendors are, how much you owe, what bills you need to pay and what purchase orders you have.

You can list your vendor records in NetSuite in Lists > Relationships > Vendors.

Vendor Record Management

To view the list of vendor records, go to Lists > Relationships > Vendors.

To manage your vendor records, see the following topics:

- [Creating a Vendor Record](#)
- [Creating a Tax Agency Vendor Record](#)
- [Editing a Vendor Record](#)
- [Inactivating Vendor Records](#)
- [Deleting a Vendor Record](#)
- [Merging Vendor Records](#)
- [Vendor Dashboards](#)
- [Printing Mailing Labels for Vendors](#)

Creating a Vendor Record

A vendor is a company or person from whom you purchase goods and services. Vendor records track information about your vendors and enable you to view past transactions and communications with them.

If you use NetSuite OneWorld, you can share a vendor record across multiple subsidiaries or assign one vendor to a single subsidiary. For more information about globally shared vendor records, see the help topic [Assigning Subsidiaries to a Vendor](#).



Important: The fields that appear in your account depend on which features you have enabled in your account. Some fields described below may not appear in your account.

To create a vendor record:

1. Go to Lists > Relationships > Vendors > New.
2. Enter information as indicated below.
3. Click **Save**.

Primary Information

1. In the **Custom Form** field, accept the default form or select the form you prefer to use to create this record.
To customize this form, select **New** or click **Customize Form**.
2. In the **Vendor ID** field, enter your vendor's name the way it should appear in all lists.
 - If you leave this field blank, this field fills with the name you enter in the **Company Name** field.
 - If you use Auto-Generated Numbering, this field fills with the vendor number or code.
3. Next to **Vendor ID**, clear the **Auto** box to manually enter a name for this record. When this box is checked, a name or number is assigned for this record, based on your settings at Setup > Set Up Auto-Generated Numbers.
4. Next to **Type**, choose whether this vendor is a company or an individual.
5. In the **Company Name** field, enter the legal name of this vendor.
If you use Auto-Generated Numbering, you should enter the vendor name to ensure that it appears along with the code in lists.
6. In the **Web Address** field, enter a URL for this vendor's web address. When you return to this record for viewing, this address is a link.
7. Select the category for this vendor.
To create new categories, go to Setup > Accounting > Accounting Lists . Click **Vendor Category**.

8. In the **Image** field, select an image from the file cabinet to attach to this record.
Click or select **New** to upload a new image.
9. In the **Comments** field, enter any additional notes.

Email | Phone | Address

1. Enter the email address of your vendor. If you permit your vendors online access, this becomes part of their access code.
2. Enter a phone number for your vendor. It will appear on the Vendor List report.
3. Enter the vendor's alternate phone number.
4. Enter the vendor's fax number.
You should enter the fax number exactly as it must be dialed. If a '1' is required to fax to this number, include it at the beginning of the number.
The number you enter here automatically appears in the **To Be Faxed** field of transactions when you select this customer.
To fax NetSuite forms, an administrator must first set up the fax service at Setup > Company > Preferences > Printing & Fax.
5. The **Address** field automatically shows the default billing address that you enter and add using the **Address** subtab.

Click a subtab to schedule activities, send email, attach files, add notes and more for this vendor. For more information about choosing which fields appear on these subtabs, see the help topic [Configuring Fields or Screens](#).

Classification

If you use NetSuite OneWorld, in the **Primary Subsidiary** field, select the primary subsidiary to assign to this vendor.

You cannot enter transactions for this vendor unless a primary subsidiary is assigned.

The default primary currency for the vendor is the base currency of the primary subsidiary.

Note: After you save the vendor record, you cannot change the primary subsidiary.

Subsidiaries

If you use NetSuite OneWorld, the **Subsidiaries** subtab enables you to assign the secondary subsidiaries that can share this vendor. After you save the vendor record, you can see vendor open balances at subsidiary level.

Note: If the Subsidiaries subtab is not visible, your organization uses a custom vendor entry form that prevents users from associating vendors with multiple subsidiaries.

For more information, see the help topic [Creating Custom Entry and Transaction Forms](#).

If this vendor record is not shared with multiple subsidiaries and for existing vendors, note the following about the **Subsidiaries** subtab. This subtab provides the primary subsidiary's outstanding balance and unbilled orders balance in the subsidiary's currency, and the vendor's credit limit.

If you have access to a vendor record and at least one assigned subsidiary, note the following. You can view and edit the vendor record, according to your permission level.

Users with access to a vendor record but not to all of the subsidiaries assigned to the vendor note the following. You can view, edit, or both only those subsidiaries to which you have access, according to your permission level.

Users with **Allow Cross-Subsidiary Record Viewing** enabled can view vendor records and all subsidiaries.

The primary subsidiary automatically displays first on this subtab.

At any time you can add a subsidiary to the shared vendor. You can delete a subsidiary if there are no associated transactions. However, if an entity shares a customer and a vendor and both are associated with a subsidiary, note the following. Any customer transaction prevents you from deleting the subsidiary assignment.



Important: You cannot share a tax agency vendor or a vendor defined as a project resource. Further, you cannot share a vendor whose purpose is Intercompany Management.

You can deactivate an assigned subsidiary when the assignment is no longer useful to you.

When you select this vendor on a transaction, you can associate the transaction with the primary subsidiary and any or all assigned secondary subsidiaries. Note that the vendor has access to the primary subsidiary's transactions in the Vendor Center. If the Vendor Center role is customized by setting **Allow Cross-Subsidiary Record Viewing**, the vendor can see all of the transactions in the Vendor Center.

To configure the subsidiaries subtab:

1. In the **Subsidiary** field, select the subsidiary that can share this vendor.
2. In the **Credit Limit** field, enter the credit limit for this subsidiary.

The default is no value, or no credit limit.



Note: The primary subsidiary's credit limit displays in the matrix on the **Subsidiaries** subtab, rather than on the **Financials** subtab.

3. In the **Tax Code** field, select the tax code to apply by default to purchase orders and bills entered for this subsidiary vendor relationship. You can change the tax code on individual transactions.

If you use NetSuite OneWorld and this vendor is shared with multiple subsidiaries, note the following. You can select a tax code that is associated with any of the secondary subsidiaries assigned to this vendor.

The default tax code you assign to a subsidiary vendor combination must be available on purchase transactions. Otherwise, you cannot select this tax code on purchase orders or bills for that vendor. Ensure that the **Available On** field of the tax code record (Setup > Accounting > Tax Codes) is set to **Purchase Transactions** or **Both**.

4. Click **Add**.

Add each subsidiary that is to share this vendor. Subsidiaries within a subsidiary do not automatically share this vendor.

You cannot add multiple subsidiaries to a tax agency vendor.

After you save the vendor record, the **Subsidiaries** subtab provides the primary subsidiary and any active and inactive subsidiaries. The subtab provides the outstanding balance for each subsidiary in both the currency of vendor's primary currency and the subsidiary's base currency. It also provides the unbilled orders balance in both currencies.

If you use the Vendor Prepayments feature, note the following about the **Subsidiaries** subtab. This subtab provides the total balance of prepayments associated with the vendor record in the vendor's primary currency and the subsidiary's base currency.

- The **Prepayment Balance** column provides the prepayment balance in the vendor's primary currency.
- The **Prepayment Balance (Base)** column provides the prepayment balance in the subsidiary's base currency.

Relationships


1. On the **Contacts** subtab, enter information about your contacts with this vendor.

Communication

1. On the **Phone Calls** subtab, view or enter new phone calls for this vendor.
2. On the **Tasks** subtab, view or enter CRM tasks records relating to this vendor.
For more information about tasks, see the help topic [Working with CRM Tasks](#).
3. On the **Events** subtab, enter events for this vendor.
4. On the **Files** subtab, you can select and add files from the File Cabinet that are associated with this vendor. For example, you can attach a contract as a file associated with this vendor.
Select **New** to upload a new file to the File Cabinet.
5. On the **User Notes** subtab, add and track notations about this vendor.

Address

1. Check the **Default Shipping** address box if this is the main address to send returned products to the vendor.
2. Check the **Default Billing** address box if this is the remittance address where payments should be sent for this vendor.
3. Enter the **Label** for this address.
You choose this name on transactions to select the address for this vendor.
4. To add or edit values for other address fields, click the pencil icon in the **Edit** column.
An address popup window displays address fields.

 **Note:** The address form shown for each employee may vary according to the country where the employee is located. It also depends on the custom address forms defined in your account.


For more information, see the help topic [Customizing Address Forms](#).

- a. Ensure the value for **Country** is correct. If it not, select a different country.
- b. In the **Attention** field, enter the person at this address who should be notified of receipt of documents or goods.
The value you enter automatically appears on forms if this address is marked as default for **Shipping** or **Billing**.
- c. In the **Addressee** field, enter the company name that should show on the shipping label here.
This name appears under the name entered in the **Attention** field.
- d. Enter a phone number where the person receiving the package or mail can be reached.
- e. Enter the vendor's street address.
If you enter the zip code first, city and state populate automatically.

- f. By default, the information entered for the address fields displays in read-only format in the **Address** free-form text box. The address fields are in the **Attention, Addressee, Address 1, Address 2, City, State, Zip, and Country**.
To edit the read-only text, check the **Override** box.
 - g. Click **OK**.
5. To enter additional addresses, click **Add**.
 6. Repeat these steps for each address for this vendor.

Marketing

1. The **Campaigns** subtab shows recent campaigns for this vendor.
2. The **Subscriptions** subtab shows subscriptions for this vendor.
 - Check the box in the **Subscribed** column next to a subscription to have this vendor be subscribed.
 - Clear the box in the **Subscribed** column next to a subscription to have this vendor be unsubscribed.
3. In the **Global Subscription Status** field, select the status you want to assign this vendor.
If this vendor has not subscribed or unsubscribed to campaigns, you can set this status to **Soft Opt-In** or **Soft Opt-Out**. If this status is set to **Confirmed Opt-Out**, you cannot change the status.

 **Note:** Certain jurisdictions, such as the European Union (EU), have regulations about contacting entities if you do not have their explicit permission to do so. You should check that your global subscription status adheres to the regulations in the recipient's jurisdiction.

Financial

Account Information


1. In the **Legal Name** field, enter the legal name for this vendor for financial purposes. If you entered a name in the Company Name field, that name appears here.
2. In the **Business Number** field, enter the 15-digit registration number that identifies this vendor as a client of the Canada Customs and Revenue Agency (CCRA).
3. In the **Account** field, enter the account name or number for this vendor.
4. Enter this vendor's legal name.
5. Select a **Default Expense Account** for purchases from this vendor.
6. In the **Default Payables Account** field, choose the default payable account for this vendor record.
7. Select the terms you have with this vendor.
8. If you have the **Multiple Currencies** feature enabled, select the currency this vendor uses.
If you do business with vendors who use multiple currencies in their business dealings with you, select the vendor's primary currency. You can add additional transaction currencies on the **Currencies** subtab. For more information, see the help topic [Vendors and Multiple Currencies](#).
9. In the **Terms** field, select the standard discount terms for this vendor's invoices. You can always change terms for an individual order or bill, however.

To add choices to this list, go to Setup > Accounting > Accounting Lists > New and click Term.

The primary subsidiary's credit limit displays in the matrix on the **Subsidiaries** subtab.

Tax Information

1. In the **Tax Reg. Number** field, enter the vendor's VAT registration number.


 **Note:** For OneWorld accounts, prior to Version 2015 Release 1, the **Tax Code** field appeared on the **Financial** subtab. As of Version 2015 Release 1, you specify the tax code at the line-level on the **Subsidiaries** subtab.

The **Tax Code** field is not available in US edition non-OneWorld accounts.

2. Enter this vendor's **Tax ID**. This is necessary if you are required to issue a 1099 form. This number is a Social Security Number (SSN) for an individual.
3. If you have paid this vendor over \$600 for services this year, check the **1099 Eligible** box.

Balance Information


1. Enter the **Opening Balance** of this vendor's account.
2. Enter or pick the **Date** of the balance in the **Opening Balance** field.

 **Note:** If you use NetSuite OneWorld and you have shared this vendor record with multiple subsidiaries, note the following. This section provides the vendor's open and unbilled orders balances in the both the vendor's primary currency and in the subsidiary base currency.

Project Information

1. Check the **Project Resource** box to enable this vendor to be chosen as a resource on tasks and jobs. As a job resource, a vendor can be assigned to complete a task or manage a project.

Clear this box if you do not want this vendor to be chosen as a resource on tasks and jobs.

 **Important:** If you have NetSuite OneWorld, you cannot share a vendor with multiple subsidiaries and also define the vendor as a project resource.

2. Select a **Work Calendar** for this vendor.
3. In the **Labor Cost** field, enter the cost of labor for this vendor to be able to calculate profitability on jobs.

Schedules

1. If you use the Quantity Pricing feature, the **Schedules** subtab shows pricing schedules for this vendor.

Quantity pricing schedules can be used to apply prices you have negotiated with vendors. On the **Pricing Schedules** subtab, click **New Pricing Schedule**.

Only one vendor can be associated with each quantity pricing schedule. You can, however, apply a schedule to any number of items.

For more information, see the help topic [Using Quantity Pricing](#).

ACH

1. If you have enabled the ACH Vendor Payments feature, enter bank account information for this vendor in the appropriate fields on the **ACH** subtab.

For more information, see the help topic [Setting Up Vendor Records for ACH Payments](#).

Transactions

1. Click **New Purchase Order** or **New Bill** to enter new transactions for this vendor.
2. Existing transactions for this vendor show in the list.
 - Filter the list by selecting a billing status of **Open** or **Closed**.
 - Filter the list by selecting a transaction type.

Items

1. Click **Import Price List** to import a price list for this vendor.
2. Items associated with this vendor show in the list.

Preferences

1. In the **Email Preference** field, select the format for email that is sent to this person or company. Select **Default** to use the preference set at Home > Set Preferences.
2. In the **Print on Check As** field, enter the vendor name the way it should appear on a check.
3. Next to **Send Transactions Via**, check the appropriate boxes:
 - **Email** – Check this box to check the **To Be Emailed** box by default on transactions when this vendor is selected.
 - **Print** – Check this box to check the **To Be Printed** box by default on transactions when this vendor is selected.
 - **Fax** – Check this box to check the **To Be Faxed** box by default on transactions when this vendor is selected.

For more information, see [Preferred Transaction Delivery on Vendor Records](#).

System Information

1. The **Date Created** field displays the date this vendor record was entered.
2. If you check the **Inactive** box, this vendor does not appear on a list unless you check the **Show Inactives** box.


System Notes

1. The **System Notes** subtab shows notations NetSuite tracks automatically.

You should use the following procedure that lets vendors set up a NetSuite password for themselves. However, if you prefer to set their passwords yourself, use the procedure in [Manually Setting a Vendor's Password](#).

Access

1. Check the **Give Access** box to give this vendor access to your NetSuite account.
2. Check the **Send New Access Notification Email** box to notify your vendor of this new access. The notification email includes the email address (used for logging in to NetSuite) and explains login procedures. It also contains a URL so that the vendor can set up a NetSuite password.
Checking **Send New Access Notification Email** does not require you to enter a password or check the **Require Password Change on Next Login** box.

 **Note:** You should let the vendor create a password for NetSuite from the URL in the notification email. However, if you prefer to assign a password for the vendor, see [Manually Setting a Vendor's Password](#).

3. In the **Role** column, select a role for this vendor and click **Add**.

If this vendor is not a contractor, assign the Vendor Center role to share purchase order and accounts payable information with your vendor.

For more information, see [Assigning a Role to a Vendor](#).

Time Tracking

1. If you have given your vendor time tracking permissions, in the **Time Approver** field, select an employee to approve time tracked by this vendor.

If this field is blank, time tracked by this vendor is automatically approved until entered against a project with project time approval preferences defined. For more information, see [Giving Vendors Access to Time Tracking](#).

Creating a Tax Agency Vendor Record

In most locations, you are required by government to collect tax from your customers when you sell merchandise. Then, you pay that tax on their behalf to the taxing authority. In NetSuite, you can set up sales tax items and sales tax vendors to simplify the sales tax collection and payment process.

In a NetSuite OneWorld account, multiple subsidiaries can pay taxes to the same tax agency. Tax agency vendors cannot be shared between subsidiaries. Therefore, NetSuite creates a copy (child or shadow vendor) of the preferred tax vendor for that nexus to associate it with a new subsidiary. The child tax vendors that NetSuite creates when subsidiaries share a tax nexus are hidden and therefore cannot be used directly in transactions. You can, however, share non tax agency vendors with multiple subsidiaries.

For more information, see the help topic [Assigning Subsidiaries to a Vendor](#).

To create a tax agency vendor record:

1. Go to Lists > Relationships > Vendors > New.
2. On the Vendor page, create a record for the governmental authority to which you pay sales tax.
For example, in the **Vendor ID** field, you can enter the Secretary of State where your business is located.
3. In the **Category** field, under Primary Information, be sure to select **Tax Agency**.
4. Enter any additional information.
5. When you have finished, click **Save**.

After this vendor is set up, you can create tax codes that you associate with the sales tax vendor. Go to Setup > Accounting > Taxes > Tax Codes > New.

You must identify a vendor as a tax agency to ensure that it appears as such in accounting lists. For example, you want to display Tax Agency next to a vendor's name on the Vendors list page. Go to Setup > Accounting > Accounting Lists > Vendor Category, and then check the Tax Agency box.

As you create invoices and cash sales receipts, NetSuite sums the tax for each transaction. It shows it on the invoice or receipt as a line item.


As sales tax becomes due, you can pay it by going to the Sales Tax Payment page. Go to Transactions > Bank > Pay Sales Tax.

Editing a Vendor Record

If you need to, you can change the details on a vendor's record.

To edit a vendor record:


1. Go to Lists > Relationships > Vendors.
2. Click **Edit** next to the name of the vendor whose record you want to change.
3. Make any required changes on each subtab.

 **Note:** If you use NetSuite OneWorld and this vendor is shared with multiple subsidiaries, note the following. The **Subsidiaries** subtab lists the primary subsidiary and any secondary subsidiary including those that are marked inactive.

The subtab provides the open balance for each subsidiary in both the vendor's primary currency and the subsidiary's base currency. It also provides the unbilled orders balance in both the vendor's primary currency and the subsidiary's base currency.

At any time you can add a subsidiary to the shared vendor. You can delete a subsidiary if there are no associated transactions. However, if you have created a customer vendor relationship entity associated with a subsidiary, any customer transaction prevents you from deleting the subsidiary assignment.

If this vendor record is not shared with multiple subsidiaries, the **Subsidiaries** subtab provides the primary subsidiary's outstanding balance. It provides the unbilled orders balance in the subsidiary's base currency and vendor's primary currency. It also provides the vendor's credit limit.

 **Note:** If you change the primary currency of a vendor that is assigned as a preferred vendor for more than 10000 items, performance may be impacted. All related items need to update, which may take some time.


4. Click **Save**.

Inactivating Vendor Records

If you no longer do business with a vendor, you can set the vendor record to inactive.

To inactivate vendor records:

1. Go to Lists > Relationships > Vendors.
2. Check the **Inactive** box next to each vendor record you want to set to inactive.
3. Click **Submit**.


 **Important:** You should also clear the **Give Access** box to revoke access for the vendor. If you want to inactivate all roles of the vendor, and the vendor is also a partner, customer, or employee, you must revoke access and inactivate those records, too.

You can also make individual vendor records inactive on the System Information subtab of each record.

Inactivated vendor records no longer appear in the Vendors list unless the Show Inactives box is checked. Also, you can no longer select inactive vendors on transactions, reports, or records. You also cannot make payments to inactive vendors.

Deleting a Vendor Record

You can delete a vendor record if there are no associated transactions.

 **Note:** To delete a vendor record, your role needs to have a Full permissions to vendor records. For more information, see the help topic [Access Levels for Permissions](#).

To delete a vendor record:

1. Go to Lists > Relationships > Vendors.
2. Click **Edit** next to the name of the vendor whose record you want to delete.
3. On the Vendor page, under **Actions**, click **Delete**.
4. At the prompt to confirm the action, click **OK**.

Merging Vendor Records


When you merge data from a source vendor record into a target vendor record, the target vendor record obtains information from the source vendor. This information includes all activities, transactions, messages, files, cases, and contacts. It also removes other subtab lists data from the source vendor record.


Fields on the target vendor record that were previously blank are filled with data from the source vendor record. Fields on the target vendor record that contained data are not overwritten with data from the source vendor record.

During the merge process, the source vendor record is deleted.

If you use NetSuite OneWorld, you can merge vendor records that have different and multiple subsidiaries. However, both the source and target vendor records **must have the same VAT Registration Number**.

You should validate that the source and target vendor records contain clean, accurate data before you merge the records.


 **Warning:** Merging vendor records is irreversible.

 **Note:** In NetSuite OneWorld, vendor records associated with different subsidiaries can be merged only if they do not have a relationship with a customer record.

To merge two vendor records:

1. Go to Lists > Relationships > Vendors.
2. Click **Edit** next to the name of the vendor whose record will serve as the source vendor.
This is the vendor record that will be merged into the target vendor record. This vendor record will be deleted during the merge process.

3. On the Vendor page, under **Actions**, click **Merge**.

 **Important:** You cannot merge tax agency vendors.

4. On the Merge Vendor page, select the target vendor into which you want to merge this source vendor record.

Both the source and target vendor records must have the same primary subsidiary to merge the records.

5. Click **Merge**.
6. At the prompt to confirm the action, click **OK**.
7. On the Duplicate Resolution Status page, the merge is queued for process.
Click **Refresh** to process the merge or the **Cancel** link to halt the merge process.
The **Status** column provides the results of the merge.
8. Go to the target vendor record and verify that it contains the data from the source vendor record.
If you use the Standard Vendor Form, the **System Notes** subtab of the **System Information** subtab displays a line entry for the vendor merge.
9. Go to Lists > Relationships > Vendors and verify that the source vendor does not appear in the vendor list.

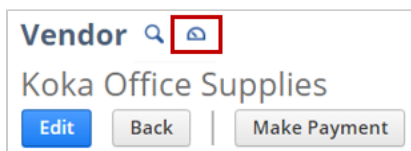
For more information about merging duplicated records of different types, such as vendors and partners, see the help topic [Merging Different Types of Records](#).

Vendor Dashboards

You can view a real-time dashboard for each of your vendors. The vendor dashboard enables you to see vendor data pulled from vendor records at a glance without having to search records individually. Vendor dashboards show Key Performance Indicators (KPIs), trend graphs, report snapshots and reports pertaining to each vendor.

To view a vendor dashboard, click the View Dashboard icon above the vendor name on the vendor record. You can also open the vendors list, then hover to the left of the vendor's name and click the View Dashboard icon.

To go directly to a vendor dashboard through global search, enter a name of a vendor in the global search field. This field is at the top of any page. Point to the suggested vendor, and then click Dash.



By default, a vendor dashboard includes the following portlets:

- The Vendor portlet displays summary information about the vendor record and includes buttons to View or Edit update details on the vendor record.
- The Key Performance Indicators portlet displays important summary data for the vendor.
- The Vendor Dashboard Links portlet shows links to reports related to the vendor, and links to create a new activity or transaction for the vendor.
- The Transactions portlet displays information about recent vendor transactions.

You can also personalize the content and setup of the vendor dashboard portlets.

Printing Mailing Labels for Vendors

You can print mailing or shipping labels for vendors without using mail merge or data export. For more information about printing mailing labels, see the help topic [Printing Mailing and Shipping Labels](#).

To print mailing or shipping labels:

1. Go to Transactions > Management > Print Checks & Forms..
2. Click Mailing Labels.

Vendor Record Configuration

To learn how to configure your vendor records, see the following topics:

- [Enabling the Vendor Access Feature](#)
- [The Vendor Center Role](#)
- [Assigning a Role to a Vendor](#)
- [Manually Setting a Vendor's Password](#)
- [Giving Vendors Access to Time Tracking](#)
- [Vendor Records for 1099 Contractors](#)
- [Vendor Credit Limits](#)
- [Associating a Vendor With an Item](#)
- [Associating a Vendor With a Payroll Item](#)
- [Importing a Vendor Price List](#)
- [Preferred Transaction Delivery on Vendor Records](#)
- [The Multiple Vendors Feature](#)

Enabling the Vendor Access Feature

Enabling the Vendor Access feature lets you give vendors access to NetSuite and assign roles to them. You can assign multiple roles to customize the level of access needed by a specific vendor. For example, the Vendor Center role enables a vendor to view prior transactions and open purchase orders. For information about how to assign roles to vendors, see [Assigning a Role to a Vendor](#).

To enable the Vendor Access feature:

1. Go to Setup > Company > Enable Features.
2. Click the **Web Presence** subtab.
3. Check the **Vendor Access** box.
4. Click **Save**.

The Vendor Center Role

The Vendor Center role in NetSuite gives your vendors access to view, search, and print purchase orders you place with them. Vendors can reference purchase orders on their own to answer questions, view order and payment history as needed. For information about managing roles for your vendors, see [Assigning a Role to a Vendor](#).

Vendor assigned as resources on projects can also use the Vendor Center to enter time worked on projects.

If you use NetSuite OneWorld and a shared vendor record, the vendor can work with transactions associated with these subsidiaries in the Vendor Center. For more information about globally shared vendor records, see the help topic [Assigning Subsidiaries to a Vendor](#).

To permit vendors access to NetSuite, complete the following steps

- Enable the Vendor Access feature. For more information, see [Enabling the Vendor Access Feature](#).
- Assign the Vendor Center role to your vendor. For more information, see [Assigning a Role to a Vendor](#).

Access to your NetSuite account allows your vendors to view your purchase orders.

Assigning a Role to a Vendor


You can assign roles to vendors to give them to access information in your NetSuite account. The Vendor Center role enables vendors to view prior transactions and open purchase orders. If you have an additional user, you can also assign vendors multiple roles to customize the level of access needed by a specific vendor. This is can be useful for companies that employ contracted workers.

To assign roles to vendors, you must first enable the Vendor Access feature. For more information, see [Enabling the Vendor Access Feature](#).

To assign a role to a vendor:


1. Go to Lists > Relationships > Vendors.
2. Create a new vendor or edit an existing vendor record.
3. On the Vendor form, fill out the necessary information.
4. Enter the vendor's email address.
5. Click the **Access** tab.
6. Check the **Give Access** box.
7. To notify your vendor of the access, check the **Send New Access Notification Email** box. The notification email includes the email address (used for logging in to NetSuite) and explains login procedures. It also contains a URL so that the vendor can set up a NetSuite password.

Checking this box means is not necessary for you to enter a password or check the **Require Password Change on Next Login** box.

 **Note:** You should let the vendor create a password for NetSuite from the URL in the notification email. However, if you prefer to assign a password for the vendor, see [Manually Setting a Vendor's Password](#).

8. In the **Role** column, select a role for this vendor.

If this vendor is not a contractor, assign the Vendor Center role to share purchase order and accounts payable information with your vendor.

 **Note:** If you use NetSuite OneWorld and this vendor has multiple subsidiaries, note the following. You can customize the Vendor Center role to grant a vendor access to all of the assigned subsidiaries.

On the customized vendor center Role page, check the **Allow Cross-Subsidiary Record Viewing** box. When logged in with this role you can see, but not edit records for subsidiaries to which the role is not granted access.

For more information, see the help topics [NetSuite Roles Overview](#) and [Customizing or Creating NetSuite Roles](#).

For more information about globally shared vendors, see the help topic [Assigning Subsidiaries to a Vendor](#).

To restrict access to subsidiaries, enable the **Book Record Restriction** option on a user record overrides access granted by the **Allow Cross-Subsidiary Record Viewing** option. For more information, see the help topic [NetSuite Users Overview](#).

9. Click **Add** to assign the vendor this role.
If needed, you can also assign other roles to this vendor.
10. Click **Save**.

Manually Setting a Vendor's Password

You should allow your vendor to set their own password. For information, see [Assigning a Role to a Vendor](#). However, if you prefer to set the initial password for your vendor manually, use the following procedure.

To manually set a vendor's password

1. Go to Lists > Relationships > Vendors.
2. Create a new vendor or edit an existing vendor record.
3. On the Vendor page, fill in the appropriate information.
4. Enter the vendor's email address.
5. Click the **Access** subtab.
6. Check the **Give Access** box.
7. Do not check the **Send New Access Notification Email** box.
8. Check the **Manually Assign or Change Password** box.
9. Enter a password for your user. As you type, the characters are validated against the password policy criteria, and the results displayed.

For more information, see the help topic [NetSuite Password Requirements](#).

10. Enter the password again for verification.
11. Check the **Require Password Change on Next Login** box to require this vendor to change their password on their next login to NetSuite.

On the next login, they see the Change Password page and cannot access other NetSuite pages until a new password is created and saved.

Requiring this action protects your account from unauthorized access using generic passwords and prepares your account for an audit.



Important: The Require Password Change on Next Login box never displays as checked.

When you check this box and save the record, an internal flag is set. When the password change occurs, the flag is cleared. If you later check the box again and save the record, the internal flag is reset to require another password change.

12. In the **Role** column, select a role for this vendor.
If this vendor is not a contractor, assign the Vendor Center role to share purchase order and accounts payable information with your vendor.
13. Click **Add** to assign the vendor this role.

14. Click **Save**.
15. Next, tell your vendors to go to www.netsuite.com and log in with the email address and the password you entered on the vendor's record. Do not send the vendor the password by email.

Giving Vendors Access to Time Tracking

Giving vendors access to time tracking allows them to enter the hours they spend working on a project.

There are three steps to complete to give vendors access to time tracking:

1. An administrator must enable the Time Tracking features and set time tracking preferences. For more information, see the help topic [Understanding Time Tracking](#).
2. Create a vendor record for any vendor that you want to give access to time tracking. For more information about creating vendor records, see [Creating a Vendor Record](#).
3. Do one of the following:
 - [Give a Vendor Access to Vendor Center](#)
 - [Assign a Custom Role With the Track Time Permission](#)

Give a Vendor Access to Vendor Center

If you enable project features required to use job costing and project budgeting, note the following. Vendors can enter time using the Vendor Center if the vendor is identified as a resource on the Resource subtab of a Project.

For information about the required features, see the help topic [Enabling Project Features](#).


For information about how to identify a vendor as a project resource, see the help topic [Identifying a Vendor as a Project Resource](#).

You should follow this procedure to let vendors set a NetSuite password themselves. However, if you prefer to set their passwords yourself, see the procedure in [Manually Setting a Vendor's Password](#) instead.

To give the vendor access to the Vendor Center:

1. Go to Lists > Relationships > Vendors.
2. Click **Edit** next to the vendor you want to give access to.
3. Enter the vendor's email address.
4. Click the **Access** tab.
5. Check the **Give Access** box.
6. Check the **Send New Access Notification Email** box to notify your vendor of this new access. The notification email includes the email address (used for logging in to NetSuite) and explains login procedures. It also contains a URL so that the vendor can set up a NetSuite password.

Checking this box means is not necessary for you to enter a password or check the **Require Password Change on Next Login** box.

 **Note:** You should let the vendor create a password for NetSuite from the URL in the notification email. However, if you prefer to assign a password for the vendor, see [Manually Setting a Vendor's Password](#).

7. In the **Role** column, select **Vendor Center**.

8. Click **Add** to assign the vendor this role.
9. Click the **Time Tracking** subtab.
10. In the **Time Approver** field, select an employee to approve any time tracked by this vendor.
If this field is blank, tracked is automatically approved unless entered against a project with project time approval preferences defined. For more information, see the help topic [Approving Time and Expenses for Projects](#).
11. Click **Save**.

Assign a Custom Role With the Track Time Permission

Alternatively, you can assign a custom role with proper permissions.

To assign a custom role with track time permission:

1. Go to Setup > Users/Roles > Manage Roles.
2. Click **Customize** next to the role you want to assign with time tracking permission.
3. Enter a name for this custom role.
4. Check the **Restrict Time and Expenses** box to only allow vendors to enter time for themselves.
5. On the **Transactions** subtab, select **Track Time** in the **Permission** column.
6. In the **Level** column, select **Full**.
7. Click **Add**.
8. Click **Save**.

Now you can assign this role on the Access tab of vendor records to give access to time tracking. When assigning your custom role, you must also assign a time approver on the Time Tracking subtab of the vendor's record. If you do not assign a time approver, any time tracked is automatically approved unless entered against a project with project time approval preferences defined.

Vendor Records for 1099 Contractors

If your company or subsidiary operates in the United States or a US territory, you must report taxes for each contractor or non-employee. This is true if you pay more than \$600 for services during the calendar year. You report taxes on Form 1099-MISC Miscellaneous Income statement. Each contractor that requires a 1099-MISC form must be identified as a 1099 contractor on their vendor record to generate accurate 1099 information. A vendor is 1099 eligible only if its address is in the United States or a US territory. Territories include American Samoa, Guam, Northern Mariana Islands, Puerto Rico, US Virgin Islands, and US Minor Outlying Islands. NetSuite does not provide the 1099-MISC form, but a saved search is available to help you provide the 1099-MISC vendor payments to third party providers. For more information, see the help topic [Reporting 1099-MISC Vendor Payments to a Third-Party Provider](#).

For vendor payments to accrue on the 1099-MISC form, do the following:

- Mark each contractor as 1099 Eligible on the Financial subtab of each vendor record. For more information, see [Making a Vendor 1099 Eligible](#).
- Associate an expense account with 1099-MISC categories. For more information, see [Associating an Expense Account with 1099-MISC Categories](#).
- Select an expense account associated with a 1099-MISC category when you add each expense to vendor bills.

- Pay the vendor bills. This converts the transactions to cash-basis.

Each 1099-MISC category represents a box on the 1099-MISC form. You can associate one category per expense or other expense account, and you can associate the same category to more than one account.

To view the list of 1099 eligible vendors, you can create a saved vendor search that filters the result by 1099 eligibility. For more information, see the help topic [Defining a Saved Search](#).

Making a Vendor 1099 Eligible

Follow this procedure to make a vendor 1099 eligible.

To make a vendor 1099 eligible:

1. Go to Lists > Relationships > Vendors.
2. Click **Edit** next to the vendor that should be 1099 eligible.
3. On the vendor record, click the **Financial** subtab.
4. Under Tax Information, check the **1099 Eligible** box.
5. Click **Save**.

Associating an Expense Account with 1099-MISC Categories

Follow this procedure to associate an expense account with 1099-MISC categories.

To associate an expense account with 1099-MISC categories:

1. Go to Lists > Accounting > Accounts.
2. To create a new expense account, click **New**. Otherwise, click **Edit** next to the expense account you want to associate with a 1099-MISC category.
3. If you are creating a new account, select **Expense** or **Other Expense** in the **Type** field to enable the **1099-MISC Category** field.
4. In the **1099-MISC Category** field, select the type of vendor payment made with this account.
These categories correspond to the boxes on the 1099-MISC form and cannot be added to or deleted.
5. Click **Save**.

Vendor Credit Limits

You can use credit limits to manage the amount you spend using credit with vendors.

A credit limit sets a maximum currency amount that should be spent using credit without making a payment.

To use vendor credit limits, you first need to set credit limits on vendor records, and then enable the Vendor Credit Limit Warnings preference.

For more information, see the following topics:

- [Setting Vendor Credit Limits](#)
- [Vendor Credit Limit Warnings](#)

Setting Vendor Credit Limits

Set a credit limit on a vendor record to define the maximum currency amount you want to accrue in outstanding payables.

To set credit limits for vendors:

1. Go to Lists > Relationships > Vendors.
2. Click **Edit** next to the vendor name.
3. On the vendor record, click the **Financial** subtab.
4. Under Account Information, in the **Credit Limit** field, enter the maximum currency amount to spend on credit with this vendor.
5. Click **Save**.

Next, enable the preference to receive a warning after a vendor credit limit has been reached.

Vendor Credit Limit Warnings

To receive warnings when you exceed the credit limit for a vendor, you can set a company-wide preference or individual preferences for each employee.

See the following topics:

- [Setting Company Preferences to Receive Vendor Credit Limit Warnings](#)
- [Setting Individual Preferences for Vendor Credit Limit Warnings](#)

Setting Company Preferences to Receive Vendor Credit Limit Warnings

Follow this procedure to set a company preference to receive vendor credit limit warning.

To set a company preference to receive vendor warnings:

1. Go to Setup > Accounting > Preferences > Accounting Preferences.
2. On the **General** subtab, check the **Vendor Credit Limit Warnings** box
3. (Optional) To allow individual override of the company preference, check the **Allow Override** box. For more information, see [Setting Individual Preferences for Vendor Credit Limit Warnings](#).
4. Click **Save**.

Setting Individual Preferences for Vendor Credit Limit Warnings

Follow this procedure to set an individual preference for receiving of vendor credit limit warnings.



Note: To set individual preferences for vendor credit limit warnings, the **Allow Override** preference for vendor credit limit warnings must be set in company preferences. For more information, see [Setting Company Preferences to Receive Vendor Credit Limit Warnings](#).

To set an individual preference:

1. Go to Home > Set Preferences > General.
2. Check or clear the **Vendor Credit Limit Warnings** box.

3. Click **Save**.

Associating a Vendor With an Item

You can select a vendor on an item record to associate the vendor with the item. When you add an item associated with a vendor record, the Vendor field on the purchase order displays the preferred vendor for that item. Note that this only applies if the Vendor field is not set prior to adding the item. The Vendor field is not affected if you set a vendor manually. It is also not affected if it is already set to a preferred vendor of a previously added item.

To associate a vendor with an item:

1. Go to Lists > Accounting > Items.
2. Click **Edit** next to an item.
3. On the **Purchasing/Inventory** subtab, click the **Vendors** subtab.

If you use NetSuite OneWorld and the vendor is shared with multiple subsidiaries, you can set an item's price for each vendor in each subsidiary. You can also set a preferred vendor item per subsidiary. This lets you set a different item price per subsidiary to the same item record.

For more information, see the help topic [Assigning Subsidiaries to a Vendor](#).

4. In the **Preferred Vendor** field, select a vendor.
You can select only one preferred vendor.
5. Click **Save**.

Associating a Vendor With a Payroll Item

In NetSuite, you can set up payroll items and associate that item with a payroll vendor to simplify the withholding and payment of payroll liabilities. Examples of payroll liabilities are social service taxes such as Medicare, social security, unemployment, withholding of payroll taxes, health insurance payments, and 401(k) contributions. The following table provides a list of vendor records you may need to create and associate with payroll items.

Vendor Records for Payroll Expenses and Liabilities
<ul style="list-style-type: none"> Internal Revenue Service for federal withholding and unemployment, as well as for company and employee contributions for Medicare and Social Security State Department of Revenue for each state where employees live for state withholding, unemployment, and disability City and local governmental authorities for any income taxes they are authorized to collect from their residents you employ Group health/dental/vision insurance provider Group life insurance provider Group disability insurance provider (STD, LTD) Retirement savings account manager (pension, 401(k), IRA, etc.) Employee credit union for payroll-deduction savings plans Flexible spending account manager Labor union for dues Charitable organizations for donations by deductions

Vendor Records for Payroll Expenses and Liabilities

- Clerk of court or other collection agencies for garnishments


To associate a vendor with a payroll item, complete the following tasks:

- Create or edit a vendor record. On the vendor record, assign that record to the Tax agency category and select the appropriate liability or expense account. For more information, see [Assigning a Vendor to the Tax Agency Category](#).
- Create or edit a payroll item record. On the item record, select a payroll vendor as the Agency for that item.


To associate a vendor with a payroll item:

1. Go to Lists > Employees > Payroll Items.
2. Check the **Show Inactives** box.
3. Click **Edit** next to the payroll item you want to associate with a vendor.

If you are creating a new payroll item, click **New** and select the type of item you want to create.

 **Note:** The Payroll feature must be enabled in your account to see payroll items in the list.

4. On the payroll item record, select the appropriate vendor in the **Agency** field.
Only vendors assigned to the **Tax** agency category appear in this list.
5. If you are creating a new payroll item, enter information into the required fields for this item.

 **Note:** Set any limits in the **Limit** column on the Payroll Items page.

6. Click **Save**.

NetSuite totals liabilities as you process payrolls. You can pay vendors associated with each liability as it becomes due. To do so, go to Transactions > Bank > Pay Payroll Liabilities.

Assigning a Vendor to the Tax Agency Category

Use the following procedure to assign a vendor to the tax agency category.

To assign a vendor to the tax agency category:

1. Go to Lists > Relationships > Vendors.
2. On the Vendors page, create or edit a record for a governmental authority, social service agency or other provider to whom you pay payroll liabilities.

For example, you can create a record for your group health insurance company.

Do one of the following:

- Click **Edit** next to an existing vendor.
 - Click **New** to enter a new vendor.
3. Under Primary Information, in the **Category** field, select **Tax agency**.
 4. Click the **Financial** subtab.
 5. Select the appropriate expense account in the **Default Expense Account** field.
 6. If you are creating a new vendor, you can click each subtab to enter more information about this vendor.

7. Click **Save**.

Now you can activate payroll items from NetSuite tax tables and associate a vendor with each of them.

Importing a Vendor Price List

On the vendor record, you can list items available from that vendor and specify the vendor codes and prices for that item. You also can use CSV import to import vendor price lists from an existing comma delimited file.


If you use the Multiple Currencies feature, you can import prices for an individual item in multiple currencies.

For more information, see the help topic [Vendors and Multiple Currencies](#).


To import a vendor price list:

1. Create the import file.

The import file should contain the following fields in order, with no header row:


 **Note:** For the import to succeed, each row of the CSV file must contain values separated by commas or other supported column separators. For example, semicolon, pipe, space, and tab.

- **Item Name** (For initial import, the item name must be present. For later updates, it is not required as the vendor code is used to identify each item.)
- **Vendor Code** (If your vendor uses a name for this item that is different from the name you use, note the following. You can enter up to 60 characters as the vendor's name for this item.)
- **Purchase Price**
- **Price Schedule** (optional)
- **Currency** (This field is present only if you use the Multiple Currencies feature.)

 **Important:** The items listed in the file must already exist in your NetSuite account and the names must exactly match those in your account.

2. Go to Lists > Relationships > Vendor.
3. Click **Edit** next to the vendor record.
4. Click the **Financial** subtab.
5. Click the **Items** subtab.
6. Click **Import Price List**.

The Import Vendor Price List popup window opens.

 **Note:** You must use the Multiple Vendors feature to import a price list.

7. Click **Browse** and go to the vendor price list file.
8. Click **Save**.

Upon successful import, each item from the imported vendor price list is listed on the Items subtab with the associated vendor codes and prices. The vendor record also is displayed on the Vendor subtab of each item's record with the vendor name, vendor's item code and purchase price.

Preferred Transaction Delivery on Vendor Records

Each vendor can have an individual preference for how to receive transactions. You can set a preferred transaction delivery method on their record as the default way to deliver transactions to them. You can choose regular mail (printing), email, fax, or a combination of the three. Then, the preferred delivery method for the vendor is marked by default in the following situations:

- on transactions when you select that vendor
- on transactions created from that vendor record
- on transactions that are copied or converted from a transaction that uses these settings

For example:

- You click Make Copy on a bill when this vendor is selected on the transaction. The delivery preferences default from the vendor record on the new copy of the bill.
- You click Bill on a purchase order when this vendor is selected on the purchase order. The delivery preferences default from the vendor record on the bill that is created.

To define the preferred transaction delivery method on vendor records:

1. Go to Lists > Relationships > Vendors.
2. Click **Edit** next to the vendor whose record you want to update.
3. Click the **Preferences** subtab.
4. Next to **Send Transactions Via**, check the appropriate boxes:
 - **Email** – Check this box to check the To Be Emailed box by default on transactions when this vendor is selected.
 - **Print** – Check this box to check the To Be Printed box by default on transactions when this vendor is selected.
 - **Fax** – Check this box to check the To Be Faxed box by default on transactions when this vendor is selected.
5. Click **Save**.

After you save these settings on the vendor record, these boxes are checked by default.



Note: These settings override any customized settings on transaction forms you use.

Default Methods for All Vendor Records

You can enable preferences that set initial default transaction delivery methods for all new vendor records you create. Later, you can change the settings on individual vendor records as needed by checking or clearing the appropriate boxes. Then, the settings indicated on each vendor record will default on transactions created for that vendor.

For example, you can set a preference that when a new vendor is entered, they default to only having the To Be Emailed box checked. If a vendor also wants their transactions faxed to them, you can edit that vendor record and check the To Be Faxed box.

To set initial default values for print or fax:

1. Go to Setup > Company > Preferences > Printing & Fax.
2. On the Printing subtab or Fax subtab, check the **Vendors Default to [Print/Fax] Transactions** box

To set email as the initial default value for transactions:

1. Go to Setup > Company > Email > Email Preferences.
2. Check the **Vendors Default to Email Transactions** box.

For more information, see the help topic [Setting Printing and Fax Preferences](#).

Mass Update Vendor Records

To set values using mass update:

1. Go to Lists > Mass Updates > Mass Updates > General
2. Click **Vendor**.

For more information, see the help topic [Mass Changes or Updates](#).

The Multiple Vendors Feature

When you use the Multiple Vendors feature, on each item record you can enter vendor information for several vendors. This helps you manage procurement of items you buy from more than one vendor.

When you associate vendors with items, you are able to track purchasing data for each vendor. Identify and track each vendor's name, item code, and purchase price.

For example, you buy Deluxe Widgets that you stock from two different vendors. You like to use the vendor Smith Widgets best, but when they are out of stock, you buy from Jones Widgets. On the Deluxe Widget item record, you can associate the item with both vendors. This helps you recall the names of the places you buy this widget. You can enter the price each vendor charges you for the item. You can mark Smith Widgets as the preferred vendor and it will appear on purchase orders by default.

To use the multiple vendors feature:

1. **Enter vendor records.**

After you have created a vendor record, you can select that vendor on an item record to associate the vendor with the item.

For more information, see [Creating a Vendor Record](#).

2. **Enable the feature.**

For more information, see [Enabling the Multiple Vendors Feature](#).

3. **Associate vendors with items.**

For more information, see [Associating an Item With Multiple Vendors](#).

Enabling the Multiple Vendors Feature

Enable the Multiple Vendors feature to manage procurement of items you buy from more than one vendor.

To enable the multiple vendors feature:

1. Go to Setup > Company > Enable Features.
2. Click the **Items & Inventory** subtab.

3. Check the **Multiple Vendors** box.
4. Click **Save**.

Associating an Item With Multiple Vendors

After you have created a vendor record, you can select that vendor on an item record to associate the vendor with the item.


To associate an item with multiple vendors:

1. Go to Lists > Accounting > Items.
2. Click **Edit** next to an item.
3. On the **Purchasing/Inventory** subtab, click the **Vendors** subtab.
4. In the **Vendor** column, choose a vendor.

If you use OneWorld and the vendor is shared with multiple subsidiaries, you can add the vendor multiple times. You can specify an item price for each subsidiary level. This lets you set a different item price per subsidiary to the same item record. For more information about globally shared vendor records, see the help topic [Assigning Subsidiaries to a Vendor](#).

5. For each vendor, you can identify the following (depending on the features enabled in your account):
 - a. **Code** - Enter this vendor's code for this item.
 - b. **Currency** - Choose a currency. If you use the Multiple Currencies feature, this column is not shown. You can enter prices in multiple currencies in the **Purchase Price** column.


If you use both Multiple Vendors and Multiple Currencies, when you associate a vendor as preferred for an item, note the following. If you change the vendor's primary currency, the new primary currency is retained and calculates a price for the item.

 **Note:** In NetSuite OneWorld, the purchase price for an item uses the designated currency of the preferred vendor.

If an item has more than one vendor but no preferred vendor, the currency is based on the subsidiary of the most-recently added preferred vendor.

You should associate one or more vendors with an item including a currency and purchase price for each vendor. This helps ensure that the correct purchase price is used on purchase orders for each vendor.

- c. **Schedule** - Select a quantity pricing schedule, if you use them.
- d. **Preferred** - Check the box to identify the vendor as the preferred vendor. The preferred vendor defaults to show on forms when the item is added.
 - When using the Order Items form, if a preferred vendor is associated with an item, it defaults on each line when the item is added.
 - When viewing the item list, the preferred vendor associated with the item shows by default.
 - If an item has a preferred vendor, then the purchase price is shown on the item record in the preferred vendor currency.
- e. **Purchase Price** - Enter the price you pay this vendor for this item.

If you use the Multiple Currencies feature, click **Set**  and enter the prices for this vendor's transaction currencies. For more information, see the help topic [Vendors and Multiple Currencies](#).

6. Click **Add**.
7. Repeat these steps for each vendor you want to associate with this item.
8. Click **Save**.

After vendor information is entered for items, it is used on forms and transactions where the item appears.



Tip: When you use Multiple Vendors and then create an item saved search, use the search filter **Name (Internal)**, not the filter **Name**. The **Name (Internal)** filter returns the expected results. For more information, see the help topic [Selecting Available Filters for Saved Searches](#).

Multiple Vendors Saved Search

When you use Multiple Vendors and then create an item saved search, use the search filter **Name (Internal)**, not the filter **Name**. The **Name (Internal)** filter returns the expected results. For more information, see the help topic [Selecting Available Filters for Saved Searches](#).

Vendor Bills

The following topics are included in the vendor bills chapter:

- [Entering a Vendor Bill](#)
- [Email or Upload Vendor Bill Files Into NetSuite](#)
- [Differences Between Bills and Checks](#)
- [Receiving Inventory in Advance of a Bill](#)
- [Canceling a Vendor Bill](#)
- [Vendor Bill Printing](#)
- [Vendor Bill Variances](#)
- [Vendor Bill Approvals](#)
- [Vendor Bill Approval Workflow](#)
- [3 Way Match Vendor Bill Approval Workflow](#)
- [Vendor Bill Approvals in the Employee Center](#)
- [Vendor Records](#)
- [Vendor Payments](#)
- [Vendor Prepayments](#)
- [Vendor Returns](#)
- [Vendor Credits](#)

Entering a Vendor Bill

Track your payables by entering bills as they arrive from vendors and pay them from the payables list as they are due. This assures you have an accurate picture of your payables at any point during the billing cycle.

To enter a vendor bill:

1. Go to Transactions > Payables > Enter Bills.
2. Complete the steps in the following sections.
3. Do one of the following:
 - To save the bill, click **Save**.
 - To save the bill and open a new bill entry form, in the Save button list list, click **Save & New**.
 - To save and print the bill, in the Save button list, click **Save & Print**.
This option is available only if you have the Advanced PDF/HTML Templates feature enabled. See the help topic [Vendor Bill Printing](#).

Primary Information

1. Select a form in the **Custom Form** field.
2. In the **Reference No.** field, enter up to 45 characters to identify this transaction, such as the vendor's invoice number.

This reference appears on reports such as the Accounts Payable Register.

If you enter a reference number that is a duplicate for the vendor, a warning may display when you attempt to save the vendor bill. At that point, you can click **OK** to continue saving or click **Cancel** to reenter vendor bill data with a different reference number.

3. Select or enter the **Vendor**.

If you use NetSuite OneWorld, the Subsidiary field defaults to the primary subsidiary assigned to the selected vendor.

If the selected vendor has been shared with multiple secondary subsidiaries, you can select any secondary subsidiary to associate with this bill. For more information about globally shared vendor records, see the help topic [Assigning Subsidiaries to a Vendor](#).

4. In the **Account** field, select the appropriate ledger account.

5. In the **Amount** field, NetSuite updates the total amount of the bill as you add or edit line items. You can also enter the dollar amount of the bill.

6. In the **Credit Limit** field, the credit limit you entered for your purchases from this vendor will appear here. To enter or change a credit limit, go to Lists > Relationships > Vendors. On the **Financial** subtab of the vendor record, enter the credit limit.

If you use the **Credit Limit Warnings** preference, NetSuite warns you when you meet or exceed this vendor's limit when entering orders. This preference is available at Home > Set Preferences.

7. The **Available Vendor Credit** field displays the remaining credit for this vendor before a payment is received. It is converted from vendor's primary currency into the transaction currency.

The field value is available only in Edit mode and only when you customize the vendor bill. To display this field, you must first enable accounts payable preferences. Go to Setup > Accounting > Preferences > Accounting Preferences. In the Accounts Payable section, check the **Vendor Credit Limit Warnings** and **Vendor Credit Limit Includes Orders** boxes, and click **Save**. Then, from the **Customize** menu at the top right of the vendor bill, click **Customize Form**. Click the **Screen Fields** subtab. Check the **Show** box next to **Available Vendor Credit**, and click **Save**.

If the transaction exceeds the vendor's credit limit, a warning message appears indicating the exceeded credit amount. The message does not prevent you from saving the transaction. Click **OK** to save the transaction.

8. If you use the Multiple Currencies feature, the currency shows in the **Currency** field.

If you use the Multiple Currencies for Vendors feature, you can select a different currency for this transaction. For more information, see the help topics [Multiple Currencies](#) and [Vendors and Multiple Currencies](#).

The exchange rate for this currency is shown in the **Exchange Rate** field. You can enter an exchange rate for this currency.

9. In the **Discount Amount** field, NetSuite enters the amount discounted on this bill. This discount is based on the purchase order terms. For example, if terms are set as 2%-10, Net 30 and the bill is paid within 10 days, a 2% discount is applied.



Note: If this discount item is taxable, the discount is applied before taxes. If it is not taxable, the discount is applied after taxes.

10. If your vendor offers discounts for early payments on bills, a calculated date shows in the **Discount Date** field. This date is based on the terms of the bill and is the last day you can pay this bill to receive a discount.

11. Check the **Payment Hold** box to apply a payment hold on a disputed bill. When this box is checked, the following occurs:


- The Make Payment button is not available on the vendor bill and a vendor payment cannot be processed for that bill.
- Vendor bills that have a Payment Hold enabled do not appear on the Bill Payments page.
- The Electronic Payment SuiteApp does not process payments that have a payment hold.

12. Enter the **Due Date** of this bill. If you do not assign a due date, this bill will not appear on aging reports.


13. In the **Date** field, NetSuite inserts today's date for the posting date of this bill. You can enter or select another date.
14. Select the appropriate **Posting Period**.
If you use NetSuite OneWorld, you must provide the vendor name for NetSuite to determine the period to which the transaction should be posted.
If you use approval routing, the posting period is set upon approval. For more information, see the help topic [Posting Period for Transactions Subject to Approval](#).
15. In the **Memo** field, enter a memo to identify this vendor bill.
When you use the Search Transactions feature, you can search for specific words and phrases in this field.
16. If you use approval routing, the following fields also show on the form:
 - **Approval Status** – The approval status of this bill shows in this field. Accept the default status or choose one of the following:
 - **Approved** – No further review or processing is required before a payment is processed.
 - **Pending Approval** – Someone with permission must approve the bill before a payment can be processed for it.
 - **Next Approver** – This field displays the next person set to approve this bill via approval routing. For more information about approval routing, see [Vendor Bill Approvals](#).

Expenses & Items

1. Click the **Expenses** subtab.
2. Enter an **Amount**.
3. Optionally enter a **Memo**. The memo only appears on this transaction record.
4. Select a **Department**, **Class** or **Location** if you track them.
5. If this item is for a particular customer, select that **Customer**.
If you use NetSuite OneWorld and the selected customer is shared with multiple subsidiaries, you can choose any customer associated with the selected subsidiary.
For more information, see the help topic [Assigning Subsidiaries to a Customer](#).
6. If you want the cost of this expense billed back to the chosen customer, check the **Billable** box.
7. Click **Add**.
8. Repeat these steps for each expense you want to add.

 **Tip:** Click **Remove** to delete an expense or item line.


9. Click the **Items** subtab.
10. In the **Item** column, select an item.

 **Note:** You must create a record for an item before you can add it to a bill.

Set up item records at Lists > Accounting > Items > New.

- a. To add multiple items to a transaction, click **Add Multiple**.
- b. In the **Choose Item** window item list, filter or search the list.
- c. In the left pane, click an item to add it the right pane.
- d. Enter an item quantity.
- e. Click **Done**.

Items and quantities displayed in the right pane are added to the transaction.

11. In the **Quantity** column, enter the quantity for this item.
 12. In the **Serial Number** field, enter the serial number of the item.
 13. Accept the amount in the **Rate** column or enter a new rate for this item.
The total amount for this item is calculated and appears in the **Amount** column.
 14. In the **Bin Numbers** field, the preferred bin number for this item shows by default. If this item will be placed in other bins associated with the item record:
 - Using **Bin Management**: Click the preferred bin and click the **Bins Icon**. A small popup opens where you can set the quantity to distribute in each bin.
You can also enter bin numbers separated by commas with on-hand quantities in parentheses. For example, you can enter **A101(50), A102(43)**.
To track bin numbers, you must first create bin records at Lists > Accounting > Bins > New. Associate bin numbers with items on inventory and assembly item records.
-  **Note:** Bins must be selected on the item record to show here.
- Using **Advanced Bin / Numbered Inventory Management** : Click the **Inventory Detail icon**. In the popup window, select the appropriate bins and quantities.
 15. Set any options for this item.
 16. Select a **Department**, **Class** or **Location** if you track them.
 17. If this item is for a particular customer, select that **Customer**.
If you use NetSuite OneWorld and the selected customer is shared with multiple subsidiaries, you can choose any customer associated with the selected subsidiary.
 18. If you want the cost of this item billed back to the chosen customer, check the **Billable** box.
 19. Click **Add**.
 20. Repeat these steps for each item you want to add.

Billing

1. Click the **Billing** subtab.
2. In the **Vendor Select** field, choose a vendor.
3. Verify the billing address displayed in the **Vendor** field. To change the address, click the Edit button to the right of the Vendor Select field.
4. In the **Terms** field, select terms that apply to this bill.
For details about terms for vendor installment payments, read [Vendor Payment Installments](#).
5. In the **Incoterm** field, choose the standardized three-letter trade term used on transactions related to international commercial procurement practices. These terms communicate the tasks, costs, and risks associated with the transportation and delivery of goods. Incoterms define where the customer takes ownership of the product and are typically used for international orders. For example, when an item goes through customs or crosses a border.
For more information about incoterms, see the help topic [Creating Purchase Contracts](#).

Landed Cost

1. Enter landed cost for this transaction.
For information about landed cost, see the help topic [Entering Landed Cost on a Transaction](#).

Relationships

1. On the **Contacts** subtab, the primary contact for the customer is selected automatically. To edit information for this contact, click the contact's name.
2. You can also add contacts to this order by entering the contact's information and clicking **Add**.

Communication

1. To add this vendor bill to a queue of vendor bills to be printed, in the Printing section, check the **To Be Printed** box.
This option is available only if you have the Advanced PDF/HTML Templates feature enabled. For more information, see [Vendor Bill Printing](#).
2. Use the **Events**, **Tasks**, and **Phone Calls** subtabs to attach activities to this transaction. For more information, see the help topic [Attaching Events, Tasks, and Calls to Records and Transactions](#).
3. On the **Files** subtab, you can select and attach files from the File Cabinet related to this transaction. Select **New** to upload a new file to File Cabinet. For more information, see the help topic [Attaching Files to Records](#).
4. On the **User Notes** subtab, you can enter a title and note for any comments you want to add to this transaction. Click **Add** after each note.

Email or Upload Vendor Bill Files Into NetSuite

You can avoid the vendor bill data entry process by scanning and saving a bill, and then emailing or uploading the file into NetSuite. Scanned vendor bills can be in PNG, JPEG, and PDF format, and Bill Capture supports scanned items and manual entry of expenses. The scanned image file (PNG, JPEG) is limited to single page scanned file that contains a single bill. PDF files are limited to 5 pages with support for a single bill per file. The file size is limited to 5 megabytes. For emailed files there is a maximum of twenty attached files, and the overall email size cannot exceed 10 megabytes. Uploading the scanned file reduces manual errors and inconsistencies that occur when you create vendor bills.



Important: You must enable the Bill Capture feature and the File Cabinet feature to use this functionality.

The Email Capability is provided by an additional SuiteApp bundle that must be installed and set up in the account when provisioned. You must enable the Email Capability feature to receive bills by email.

The A/P (accounts payable) feature is a prerequisite to enable Bill Capture.

There is a new Scanned Vendor Bills permission. Users with both Scanned Vendor Bills and Bills permission can upload files and generate Vendor Bill records. The Scanned Vendor Bills permission was created for users who are not in the Accounts Payable department, such as a user in the warehouse. Users with the Scanned Vendor Bills permission, but without the Bills permission, can upload files and see them after they are uploaded. However, they are not able to generate a Vendor Bill record from them. Users with the Bills permission only cannot upload or see files through Bill Capture. They can manually generate Vendor Bills in NetSuite. Check the [Standard Roles Permissions Table](#) for the standard roles that have the Scanned Vendor Bills and the Bills permissions included.

When you receive a vendor bill, use your printer or scanner to scan the bill. Save it in one of the approved file formats. You can email the vendor bill to NetSuite, or drag and drop the file to the File Uploader field

within NetSuite. When a user emails a vendor bill or drags and drops a file, the subsidiary for the bill is the subsidiary assigned to that employee. The subsidiary for bills received directly from vendors is the employee's subsidiary that the user selected in the Email Capture preference. To support multiple subsidiaries, create different users having the assigned subsidiary that needs to be supported.

When you refresh the page, your uploaded file appears in the list of files. When you click the Review Bill link, the Review Scanned Bill page opens. This page presents a split view with the scanned file on the left side, and the proposed vendor bill form on the right side.

NetSuite produces either an exact match, or a suggestion that most closely matches the scanned data. Complete the fields, as required.

When you are satisfied with the accuracy of the scanned vendor bill, click the Create Bill button to create the bill in NetSuite. NetSuite redirects you to the Bill page where you can process the bill as you would any NetSuite vendor bill. You can also save your progress on the Review Scanned Bill page and then create the bill later.

Using this method for creating vendor bills dramatically increases efficiency. In addition, NetSuite remembers what suggestions were correct or incorrect, and implements those suggestions the next time a bill is created for that vendor.

If you are tasked with processing scanned vendor bills, your Reminders portlet on the Home page provides a link to the bills that require processing. You can also go to the Scanned Vendor Bills page through the Transactions subtab.

Enabling and Setting up Bill Capture

Ensure that the following prerequisites are met:

- The Bill Capture feature is included in the AP Automation Module. This module must be provisioned first in the account before you proceed with the prerequisites.
- The Bill Capture email feature is implemented through the Transaction Email Capture SuiteApp bundle. This bundle must be provisioned in the account before you can use email capture of bills. For more information, see [Transaction Email Capture SuiteApp](#).
- Enable the A/P feature. Go to Setup > Company > Enable Features. Click the Accounting subtab. Under Basic Features, click the A/P box.
- Enable the File Cabinet feature. Go to Setup > Company > Enable Features. On the Company subtab, under Data Management, click the File Cabinet box.
- For email capture, Custom Records, Client SuiteScript, and Server SuiteScript must be enabled. Go to Setup > Company > Enable Features. On the SuiteCloud subtab, click the Custom Records, Client SuiteScript, and Server SuiteScript boxes.
- Choose a role that can access Bill Capture, such as Controller, AP Clerk, Accountant.
- Enable the Bill Capture feature. Go to Setup > Company > Enable Features. Click the Accounting subtab. Under Basic Features, click the Bill Capture box.
- Grant permissions to the employees who will use Bill Capture. For more information, use the following procedure.
- Set the Bill Capture accounting preference.

Go to Setup > Accounting Preferences > Bill Capture Preferences. The Bill Capture preferences page lets you decide how you would like taxes and shipping costs to be saved in Vendor Bills when using Bill Capture. Taxes are populated as a single line, total amount. Shipping Cost is also populated as a single line, total amount. They are set up independent of each other. Each of them can be included under the

Expenses or the Items subtabs. To save taxes or shipping costs as an expense, you can set up your default account or your default expense category for each. To save them as items, you can choose which items should default.

To grant permissions to employees who will use Bill Capture:

1. Go to Lists > Employees > Employees.
2. Click **Edit** next to the employee who is to be granted the **Bill** permission.
 - a. Click the **Access** subtab.
 - b. In the **Roles** list, select the role, and then click **Add**.
 - c. Click the **Global Permissions** subtab.
 - d. Select the **Transactions Bills** permission.
 - e. Set the **Level** to Full, and then click **Save**.
3. Click **Edit** next to the employee who is to be granted the **Scanned Vendor Bills** permission.
 - a. Click the **Access** subtab.
 - b. In the **Roles** list, select the role, and then click **Add**.
 - c. Click the **Global Permissions** subtab.
 - d. Select the **Scanned Vendor Bills** permission.
 - e. Set the **Level** to Full, and then click **Save**.
4. Click **Save**.

Use the preceding steps for each employee to use the Bill Capture feature.

Related Topics

- [Uploading Vendor Bills Into NetSuite](#)
- [Email or Upload Vendor Bill Files Into NetSuite](#)

Uploading Vendor Bills Into NetSuite

Use the following procedure to upload vendor bills into NetSuite. The following date formats are supported in the uploaded files:

- D.M.YYYY
- D/M/YYYY
- DD.MM.YYYY
- DD/MM/YYYY
- M/D/YYYY
- MM/DD/YYYY
- YYYY-M-D
- YYYY/M/D

- YYYY-MM-DD
- YYYY/MM/DD

You have the option to upload vendor bills by email or by drag and drop.

To upload vendor bills into NetSuite:

1. Use your printer or scanner to scan a vendor bill, and then save the scanned file with the PNG, JPEG, or PDF extension.
The scanned image file (PNG, JPEG) is limited to single page scanned file that contains a single bill. PDF files are limited to 5 pages with support for a single bill per file. The file size is limited to 5 megabytes. For emailed files there is a maximum of twenty attached files, and the overall email size cannot exceed 10 megabytes.
2. (Drag and Drop only.) Go to Transactions > Payables > Scanned Vendor Bills.
The Scanned Vendor Bills page includes several columns. The first column provides a link to review and process the scanned file, or a link to view a vendor bill. The second column provides the date and time stamp when the file was uploaded into the File Uploader field. There are columns that provide the file name, vendor, and current status of the file. There is also a column that provides the status description.
3. (Drag and Drop only.) In the **File Uploader** field, select the saved file, or drag the file to the field.
4. (Drag and Drop only.) Click **Upload Bill**, and then click **Refresh**.
The uploaded file appears in the list of all uploaded files. You can filter the list by recently created, or recently modified. You can also sort by the **Upload Date** column.
5. (Email only.) Email the attached bill file to the NetSuite email address for the account.
NetSuite sends an email notification to the sender that the vendor bills were successfully processed. If there are errors encountered after sending vendor bills, note the following. NetSuite sends an email notification about the error to the vendor, NetSuite employee, or vendor bill recipient.
6. (Email only.) Go to Transactions > Payables > Scanned Vendor Bills.
The Scanned Vendor Bills page includes several columns. The first column provides a link to review and process the scanned file, or a link to view a vendor bill. The second column provides the date and time stamp when the file was uploaded into the File Uploader field. There are columns that provide the file name, vendor, and current status of the file. There is also a column that provides the status description.
The emailed files appear in the list of all uploaded files. You can filter the list by recently created, or recently modified. You can also sort by the Upload Date column.
7. Click **Review Bill**.
The Review Scanned Bill page presents a split view with the scanned file on the left side. The potential vendor bill appears on the right side. You can zoom in and out on the scanned bill. You can also collapse the scanned pane to focus on the potential vendor bill on the right side.
The Primary Information section provides the vendor, currency, reference number, subsidiary, and payment terms. There is a Location field in this section to help users select a location for all the line items more efficiently. When selected, the user receives a message, "The location on the line items will be updated with the selected value." The Location field can also be changed individually in each line item. This section also provides the due date, date, and amount. Required fields are marked with a red asterisk.
8. Complete the fields, as required. You cannot change the vendor's subsidiary or the amount. The amount in the Primary Information section is calculated. This lets you verify that the sum of all the generated lines equals the total amount of the scanned bill.

The subsidiary for the scanned bill is the subsidiary assigned to that employee in NetSuite. To support multiple subsidiaries, create different users having the assigned subsidiary that needs to be supported.

9. If the scanned bill is for items, click the **Items** subtab. This subtab provides columns for item, description, quantity, units, rate, amount, location, and PO number. You can make changes, as required. You can also add and remove rows.
10. If the scanned bill is for expenses, you must manually enter these expenses in the **Expenses** subtab. This subtab provides columns for category, account, memo, and amount. You can add and remove rows. You can also collapse rows.
11. When you are satisfied with the bill, click **Create Bill** to create a NetSuite vendor bill record.

NetSuite redirects you to the Bill page where you make further changes or process this bill as you would any NetSuite vendor bill.



Note: After NetSuite creates a vendor bill, this bill still appears on the Scanned Vendor Bills page. However, the link for this uploaded file is **View**, rather than **Review Bill**.

You can also save your progress and create the bill later, or you can cancel this bill creation process.

Related Topics

- [Enabling and Setting up Bill Capture](#)
- [Email or Upload Vendor Bill Files Into NetSuite](#)
- [Transaction Email Capture SuiteApp](#)

Transaction Email Capture SuiteApp

The Transaction Email Capture SuiteApp is included in the Bill Capture feature. The SuiteApp enables employees and vendors to send vendor bills directly through email. NetSuite then captures charges and line items of each bill.

For more information, see the following help topics:

- [Email or Upload Vendor Bill Files Into NetSuite](#)
- [Transaction Email Capture Prerequisites](#)
- [Installing the Transaction Email Capture SuiteApp](#)
- [Setting Up Transaction Email Capture Preferences](#)
 - [Enabling the Email Capture Plug-in](#)
 - [Setting Up Transaction Email Capture](#)
 - [Managing Vendor Email Addresses Using Transaction Email Capture](#)
- [Sending Vendor Bills to NetSuite](#)
- [Transaction Email Capture Error Messages](#)
- [Transaction Email Capture Limitations](#)

Transaction Email Capture Prerequisites

Before you install the Transaction Email Capture SuiteApp, make sure the AP Automation module is provisioned in your NetSuite account. For more information, see the help topic [Enabling and Setting up Bill Capture](#).

Additional features must also be enabled in your NetSuite account before you can use the SuiteApp.

Feature	Enable Features Subtab
A/P (Accounts Payable)	Accounting
Bill Capture	Accounting
Custom Records	SuiteCloud
Client SuiteScript	SuiteCloud
Server SuiteScript	SuiteCloud

To enable features, go to Setup > Company > Enable Features. For more information, see the help topic [Enabling Features](#).

Note: You must ensure that the employee record with internal ID -5 employee record is active before you install the SuiteApp. For more information

Installing the Transaction Email Capture SuiteApp

The Transaction Email Capture SuiteApp is a paid SuiteApp. It is also a managed SuiteApp bundle that automatically updates whenever enhancements or new features are added.

Before you install the Transaction Email Capture SuiteApp, contact your NetSuite account manager to get access to the SuiteApp.

To install the Transaction Email Capture SuiteApp:

1. Go to Customization > SuiteBundler > Search & Install Bundles
2. In the **Keywords** field, use the following information to search for the SuiteApp:
 - Bundle Name: Transaction Email Capture
 - Bundle ID: 459771
3. On the Bundle Details page, click **Install**.

For more information about installing SuiteApps, see the help topic [Installing a Bundle](#).

Setting Up Transaction Email Capture

This chapter describes the actions required to use Transaction Email Capture. The SuiteApp requires you to enable a plug-in and set preferences to let vendors and employees send vendor bills through email.

- [Enabling the Email Capture Plug-in](#)
- [Setting Up Transaction Email Capture Preferences](#)

■ Managing Vendor Email Addresses Using Transaction Email Capture

Enabling the Email Capture Plug-in

Before you can send vendor bills through email, you must enable the email capture plug-in in your NetSuite account.

To enable the email capture plugin:

1. Go to Customization > Plug-ins > Manage Plug-ins.
2. On the Email Capture Plugin section, check the **Transaction Email Capture** box.
Take note of the email address. This is the email address where your employee and vendors should send their vendor bills.
3. Click **Save**.

Setting Up Transaction Email Capture Preferences

You must set the following preferences before sending vendor bills to NetSuite.

To set up transaction email capture preferences:

1. Go to Setup > Company > General Preferences.
2. Click the **Custom Preferences** subtab.
3. On the Transaction Email Capture section, select the following for each field:
 - a. **Vendor Bill Email Notification Sender** – Select the employee whose email address should appear as the sender of vendor bill email notification sent by your company.
 - b. **Vendor Bill Recipient** – Select the employee whose file cabinet will be used to store the vendor bills sent by vendors.

All the files received through email from vendors will be stored in this employee's assigned subsidiary and will be visible to other employees who only have access to that subsidiary.

By default, the SuiteApp sets the employee record with internal ID -5 as the vendor bill email notification sender and vendor bill recipient.
4. Click **Save**.

Managing Vendor Email Addresses Using Transaction Email Capture

In the vendor record, you can add multiple email addresses for Transaction Email Capture. The email addresses defined on the vendor record helps the system validate the sender of the email.

You only need to perform this task for each vendor one time for your initial setup.

To add a vendor email address for Transaction Email Capture:

1. Go to Lists > Relationships > Vendors.
2. Click **Edit** next to the vendor record you want to update.
3. Click the **Transaction Email Capture** subtab.

4. On the Email Address column, enter the email address of the vendor.
5. Click **Add**.
6. To add multiple email addresses, repeat steps 4 and 5.
7. Click **Save**.

Sending Vendor Bills to NetSuite

When a vendor or employee sends a vendor bill through email, the system validates the email sender and performs the following actions:

1. The system matches the email address to an active employee record in NetSuite.
If the email address is unmatched, the system will check if the email address is from a vendor.
2. The system matches the From address to an email address defined on the Transaction Email Capture subtab of a vendor record. If the email address is unmatched, the email sender will receive an email notification error.

After validating the email sender, the system then checks the attached vendor bill file. To make sure that the SuiteApp can process and scan the attached file, the file attachment must meet the following criteria:

- File attachments can be any of the following supported file types:
 - PDF
 - JPEG
 - PNG
- The file size of each attachment must not exceed 5 megabytes.
- Maximum of 20 attached files for each email, and the overall email size cannot exceed 10 megabytes.

As soon as the system successfully captures the charges and line items from the vendor bill files, NetSuite sends an email to the sender to notify that the vendor bills are successfully processed.

If the attached vendor bill files are valid, the system automatically uploads the files into a folder in the File Cabinet.

If there are errors encountered after sending vendor bills, the system notifies the vendor, NetSuite employee, or vendor bill recipient.

To view the scanned vendor bills in NetSuite, go to the Transactions > Payables > Scanned Vendor Bills page.

Important Things to Note

- When you enable the Bill Capture feature, the system automatically creates a folder in the File Cabinet. For new employees provisioned with sufficient permissions to use the Bill Capture feature, the system automatically creates a folder within 24 hours.
- A folder is automatically created in the File Cabinet when an employee manually uploads a vendor bill on the Scanned Vendor Bills page. For more information, see [Uploading Vendor Bills Into NetSuite](#).
- The sender's email address must belong to an active employee or vendor record.
- Set up an alias for the email address on your company email server so vendors can easily record or remember the email address. For more information about setting up an email alias, see the help topic [Create an Email Alias and Set Up Forwarding](#).

- If the email sender is a vendor, the other vendors listed in the Transaction Email Capture subtab of the vendor record are copied to the email notification.

Transaction Email Capture Error Messages

This section lists some of the common errors found when using the Transaction Email Capture SuiteApp and what you can do to resolve the error.

- [Transaction Email Capture User Errors](#)
- [Email Notification Errors Sent to Employees](#)
- [Email Notification Errors Sent to Vendors](#)

Transaction Email Capture User Errors

Error Message	Cause	Solution
Cannot set employee to inactive. The employee is set as the vendor bill email notification sender. Select a different sender on the General Preferences page and try again.	You tried to set the employee record of the vendor bill email notification sender to inactive.	You must select a different sender on the General Preferences page (Setup > Company > General Preferences) before setting the employee record to inactive.
Cannot remove employee's email address. The employee is set as the vendor bill email notification sender. Select a different sender on the General Preferences page and try again.	You tried to remove the email address of the vendor bill email notification sender in the employee record.	You must select a different sender on the General Preferences page before removing the email address in the employee record.
Cannot delete employee record. The employee is set as the vendor bill email notification sender. Select a different sender on the General Preferences page and try again.	You attempted to delete the employee record of the vendor bill email notification sender.	You must select a different sender on the General Preferences page before deleting the employee record.
Cannot set employee to inactive. The employee is set as the vendor bill recipient. Select a different recipient on the General Preferences page and try again.	You tried to set the employee record of the vendor bill recipient to inactive.	You must select a different recipient on the General Preferences page before setting the employee record to inactive.
Cannot remove employee's email address. The employee is set as the vendor bill recipient. Select a different recipient on the General Preferences page and try again.	You tried to remove the email address of the vendor bill recipient in the employee record.	You must select a different recipient on the General Preferences page before removing the email address in the employee record.
Cannot delete employee record. The employee is set as the vendor bill recipient.	You tried to delete the employee record of the vendor bill email notification sender.	You must select a different recipient on the General Preferences page before deleting the employee record.

Error Message	Cause	Solution
Select a different recipient on the General Preferences page and try again.		
<p>Cannot add the following email addresses because they are either already added to this vendor record or used in another vendor record:</p> <ul style="list-style-type: none"> List of email addresses <p>Review the vendor bill sender list on the Transaction Email Capture subtab and try again.</p>	You tried to add an existing email address in the vendor bill sender list on the Transaction Email Capture subtab.	Check the vendor bill sender list on the Transaction Email Capture subtab and ensure that all email addresses are unique.

Email Notification Errors Sent to Employees

Email Notification Error	Cause	Solution
<p>The files cannot be processed due to one of the following reasons:</p> <ul style="list-style-type: none"> Your role does not have permission to use the Bill Capture feature. To change the permissions on your role, contact your administrator The folder to store vendor bills in NetSuite for your employee record does not exist. If you are a new employee, the system automatically creates a folder within 24 hours. To prompt the system to create a folder, you can manually upload your vendor bill file on the Scanned Vendor Bills page. 	<p>The employee either does not have permission to use the Bill capture feature, or the folder to store vendor bills in NetSuite does not exist.</p>	<p>The employee must do the following actions:</p> <ul style="list-style-type: none"> To change the permissions on your role, see Enabling and Setting up Bill Capture. If you are a new employee, the system automatically creates a folder within 24 hours. Otherwise, a folder is automatically created in the File Cabinet when you manually upload a vendor bill on the Scanned Vendor Bills page. For more information, see Uploading Vendor Bills Into NetSuite.
<p>The files are not processed because an unknown email address is used.</p> <p>Check the email address of the sender and ensure that it belongs to an active employee or vendor.</p>	<p>The employee sent vendor bills using an unknown email address.</p> <p>The email address is unknown because of the following reasons:</p> <ul style="list-style-type: none"> The email address used belongs to an inactive employee. The email address used does not match any employee record. 	<p>The employee's email address must belong to an active employee.</p>
<p>The following files are not processed because the file attachments are not supported:</p> <ul style="list-style-type: none"> List of files <p>Use only PDF, JPEG, or PNG files as attachments.</p>	<p>The employee sent unsupported file attachments.</p>	<p>The employee must send file attachments using only the following supported file types:</p> <ul style="list-style-type: none"> PDF JPEG PNG

Email Notification Error	Cause	Solution
<p>The following files are not processed because an attachment exceeds the maximum allowed file size of 5 MB:</p> <ul style="list-style-type: none"> List of files <p>Limit the file size of attachments to 5 MB per file.</p>	<p>The employee sent file attachments that exceed the maximum allowed file size of 5 MB.</p>	<p>The employee must send file attachments with a file size of 5 MB only per file.</p>
<p>The following files are not processed because either the file format is not supported, or the file size exceeds 5 MB:</p> <ul style="list-style-type: none"> List of files <p>Attach files in PDF, JPEG, or PNG file format only. File size must not exceed 5 MB per file.</p>	<p>The employee sent an email containing files that exceed the maximum allowed file size of 5 MB and files with unsupported file types.</p>	<p>The employee must send file attachments with a file size of 5 MB only per file.</p> <p>Send file attachments using only the following supported file types:</p> <ul style="list-style-type: none"> PDF JPEG PNG
<p>The files cannot be processed because the Bill Capture feature is not enabled in your NetSuite account.</p> <p>Enable the required feature. Contact your account administrator for assistance.</p>	<p>The Bill Capture feature is disabled.</p>	<p>You must enable the Bill Capture feature. For more information, see Transaction Email Capture Prerequisites.</p>
<p>The following files are not processed because the email exceeds the maximum allowable number (20) of file attachments:</p> <ul style="list-style-type: none"> List of unprocessed files <p>Ensure the email does not contain more than 20 file attachments and then try again.</p>	<p>The employee sent an email that exceeds the maximum allowable number of file attachments.</p>	<p>The employee must send only 20 file attachments. For more information, see Sending Vendor Bills to NetSuite.</p>

Email Notification Errors Sent to Vendors

Email Notification Error	Cause	Solution
<p>The following files cannot be processed because of incomplete prerequisites:</p> <ul style="list-style-type: none"> List of files <p>An email was sent to <vendor bill recipient email> to help resolve the issue. To know the status, contact <company name> by sending an email to <vendor bill recipient email>.</p> <p>After resolving the issue, try resending your message.</p>	<p>The vendor bill recipient either does not have permission to use the Bill Capture feature, or the folder to store vendor bills in NetSuite does not exist.</p>	<p>The vendor bill recipient must do the following actions:</p> <ul style="list-style-type: none"> To change the permissions on your role, see Enabling and Setting up Bill Capture. If you are a new employee, the system automatically creates a folder within 24 hours. <p>Otherwise, a folder is automatically created in the File Cabinet when you manually upload a vendor bill on the Scanned Vendor Bills page. For more information, see Uploading Vendor Bills Into NetSuite.</p>

Email Notification Error	Cause	Solution
<p>The files are not processed because an unknown email address is used.</p> <p>Check the email address of the sender and ensure that it belongs to an active employee or vendor.</p>	<p>The vendor sent vendor bills using an unknown email address.</p> <p>The email address is unknown because of the following reasons:</p> <ul style="list-style-type: none"> ■ The email address used belongs to an inactive vendor. ■ The email address used does not match any vendor record. 	<p>The vendor's email address must belong to an active vendor.</p>
<p>The following files are not processed because the file attachments are not supported:</p> <ul style="list-style-type: none"> ■ List of files <p>Use only PDF, JPEG, or PNG files as attachments.</p>	<p>The vendor sent unsupported file attachments.</p>	<p>The vendor must send file attachments using only the following supported file types:</p> <ul style="list-style-type: none"> ■ PDF ■ JPEG ■ PNG
<p>The following files are not processed because an attachment exceeds the maximum allowed file size of 5 MB:</p> <ul style="list-style-type: none"> ■ List of files <p>Limit the file size of attachments to 5 MB per file.</p>	<p>The vendor sent file attachments that exceed the maximum allowed file size of 5 MB.</p>	<p>The vendor must send file attachments with a file size of 5 MB only per file.</p>
<p>The following files are not processed because either the file format is not supported, or the file size exceeds 5 MB:</p> <ul style="list-style-type: none"> ■ List of files <p>Attach files in PDF, JPEG, or PNG file format only. File size must not exceed 5 MB per file.</p>	<p>The vendor sent an email containing files that exceed the maximum allowed file size of 5 MB and files with unsupported file types.</p>	<p>The vendor must send file attachments with a file size of 5 MB only per file.</p> <p>Send file attachments using only the following supported file types:</p> <ul style="list-style-type: none"> ■ PDF ■ JPEG ■ PNG
<p>The files cannot be processed because the Bill Capture feature is not enabled in your NetSuite account.</p> <p>Enable the required feature. Contact your account administrator for assistance.</p>	<p>The Bill Capture feature is disabled.</p>	<p>You must enable the Bill Capture feature. For more information, see Transaction Email Capture Prerequisites.</p>
<p>The following files are not processed because the email exceeds the maximum allowable number (20) of file attachments:</p> <ul style="list-style-type: none"> ■ List of unprocessed files <p>Ensure the email does not contain more than 20 file attachments and then try again.</p>	<p>The vendor sent an email that exceed the maximum allowable number of file attachments.</p>	<p>The employee or vendor must send only 20 file attachments. For more information, see Sending Vendor Bills to NetSuite.</p>

Email Notification Errors Sent to Vendor Bill Recipients

Error Message	Cause	Solution
<p>The files sent by <vendor email> are not processed due to one of the following reasons:</p> <ul style="list-style-type: none"> Your role does not have permission to use the Bill Capture feature. To change the permissions on your role, contact your administrator. The folder to store vendors in NetSuite for your employee record does not exist. If you are a new employee, the system automatically creates a folder within 24 hours. To prompt the system to create a folder, you can manually upload your vendor bill file on the Scanned Vendor Bills page. 	<p>The vendor bill recipient either does not have permission to use the Bill capture feature, or the folder to store vendor bills in NetSuite does not exist.</p>	<p>The vendor bill recipient must do the following actions:</p> <ul style="list-style-type: none"> To change the permissions on your role, contact your administrator. For more information, see Enabling and Setting up Bill Capture. If you are a new employee, the system automatically creates a folder within 24 hours. Otherwise, a folder is automatically created in the File Cabinet when you manually upload a vendor bill on the Scanned Vendor Bills page. For more information, see Uploading Vendor Bills Into NetSuite.
<p>The files sent by <vendor email> are not processed because the Bill Capture feature is not enabled in your NetSuite account.</p> <p>Enable the required feature and ask the vendor to send the files again.</p>	<p>The Bill Capture feature is disabled.</p>	<p>The account administrator must enable the Bill Capture feature. For more information, see Transaction Email Capture Prerequisites.</p>

Transaction Email Capture Limitations

Take note of the following limitations when using Transaction Email Capture:

- The SuiteApp cannot differentiate vendor bill file attachments from email signature images. The received email signature image will appear in the list of all uploaded files in the Scanned Vendor Bills page.
- Creating a new vendor record using the Make Copy or Save As function does not autofill or copy the data from the Transaction Email Capture subtab to the new record.
- The SuiteApp can only process a vendor bill email with 20 file attachments. If the email contains more than 20 attachments, the system randomly selects the first 20 files to process. Email senders will be notified about the file attachments that were not processed.
- If the email address used for sending vendor bill files exist in both employee and vendor records, the SuiteApp prioritizes the employee as the email sender. The employee will then receive corresponding notifications.
- If an email contains email signature images, the SuiteApp will process it along with the vendor bill file attachments.
- If an email is sent without file attachments, the email sender will not receive an email notification error.

Differences Between Bills and Checks

You can choose between two ways to track your expenditures: with bills or with checks.

If you choose to enter bills, you can track paid and unpaid vendor bills, and pricing for particular products you buy. You enter bills when they arrive, and then pay them when they are due. NetSuite can remind you when those bill payments are due.

You can also choose to track expenditures with checks. NetSuite supports running your business on a cash basis. If you prefer to operate on a cash basis, keep track of when bills are due outside of NetSuite. Then, only create checks in NetSuite to pay them when they are due.

However, using only checks provides much less accounting information to track your business expenses.

Receiving Inventory in Advance of a Bill

If you maintain inventory, you can indicate that items have been received without entering a bill.

To receive items without billing them:

1. Go to Transactions > Purchases > Receive Orders.
2. Select a vendor.
You can select **All** to show all purchase orders with a Pending Receipt status.
3. Click **Receive** in the **Process** column next to the purchase order you want to receive.
4. On the Item Receipt page, verify that the items to receive are correct.
5. Click **Save**.

The status of the Purchase Order is now Pending Billing.

Now, your inventory records will be up to date, but the order will not yet show as a bill entered. When you receive the bill from the vendor, bill the purchase order.

Canceling a Vendor Bill

You can review a vendor bill and decide it should not be approved for payment. In such cases, you can cancel the bill. The Cancel button only appears on the form in View mode when the status of the bill is Pending Approval.

To cancel a vendor bill:

1. Go to Transactions > Payables > Approve Bills.
2. Click the **Cancel Bill** button.

A popup warning asks you to verify that you do want to cancel the vendor bill.



Note: After you verify the cancellation, the Canceled status cannot be changed.

When you cancel a vendor bill, the following applies:

- A canceled bill remains recorded in the system but is not processed for payment.
- Links to purchase orders are retained for audit purposes.
- The quantities and amounts are not cleared from the transaction form. They are preserved to be referenced or copied.

Note: Also note that a canceled vendor bill is not applied as billed against the purchase order. For example, a purchase order is entered for 20 units. When 20 units are received, a vendor bill for 20 units is created and saved. Then, the purchase order status changes to fully billed. Later, when that vendor bill is canceled, the purchase order status changes to the appropriate status as if the vendor bill was never entered. Depending on related transactions, the new status could revert to Pending Billing.

Editing or Copying a Canceled Vendor Bill

A vendor bill can be edited or copied when it has a canceled status. For example, you may add a Memo to indicate why the vendor bill was canceled.

Using Edit mode, a vendor bill can be deleted or all fields can be edited, including adding or editing line-item data. Any changes made to a canceled vendor bill are strictly for reference.

When you copy a canceled vendor bill, the new copy has a Canceled status by default. However, the new copy initially appears in Edit mode. You can change the approval status to Pending Approval or Pending Receipt before you save it the first time. After you save the form, the approval status updates.

Vendor Bill Printing

After you enable the Advanced PDF/HTML Templates feature, you can print vendor bills. For more information, see the help topic [Advanced PDF/HTML Templates](#).

You can print bills in HTML or PDF format. Printing to PDF format requires Adobe® Reader®. Visit the [Adobe Web site](#) to download the latest version at no charge. You can print individual bills, you can also print multiple bills in bulk.

See the following help topics:

- [Printing a Single Bill](#)
- [Printing Vendor Bills in Bulk](#)

You can use custom printing templates by creating a custom bill form with a custom template assigned in the Print Template field. For more information, see the help topic [Advanced Templates Customization in the Template Editor](#).

Printing a Single Bill

Follow this procedure to print a single bill.


To print a single bill:

1. Go to Transactions > Payables > Enter Bills > List.
2. Click **View** next to the bill you want to print.

Note: To print the bill directly from the list, click **Print** next to the bill you want to print.

3. On the bill record, point to the print icon.
4. From the print list, select **Print**.
 - If your preferences are set to print to PDF, a preview of your bill opens in Adobe Reader.

- If your preferences are set to print to HTML, a preview of your bill opens in your browser in HTML format.
- 5. To print your bill:
 - When printing from PDF, click the **Print** button in Adobe Reader.
 - When printing from HTML, select the option to print the page from your browser.

 **Note:** The procedure to print from HTML might vary depending on your browser.

6. Click **Print**.

Printing Vendor Bills in Bulk

When you enter a bill and check the To Be Printed box in the Communications subtab, NetSuite saves the bill in a queue. This enables you to later print vendor bills in bulk. You can also check the Allow Reprinting box to print vendor bills in bulk regardless of whether they were previously printed.

To print vendor bills in bulk:

1. Go to Transactions > Management > Print Checks and Forms.
2. Click **Bills**.
3. To only view bills from a specific location, select a location in the **Location** field.
4. To set a form for this print run, select a form in the **Form** field.
5. To allow reprinting of bills, check the **Allow Reprinting** box.
After you check the **Allow Reprinting** box, all bills appear in the list.
6. Check the **Print** box next to each invoice you want to print.
7. (Optional) See the following additional options:
 - To select all bills at one time, click **Mark All**.
 - To clear all marked bills, click **Unmark All**.
8. Click **Print**.
 - If your preferences are set to print to PDF, a preview of your bills open in Adobe Reader.
 - If your preferences are set to print to HTML, a preview of your bills open in your browser in HTML format.
9. To print your bills:
 - When printing from PDF, click the **Print** button in Adobe Reader.
 - When printing from HTML, select the option to print the page from your browser.

 **Note:** The procedure to print from HTML might vary depending on your browser.

10. Click **Print**.

Vendor Bill Variances

When you enter purchase orders, receipts, and vendor bills for items, each transaction can show a quantity, price, and exchange rate for the items. If there are any discrepancies between the quantity, price, or exchange rate, a remaining value may post to the Accrued Purchases account. If you use the

Advanced Receiving feature, you can use the vendor bill variances process to generate journal postings to variance accounts, based on discrepancies.

For example, you enter a purchase order that shows the following:

Purchase Order		
Price= \$5	Quantity= 100	Exchange Rate = 0.50

Next, you receive the items into your warehouse. The item receipt shows the following:

Receipt		
Price= \$4.5	Quantity= 98	Exchange Rate = 0.52

Then, the vendor sends you a bill for the purchase. The bill shows the following:

Vendor Bill		
Price= \$6	Quantity= 105	Exchange Rate = 0.6

Receipt

DR	Inv Asset	4.5*98*0.52 = \$229.32
CR	Accrued Purchases	\$229.32

Vendor Bill

DR	Accrued Purchases	6*105*0.60 = \$378
CR	Accounts Payable	\$378.00

Because the amounts on the receipt and vendor bill do not match, the remaining amount needs to be reconciled ($\$378.00 - 229.32 = \148.68).

To resolve these discrepancies, you can reconcile these differences using the Post Vendor Bill Variances page to post variance journal entries.

When you track and resolve these variances over time, the accuracy of your record-keeping improves. You are also better able to work with your vendors to ensure that billed quantities and prices are consistent with the receipt quantities and prices.

The Post Vendor Bill Variances page posts journal entries with these types of variances:

- **Bill Quantity Variance** – to resolve variances between quantities on bills and receipts
- **Bill Price Variance** – to resolve variances between the unit cost of items on bills and receipts
- **Bill Exchange Rate Variance** – to resolve variances between exchange rates on bills and receipts

Create variance journals at Transactions > Payables > Post Vendor Bill Variances. For more information, see [Posting Vendor Bill Variances](#).

Methods for Posting Variances

Choose from two methods to create a variance post:

- **Posting Variances Based on Vendor Bill Lines**

In this case, the Match Bill to Receipt option is used.

- **Posting Variances Based on Purchase Order Lines**

In this case, the Match Bill to Receipt option is not used.

Posting Variances Based on Vendor Bill Lines


When you use the Match Bill to Receipt method, note the following. Each line on a purchase order can be marked to require matching those line items to the items on the corresponding vendor bill. Then, lines on associated receipts are compared to vendor bill lines to check for variances in the quantity, price, and exchange rate. Journal entries can be created to post the amounts to variance accounts.

The Match Bill to Receipt method is used if a purchase spans multiple accounting periods and there is a need to post the variances. Using this method, variances you post are based on vendor bill lines, not purchase orders.

To mark a purchase order line for matching, check the Match Bill to Receipt box on each line for items you want to be matched. You can also set the box to be checked by default using the setting on item records. Then, when the item is added to a purchase order, the line automatically shows the Match Bill to Receipt box as checked. For more information, see the Match Bill to Receipt section of [Entering Purchasing and Inventory Information on Items](#).

On vendor bills, you can select specific receipts in the Receipts column. Do this when you create the vendor bill if the corresponding purchase order lines have Match Bill to Receipt checked. Then, a bill is created for the receipts that are selected. Also, the bill is checked against receipt values for variances.

Using this method, all purchase orders with lines marked Match Bill to Receipt are considered for variance calculations.

 **Note:** For lines with drop-ship items, do not check the Match Bill to receipt box.

The following example describes using the Match Bill to Receipt method:

To post variances based on vendor bill lines:

1. First, purchase orders are entered and dated across several months time.
The purchase orders can generate variance postings whether the transaction lines are open or closed.
Make sure that for all applicable lines, the **Match Bill to Receipt** box is checked.
Enter purchase orders at Transactions > Purchases > Enter Purchase Orders.
2. Multiple receipts are entered against the purchase order.
To receive purchase orders, go to Transactions > Purchases > Receive Orders.
3. Vendor bills are entered for the items.
Upon creating a vendor bill from a purchase order, all bill lines automatically show any outstanding item receipts. Note that you can override the association of the receipt and vendor bill.
The vendor bill must be linked to any receipts.
To bill purchase orders, go to Transactions > Payables > Bill Purchase Orders.
4. Go to the Post Vendor Bill Variances page at Transactions > Payables > Post Vendor Bill Variances.
Variances are generated based on the differences between the vendor bill and associated receipts.

Posting Variances Based on Purchase Order Lines

When items on an order are fully received and billed, variances can be generated for posting. These variances are based on purchase order lines without using the Match Bill to Receipt box.

After all the vendor bills and receipts for a purchase order are entered, you can create variance journals.

Note: If the order is not fully received and billed, open transaction lines must be closed to generate variances to post.

The following example describes generating variances without using the Match Bill to Receipt method.

To post variances based on purchase order lines:

1. Enter a purchase order that sets the rate and amount for items.
Purchase order lines must be fully received and billed for variances to be generated. If lines are not fully received and billed, they must be closed to generate variances.
Enter purchase orders at Transactions > Purchases > Enter Purchase Orders.
2. Enter receipts with the standard cost for the items on the purchase order.
To receive purchase orders, go to Transactions > Purchases > Receive Orders.
3. Enter the vendor bill.
To bill purchase orders, go to Transactions > Payables > Bill Purchase Orders.
4. To generate variance postings, go to Transactions > Payables > Post Vendor Bill Variances. The list of transactions shows orders with variances calculated.
 1. In the **Transaction Type** field, select **Purchase Order**.
 2. Check the **Select** box next to all transactions you want to create a journal entry for.
 3. When you click **Create Journal Entries**, the journals are created.

Note: Vendor Bill and Receipt Lines wherein variances are computed and posted are not editable.

Setting Up Item Records for Variances

To be able to analyze variances for items, set up item records for the following:

- Select [Variance Accounts](#) to post variances to.
- Choose a default setting for [Match Bill to Receipt](#).

Variance Accounts

On an item record, you must select variance accounts in the Exchange Rate Variances, Bill Quantity Variances, and Bill Price Variances fields. Then, when a variance occurs for that item, it posts to the variance account you selected.

If you prefer to see one single variance, select the same account in all three variance account fields.

Match Bill to Receipt

On an item record, check this box to make the Match Bill to Receipt box checked by default on transaction lines for this item. Then, purchase orders that include this item default to have this box checked and variances are generated based on vendor bill lines.

This preference is disabled by default. Even when enabled, this option can be changed on individual purchase order lines.

Clear this box if you do not want the Match Bill to Receipt box to be checked by default on transaction lines for this item. You can still check the box on individual transaction lines as necessary.

For information about setting up item records, see the help topic [Creating Item Records](#).

Variance Status Column on Bills

You can optionally add a column to your vendor bill form to show if a variance is expected for the line.


The Bill Variance Status column can show the following statuses:

- **No Variances** – No variances are found.
- **Journal Not Posted** – Variances are found, but journal entries are not yet created.
- **Journal Posted** – Variances are found and journal entries have been created.

To add the Bill Variance Status column, select Customize Form in the Customize list on a vendor bill. On the custom form, click the Items subtab. Check the box in the Show column next to Bill Variance Status and save the form.


Posting Vendor Bill Variances

After you have associated item records with variance accounts, you can create variance journal postings. For information about ways to create variance postings, see [Vendor Bill Variances](#). Then, after your transactions are set to create variance postings, you can create variance journal entries on the Post Vendor Bill Variances page.

 **Note:** These journal entries address variances only for inventory, non-inventory, other charge, and service items.

To post a variance journal entry:

1. Go to Transactions > Payables > Post Vendor Bill Variances.

 **Note:** Vendor bills in pending approval status appear on this page because the quantity buckets must be allocated so that NetSuite properly operates. This also helps you prevent over billing.

2. On the Post Vendor Bill Variances page, verify or select the posting period for the journal entry you are creating.
3. Verify or enter the date for the journal entry. The current date automatically fills this field.
4. If you have a NetSuite OneWorld account, select a subsidiary from the list in the **Subsidiary** field.

If your vendor records are shared with multiple subsidiaries, the item records that can be posted reflect the combination of selected vendor and subsidiary. For more information about globally shared vendor records, see the help topic [Assigning Subsidiaries to a Vendor](#).

5. In the **Transaction Type** field, make a selection to filter the list of transactions:
 - Choose **Purchase Order** to show closed purchase order lines with a variance that do not have the **Match Bill To Receipt** box checked.
 - Choose **Bill** to show only vendor bills linked to Purchase Orders that have the **Match Bill To Receipt** box checked.
6. When you have selected **Bill** in the **Transaction Type** field, you can make a selection in the **Transaction Status** field:
 - Choose **Open** to show all open vendor bills.
 - Choose **Paid in Full** to show only vendor bills that are completely paid.
7. In the **Vendor** field, select a vendor to filter the list to show only transactions associated with the selected vendor.
8. Clear the **Include Bills Without Receipts** box to exclude bills from the list that have no item receipts entered against them. Check this box to include all bills regardless of receipts.
9. Check the box in the **Select** column next to all transactions you want to create a variance journal entry for.
10. Click **Create Journal Entries**. The Post Vendor Bill Variances Results page opens and shows the journals created by the entry. You can click the link to open the journal and see the lines posted.

For information about the journals created for variances, see [Vendor Bill Variance Journals](#).



Important: After the variances on the journal entry are created and posted, associated purchase orders, receipts, and vendor bills transactions cannot be changed.

The variance journal entries must be voided or deleted to allow changes to associated transactions. Also, the accounting period must be open for the entries being considered and the A/P must be unlocked.

Vendor Bill Variances Status Page

To view the status of vendor bill variance calculations you are performing, go to Transactions > Payables > Post Vendor Bill Variances. This page displays the date and time the variance journal was created. It also provides the processing percentage complete, and a link to the results of completed journals in the Status column.

Vendor Bill Variances Results Page

The Post Vendor Bill Variances Results page is displayed in the following two ways:

- After you click Create Journal Entries on the Post Vendor Bill Variances page
- When you click the Complete link in the Status column of the Post Vendor Bill Variances Status page

Post Vendor Bill Variances Results page displays the following information:

- The transaction type that the journal was created from, which is a link to open the transaction
- The item on the transaction that had a variance calculated
- The number of the journal entry created, which is a link to open the journal
- The total amount posted by the journal

To view individual lines posted by the journal, click the journal number to open the entry. For more information, see [Vendor Bill Variance Journals](#).

Vendor Bill Variance Journals

On journals that post vendor bill variances, note the following. Journal line details show the accounts being debited and credited by the entry to clear the Accrued Purchases account.

Journal accounts

The accounts that journal lines post to are determined by the accounts selected on item records. For information about these accounts, read about variance accounts in [Creating Item Records](#).

Journal amounts

The amounts on journal lines are the amounts calculated from the vendor bills and receipts associated with the purchase order. These amounts are calculated as described below:

Three kinds of variances can be generated:

- Bill Price Variance** – The variance associated with price changes between the time you receive an item and the time the vendor bills you.

Bill Price Variance = Vendor Bill Qty x (Vendor Bill Price - Item Receipt Price) x Vendor Bill Rate

- Bill Quantity Variance** – The variance associated with any quantity differences between the item receipt and the vendor bill.

Bill Quantity Variance = (Vendor Bill Qty - Item Receipt Qty) x Item Receipt Price x Item Receipt Rate

- Bill Exchange Rate Variance** – A variance associated with exchange rate changes. These changes occur between the time you receive an item and the time the vendor bills you.

Exchange Rate Variance = Vendor Bill Qty x Item Receipt Price x (Vendor Bill Rate - Item Receipt Rate)

When the Match Bill to Receipts method is not used and multiple receipt lines are posted against a purchase order line, note the following. The receipt quantities, receipt amounts, and receipt exchange rates used for variance calculations are as follows:

- Receipt Quantity = The sum of quantities on receipts linked to the purchase order line.
- Receipt Price = The sum of amounts on receipts linked to the purchase order line.
In addition, the sum of quantities on receipts linked to the purchase order line.
- Receipt Exchange Rate = The sum of foreign currency amounts on receipts linked to the purchase order line.

In addition, the sum of base currency amounts on receipts linked to the purchase order line.

When the Match Bill to Receipts method is not used, note the following. The vendor bill quantities, vendor bill amounts and vendor bill exchange rates for variance calculations are as follows:

- Bill Quantity = The sum of quantities on bills linked to the purchase order line.
- Bill Price = The sum of amounts on bills linked to the purchase order line.
In addition, the sum of quantities on bills linked to the purchase order line.
- Bill Exchange Rate = The sum of foreign currency amounts on bills linked to the purchase order line.

In addition, the sum of base currency amounts on bills linked to the purchase order line.

When the Match Bill to Receipts method is used and multiple receipt lines are linked to a vendor bill line, note the following. The quantities, amounts, and exchange rates used for variance calculations are as follows:

- Receipt Quantity = The sum of quantities on receipts linked to the vendor bill line.
- Receipt Price = The sum of amounts on receipts linked to the vendor bill line.

In addition, the sum of quantities on receipts linked to the vendor bill line.

- Receipt Exchange Rate = The sum of foreign currency amounts on receipts linked to the vendor bill line.

In addition, the sum of base currency amounts on receipts linked to the vendor bill line.

After these calculations complete, NetSuite posts the following entries:

- DR Accrued Purchases
- CR Exchange Rate Variance
- CR Bill Quantity Variances
- CR Vendor Bill Price Variances



Important: After the variances on the journal entry are created and posted, associated purchase orders, receipts, and vendor bills transactions cannot be changed.

The variance journal entries must be voided or deleted to allow changes to associated transactions. Also, the accounting period must be open for the entries being considered.

Mass Updates for Variance Accounts

Use the following procedure to mass update variance accounts.

To update the variance accounts on records using mass update:

1. Go to Lists > Mass Update > Mass Updates.
2. Click **General Updates**.
3. Click a mass update link.
4. Set any necessary criteria.
5. Click the **Mass Update Fields** subtab.
6. Click **Perform Update**.
7. Click **Preview**.

Records are updated according to the settings you have chosen. For more information about mass updates, see the help topic [Mass Changes or Updates](#).

Vendor Bill Approvals

You can require approval for vendor bill processing. When you require approval before payment is issued, you can verify the billed amounts and quantities. To manage billing variances, you can compare amounts and quantities shown on vendor bills, item receipts, and purchase orders.

For example, your company's finance manager received a bill from the vendor Smith Widgets. The manager wants to verify that the payment amount requested on the vendor bill correctly corresponds to the purchase order amount. They know that the original purchase order showed five widgets at a price of \$10 each. They want to check against the bill to ensure it also shows five widgets at a price of \$10 each. Sometimes variances may occur, such as the following:

- The vendor bill for the order may show five widgets at \$13 each.
- The vendor bill for the order may show ten widgets at \$10 each.

In both of the preceding cases, the value of what was received does not match the original purchase order. If a bill is received with variances such as these, the finance manager must know this information. The manager must ensure that the payment being sent to the vendor properly matches what was received.

After the vendor bill correctly reflects the value of the goods received, the bill can be approved and a payment sent to the vendor.



Note: Vendor bill approval requires the Vendor Bill Approval, Bills, and Find Transaction permissions.

After a vendor bill is entered against a purchase order, an additional bill cannot be entered against the same purchase order items. This is true regardless of the status of that vendor bill. The first bill must be processed or canceled.

To approve a vendor bill, open it in Edit mode. You cannot approve a bill in View mode.

Vendor Bill Approval Status

The table below shows how the status of a vendor bill impacts the function of transaction lines on the bill.

Status	Accounting impact (AP, asset)	Inventory impact (for standalone bills)	Counts towards outstanding bill quantity on the purchase order
Pending Approval	None	None	Yes
Rejected	None	None	None
Approved	Yes	Yes	Yes

Standard or Custom Approvals

You can enforce approval processes for vendor bills in the two following ways:

- [Approving Vendor Bills With Standard Vendor Bill Approval](#)
Set an approval status on vendor bills.
- [Vendor Bill Approval Workflow](#)
Create a custom SuiteFlow workflow to require approval.

Standard Vendor Bill Approval

When you use the Payables feature, your vendor bills show an Approval Status field.

The default approval status can be set to either Pending Approval or Approved. Bills will default to show an Approved status, but you can set a new default approval status. For more information, see [Setting the Default Vendor Approval Status](#).

Vendor Bills with a status of Pending Approval can be approved or be canceled. A vendor bill that is canceled is not processed for payment.

You can use standard approval for vendor bills, regardless of whether you enable SuiteFlow for other purposes.

Custom Vendor Bill Approval Routing Using SuiteFlow

For more complex approval requirements, you can use SuiteFlow workflow management when you enable the Vendor Bill preference for Approval Routing. Then, you have the option of creating a custom SuiteFlow workflow to process vendor bills.


A SuiteFlow workflow enables you to tailor more flexible processes in a customized workflow that meets your specific approval routing needs. Your workflow may require action from specific employees, showing buttons on forms at certain stages, or sending email based on actions taken.

For example, you can set up a workflow for approvals based on variances between the purchase order and the vendor bill. You might set up workflows to process approvals using a non-sequential approval process or conditionalized routing.

For information about using SuiteFlow for vendor bill approvals, see [Vendor Bill Approval Workflow](#).

Setting the Default Vendor Approval Status

When you use standard approvals for vendor bills, you can set a default approval status. Then, vendor bills you enter automatically show your preferred approval status.

 **Note:** After a vendor bill is approved, you cannot cancel or change the status of that bill.


To set a default vendor bill approval status:

1. Go to Setup > Accounting > Accounting Preferences.
2. Click the **Order Management** subtab.
3. In the **Default Vendor Bill Status** field, choose one of the following:
 - **Approved** – Bills default to an Approved status. No further review or processing is required before a payment is processed.
 - **Pending Approval** – Bills default to a Pending Approval status. Someone with permission must approve the bill before a payment can be processed for it.
4. Click **Save**.

Now, vendor bills you enter show your selection in the Status field by default. Users with permission can change the approval status on bills entered if necessary.

Approving Vendor Bills With Standard Vendor Bill Approval

When you use standard approvals for vendor bills, you must approve or cancel vendor bills you enter. Bill approvals can be handled on individual transactions or in bulk.

 **Note:** Vendor bill approval requires the Vendor Bill Approval, Bills, and Find Transaction permissions.

- [Bulk Approving Vendor Bills With Standard Vendor Bill Approval](#)

■ Canceling a Vendor Bill

Note: After a bill is approved, the status cannot later be changed to Pending Approval or Canceled. Any change in status on a bill shows in the system notes for that bill.

To approve vendor bills individually:

1. Go to Transactions > Payables > Enter Bills > List.
2. Click **Edit** next to the bill.
3. In the **Approval Status** field, select **Approved**.
4. Click **Save**.

The bill can be processed for payment.

You can also set the status of a bill to Approved when you originally enter it. Then the bill is ready for payment processing when you save it.

If you set the default status of vendor bills to Approved, vendor bills you enter automatically show Approved in the Approval Status field. For information about setting this default, read [Setting the Default Vendor Approval Status](#).

Bulk Approving Vendor Bills With Standard Vendor Bill Approval

After you enter vendor bills, any bill with a status of Pending Approval or Rejected must be set to Canceled or Approved. To save time, you can run a bulk process to approve many vendor bills at one time.

The Approve Bills page lists all bills that require approval.

To bulk process vendor bill approvals:

1. Go to Transactions > Payables > Approve Bills.
2. Select a vendor to filter the list of bills.
3. Select a date range to filter the list of bills that show. The date range you select is reflected in the **From** and **To** fields.
If you enter a different range in the **From** and **To** fields, the **Date** field automatically shows Custom.
4. Check the box in the **Approve** column next to a bill to approve it.
Click **Mark All** to select all bills for approval.
5. Optionally click the **Select Order Number** field to enter or scan an order number.
6. As you mark bills to be approved, the total is displayed in the **Amount** field in the header.
7. Click **Submit**.

Now, the bills you marked have a status of Approved and can be processed for payment.

Bulk Approval Queue Errors

When you are bulk approving vendor bills, it is possible for an error to occur during processing. For example, you may submit ten bills in the approval queue. The first four are processed and approved

without difficulty, but the fifth bill encounters an error. In such a case, the processing immediately stops and the error is reported.

The first four bills have an Approved status. However, the fifth and subsequent bills still require approval. You should approve the fifth bill individually, and then resubmit the remaining bills (six through ten) that remain in the approval queue.

Standard Vendor Bill Approval FAQ

Where can I set the default approval status of vendor bills?

In the Default Vendor Bill Status field. See [Setting the Default Vendor Approval Status](#).

If a Vendor Bill is accidentally approved, can a vendor bill with an Approved status be changed back to Pending Approval?

Not through the user interface. You will have to delete the bill and recreate it. If you approve vendor bills through a script or workflow, you can change it back to Pending Approval.

Is there a way to mass approve vendor bills?

Yes. Use the Approve Bills page.

See [Bulk Approving Vendor Bills With Standard Vendor Bill Approval](#).

Is there an approval history on a vendor bill?

The approval history can be found on the System Notes subtab of the bill.

Is there a reminder available for vendor bills pending approval?

Yes. Go to the Home page > Reminders portlet > setup. Click Add Standard Reminders and add Bill to Approve.

Without any workflow customization, can an email alert be sent to the designated approver?

No, a custom workflow approval or a saved search is needed for this condition.

Is there an Approve button when viewing a bill which is pending approval?

No. You must do one of the following:

- Edit the bill and set the approval status to Approved.
 - Use the Approve Bills page to set the approval status to Approved.
- See [Bulk Approving Vendor Bills With Standard Vendor Bill Approval](#).

If the bill is rejected, can I create another bill from the same purchase order for approval?

Yes. After a bill is rejected, the expense account, quantities and amount are zeroed and the purchase order status changes from Fully Billed to Pending Billing.

Is there any General Ledger (GL) impact for a bill with a Pending Approval status?

No. The GL impact reflects on a bill only when it is approved.

Vendor Bill Approval Workflow

Install the Vendor Bill Approval Workflow as part of NetSuite Approvals Workflow SuiteApp to use a pre-built custom workflow for managing vendor bill approvals. The workflow helps you identify discrepancies between vendor bills you enter and their originating purchase order before payment is issued for the bill.

The workflow is a part of NetSuite Approvals Workflow SuiteApp with Bundle ID 240841. For information about how to install the NetSuite Approvals Workflow, see [Installing the NetSuite Approvals Workflow SuiteApp](#). This workflow is an extension of the Payables feature.

After you install the NetSuite Approvals Workflow, your account is changed in the following ways:

1. The Vendor Bill Approval workflow is initiated
For details on this workflow, read Vendor Bill Approval Workflow below.
2. Four new saved searches are available.
For details on this workflow, read Saved Searches below.

Vendor Bill Approval Workflow

The Vendor Bill Approval initiates a workflow that examines vendor bills you enter in your NetSuite account. The workflow identifies cases where a vendor bill has a quantity or cost discrepancy between the bill and purchase order.

- A bill that does not have discrepancies is set to have an Approved status.
- A bill that has discrepancies is flagged for an exception. It is required to go through a review and approval process before a payment can be issued.
- A bill that is created without a purchase order is automatically set to have a Pending Approval status and added to the approval queue.

For example, your finance controller wants to implement controls for vendors bills received from vendors and installs the Vendor Bill Approval Workflow. The following transactions are entered:

	Purchase Order	Vendor Bill
Quantity	10 widgets	10 widgets
Amount	\$100	\$100

The quantity and amount of the vendor bill matches the purchase order, so this bill is set to Approved and can be paid.

Next, the following transaction is entered:

	Purchase Order	Vendor Bill
Quantity	10 widgets	10 widgets
Amount	\$100	\$300

For the above, the amount billed does not match the amount on the purchase order. This discrepancy is flagged as an exception and the bill is set to a Pending Approval status. The finance controller must review the bill and PO to find out why they do not match before the bill is paid.

The following transactions are also entered:

	Purchase Order	Vendor Bill
Quantity	10 widgets	100 widgets
Amount	\$100	\$1000

For the above, both the quantity and amount of the bill do not match the purchase order. This bill is set to Pending Approval for review before payment.

If you need a more comprehensive way of validating a vendor bill, you can use the 3 Way Match Vendor Bill Approval Workflow. For more information, see [3 Way Match Vendor Bill Approval Workflow](#).


Bundle Exceptions

The following shows the exceptions flagged by the Vendor Bill Approval Workflow. When one or more of these conditions method are met, the bill is set to have a Pending Approval status.

- Partial Receipt Quantity on Purchase Order
If the order being billed includes quantities not fully received, the status is Pending Approval.
- Purchase Order – Bill Quantity Exception
If the item quantity on the bill is greater than the item quantity on the purchase order, the status is Pending Approval.
- Purchase Order – Bill Amount Exception
If the amount billed for an item is greater than the amount for the item on the purchase order, the status is Pending Approval. This comparison is made on a per-line basis.

When a vendor bill is flagged for an exception, NetSuite notes this by adding an exception message in the Memo field on the transaction.

A vendor bill that is flagged for any of these exceptions has its approval status set to Pending Approval. A supervisor must then approve the vendor bill to enable it to be processed for payment.

 **Note:** The workflow is applied to both inventory and non-inventory item types.

Approval

If a vendor bill is not flagged with any exceptions, the bill status is set to Approved and it can be processed for payment.

If a vendor bill is flagged and set to a Pending Approval status, a supervisor with appropriate permission must then approve the vendor bill.

A supervisor is able to approve vendor bills if they have the Edit permission for both of the following:

- Vendor bill
- Approve vendor bill

For information about how to approve a vendor bill, see [Approving Vendor Bills With Standard Vendor Bill Approval](#).

Saved Searches

After the workflow is installed, the following new saved searches are available in your account:

- Vendor Bill PO Amount Check
- Vendor Bill PO Quantity Check
- Vendor Bill PO Partial Rcpt QTY Check
- Vendor Bill Standalone Check

These reports can be viewed at Reports > Saved Searches > All Saved Searches.

Availability

The Vendor Bill Approval Workflow is a managed bundle and is automatically updated whenever there are updates. These issue fixes and enhancements are available after the bundle is updated in your account.

Customization

After you have installed the Vendor Bill Approval Workflow, you can optionally customize the workflow used to determine exceptions. You can also customize the new saved searches. For more information, see [Customizing for the Vendor Bill Approval Workflow](#).

Installing the Vendor Bill Approval Workflow



Important: The NetSuite Approvals Workflow SuiteApp does not support other languages. If you need a SuiteApp that supports the Multi-Language feature, you can install the SuiteApprovals SuiteApp instead. This SuiteApp also lets you manage approvals of various NetSuite record types. For more information, see the help topic [SuiteApprovals SuiteApp](#).

The Vendor Bill Approval Workflow is included in the NetSuite Approvals Workflow SuiteApp that must be installed in your NetSuite account.

To install vendor bill approval workflow:

1. Verify that these features are enabled in your account:
 - Payables
 - SuiteBundler
2. Enable features at Setup > Company > Enable Features.
3. Verify that all existing vendor bills have been set to an Approved or Rejected status. Do not transition to the bundle when any bills have a status of Pending Approval.
4. Set the Vendor Bill preference for Approval Routing.
For information about this preference, see [Vendor Bill Approval Workflow](#).
5. Install and deploy the SuiteApp with the following details.
 - Name – **NetSuite Approvals Workflow SuiteApp**
 - Bundle ID – **240841**

For more information, see the help topic [Installing a Bundle](#).

Customizing for the Vendor Bill Approval Workflow

After you have installed the Vendor Bill Approval Workflow, you can customize the workflow and searches to suit your specific needs.

Customizing the Saved Searches

The following saved searches show in your NetSuite account after your successful installation:

- Vendor Bill PO Amount Check
- Vendor Bill PO Quantity Check
- Vendor Bill PO Partial Rcpt QTY Check
- Vendor Bill Standalone Check

To customize one of these reports, go to Reports > Saved Searches > All Saved Searches, and click Edit next to the name of the search.

Customizing the Workflow

After you install Vendor Bill Approval, the workflow that is used is set to have default parameters. You can change the workflow to incorporate new parameters that are tailored to your needs.



Note: The workflow may be locked. For information about editable options, see the help topic [Editing a Locked Workflow](#).

To customize the default workflow states:

1. Disable the Vendor Bill Approval Workflow.
2. Copy the bundle workflow.
3. Modify the workflow as required.

For information about workflow, see the help topic [SuiteFlow \(Workflow\)](#).

4. Deploy the new workflow.

The following defines the default states for the installed workflow:

- Bill Validation
- Exceptions
- Pending Approval
- Approved
- Rejected

Bill Validation State

If a vendor bill is Pending Approval, the workflow sets the initial state of the transaction to bill validation. This bill validation state will set the next approver to the supervisor of the individual entering the transaction.

The bill validation state will have several transitions to the following states.

■ Exceptions

The vendor bill will transition to the Exceptions state if the following is true:

- The purchase order is only partially received.
- The purchase order amount is less than the bill amount.
- The purchase order quantity is less than the bill quantity.

■ Pending Approval

The vendor bill will be considered for transitioning to the pending approval state if the vendor bill is a standalone bill.

■ Approved

The vendor bill will transition to an Approved state if the bill does not transition to the Exceptions or Pending Approval state.

Exception State

When a vendor bill transitions to an Exception state, NetSuite identifies the exact exception by a message in the Memo field. This message can be customized.

Any vendor bill in an Exception state will next transition to the Pending Approval state.

Pending Approval State

When a transaction is in the Pending Approval state, a user with permission has the option to approve or reject a transaction. Vendor bills in this state display an Approve button and a Reject button for this purpose.

- Click Approve to prompt NetSuite to move the bill to [Approved State](#) state.
- Click Reject to prompt NetSuite to move the bill to [Rejected](#) state.

Approved State

A vendor bill that reaches the Approved state has its approval status set to Approved.

The Approved state is an end state. After this state is reached, you cannot change the state from Approved to any prior state.

Rejected

A vendor bill that reaches the Rejected state has its approval status set to Rejected.

A vendor bill in the Rejected state can be changed back to a Pending Approval status.

3 Way Match Vendor Bill Approval Workflow

The 3 Way Match Vendor Bill Approval Workflow checks the vendor bill for discrepancies before it is processed for payment. It validates the details of a vendor bill against the details of its corresponding purchase order and item receipt. Bills with identified discrepancies are automatically routed to the assigned supervisor for review and approval.

The 3 Way Match Vendor Bill Approval Workflow provides the following benefits:

- Identifies issues by highlighting specific variances between the transactions, allowing the approvers or buyers to quickly address the issues
- By finding the variances, inventory levels are accurately maintained
- Eliminates cost variances to ensure that there is no overpayment for items that have not been received

The 3 Way Match Vendor Bill Approval workflow performs more validations than the regular Vendor Bill Approval workflow. The following validations are made between the vendor bill and purchase order or item receipt.

Vendor Bill and Purchase Order Validations

- Difference in Terms and Location
- Discrepancy in Quantity and Amount
- Quantity and Amount Tolerance levels
- Quantity Difference levels

Vendor Bill and Item Receipt Validations

- Corresponding Item Receipt for a Vendor Bill
- Discrepancy in Quantity
- Quantity Tolerance and Difference levels

The 3 Way Match Vendor Bill Approval workflow serves as a template that can be modified based on your specific business needs. Consider the following case for two criteria used to validate the vendor bill against the purchase order. The company has set a quantity and amount tolerance limit on the vendor bill. This limit validates the quantity and amount discrepancy between the vendor bill and purchase order.

Field	Purchase Order (PO)	Vendor Bill (VB)
Amount	1000	970
Quantity	100	97
VB-PO Amount Tolerance		0.10
VB-PO Quantity Difference		2

If both criteria or if only the VB-PO Quantity Difference is applied, note the following. The bill is routed to the supervisor for review and approval because the quantity discrepancy exceeds its tolerance limit. If only the VB-PO Amount Tolerance is applied, the bill is automatically approved because the amount discrepancy does not exceed the amount tolerance limit.



Important: When using the tolerance fields and criteria, you have to disable other quantity and amount criteria that may affect the validation. For information about setting specific criteria, see [Disabling Exception Criteria](#).

For guidelines on using the tolerance and difference limits, see [Best Practices When Using the Tolerance and Difference Limits](#).

For the complete list of exceptions, see [3 Way Match Vendor Bill Approval Exception Criteria](#).

For information about customizing the workflow, see [Customizing the 3 Way Match Vendor Bill Approval](#).

Availability

The 3 Way Match Vendor Bill Approval Workflow is included in the NetSuite Approvals Workflow SuiteApp that must be installed in your account. For more information, see [Installing the NetSuite Approvals Workflow SuiteApp](#).

Accounts with the Vendor Bill Approval SuiteApp are automatically upgraded to the NetSuite Approvals Workflow SuiteApp. The NetSuite Approvals Workflow SuiteApp contains the three workflows: Vendor Bill Approval, 3 Way Match Vendor Bill Approval, and Invoice Approval.

Limitations

Be aware of the following limitation of 3 Way Match Vendor Bill Approval.

Item receipts that have been partially received are not supported.

Setting Up 3 Way Match Vendor Bill Approval

When you install the NetSuite Approvals Workflow SuiteApp, the 3 Way Match Vendor Bill Approval Workflow is added to your account, including 23 saved searches. These saved searches perform the exception criteria used to validate the vendor bill. New fields are also enabled for the setting of tolerance and difference levels.

To use the 3 Way Match Vendor Bill Approval Workflow, enable the required features and set preferences before installing the NetSuite Approvals Workflow SuiteApp.

To enable features and set preferences:

1. Go to Setup > Company > Setup Tasks > Enable Features.
2. Enable the following features, and then click **Save**.
 - ☐ On the **Accounting** subtab, check the box for **A/P** (Accounts Payable)
 - ☐ On the **Transactions** subtab, check the box for **Purchase Orders** and **Advanced Receiving**.
 - ☐ On the **SuiteCloud** subtab, check the box for **SuiteFlow**.

For more information about enabling features, see the help topic [Enabling Features](#).
3. Go to Setup > Accounting > Accounting Preferences.
4. On the **Approval Routing** tab, check the box for **Vendor Bills**, and then click **Save**.

Installing the NetSuite Approvals Workflow SuiteApp



Important: The NetSuite Approvals Workflow SuiteApp does not support other languages. If you need a SuiteApp that supports the Multi-Language feature, you can install the SuiteApprovals SuiteApp instead. This SuiteApp also lets you manage approvals of various NetSuite record types. For more information, see the help topic [SuiteApprovals SuiteApp](#).

If you have the Vendor Bill Approval Workflow, verify if your account is already upgraded to the NetSuite Approvals Workflow SuiteApp. Go to Customization > SuiteBundler > Search & Install Bundles > List. Otherwise, you have to install the SuiteApp, which contains the 3 Way Match Vendor Bill Approval Workflow. Refer to the bundle details below:

- Bundle Name: **NetSuite Approvals Workflow**

- Bundle ID: **240841**

For information about installing bundles, see the help topic [Installing a Bundle](#).

Setting Up Roles and Permissions

After you install the SuiteApp, the following roles are automatically provided the required access to custom records of the 3 Way Match Vendor Bill Approval:

- CEO
- CFO
- Accountant
- Accountant (Reviewer)
- Bookkeeper
- Warehouse Manager
- A/P Clerk

To enable a supervisor to approve vendor bills, you must provide at least the Edit level of access for both of the following permissions:

Subtab	Permission	Level
Transactions	Vendor Bill Approval	Edit
Transactions	Bills	Edit



Important: Be sure to designate a supervisor for each vendor bill creator. The supervisor is automatically assigned as the approver of the vendor bill. For information about assigning supervisors, see the help topic [Assigning a Supervisor to an Employee](#).

For information about assigning roles and permissions, see the help topic [Customizing or Creating NetSuite Roles](#).

Running the 3 Way Match Vendor Bill Approval Workflow

The default status of the workflow is set to **Not Running**. After installing or after creating your customization, you have to change the status to **Released** to start running the workflow.

To run the 3 Way Match Vendor Bill Approval Workflow:

- Go to Customization > Scripting > Workflows.
- On the Workflows list, do either of the following:
 - If you are running the default workflow, click the **3 Way Match Vendor Bill Approval** record link.
 - If you are running your custom workflow, click the **Edit** link for the 3 Way Match Vendor Bill Approval record.
- On the **Workflow** subtab, located at the right side of the page, click the pencil icon.
- In the Workflow popup window, do either of the following:
 - If you are running the default workflow, click **Change Status**.
 - If you are running your custom workflow, in the **Release Status** field, select **Released**.

5. Click **Save**.

For more information about running a workflow, see the help topic [Release Status](#). For more information about using your customized workflow, see [Customizing the 3 Way Match Vendor Bill Approval](#).

3 Way Match Vendor Bill Approval States

The 3 Way Match Vendor Bill Approval Workflow is initiated during creation and editing of a vendor bill. The workflow verifies that the bill creator has an assigned supervisor. The vendor bill goes through the states for validation against the exception criteria. From the following list of approval states, you can learn the order of processing and dependencies among the states.

Approval Routing Feature Check

Each submitted vendor bill enters the Approval Routing state. If you are the bill creator, the workflow verifies that the **Vendor Bills** accounting preference is enabled in your account. After your account is verified, the vendor bill proceeds to the next state to undergo initial validations.

Check the other feature requirements and how to set them in the topic, [Prerequisites](#).

Bill Validation

When a vendor bill enters the Bill Validation state, its status is set to **Pending Approval**. As the bill creator, your supervisor is automatically assigned as the approver. Initial validations that are not related to quantity and amount are performed on the bill.

Quantity Tolerance Validation

In the Quantity Tolerance state, the vendor bill is validated based on the quantity tolerance limits that you defined. The workflow checks for an existing subsidiary before executing those validations that use the quantity tolerance of the subsidiary record. Another check is made to determine if the **Bill in Advance of Receipt** feature is enabled. If enabled, exceptions that validate against the item receipt are no longer executed.

Quantity Difference Validation

In the Quantity Difference state, the workflow uses the values you provided in the quantity difference fields to executed related criteria. It executes the subsidiary-dependent validations based on the subsidiary check done previously in the Quantity Tolerance Validation state. It skips the validations against the item receipt when the **Bill in Advance of Receipt** feature is enabled.

Amount Validation

Exception criteria that identify amount discrepancies on the vendor bill and purchase order are executed in the Amount Validation state. Those that use the subsidiary amount on the purchase order are only executed if there is an existing subsidiary in your account.

This is the final state where validations are performed before the vendor bill is routed to an approver or is automatically approved. It is automatically approved when no discrepancies are identified.

Pending Approval

After going through the Amount Validation state, a vendor bill with exception is transferred to the Pending Approval state. Otherwise, it goes directly to the Approved state.

In the Pending Approval state, the designated approver is sent an email notification. The record is locked for editing, when waiting for the supervisor's approval or rejection.

The list of all exceptions gathered from validations that are executed in the previous states is compiled. The **Bill Exception** button is enabled on the vendor bill record.

Rejected

A vendor bill enters the Rejected state if it is not approved by the supervisor. The vendor bill status is changed to **Rejected**. An email notification is sent to the bill creator.

As the bill creator, you can make the necessary corrections to the record and resubmit it for approval. You also have the option of canceling it. If you resubmit the vendor bill, it goes through Bill Validation again and the rest of the validation states. It is automatically approved if discrepancies are no longer found.

Approved

A vendor bill that enters this state is either approved by the supervisor or automatically approved if no discrepancy is found. The vendor bill status is changed to **Approved**. An email notification is sent to the bill creator.


Show Exceptions

On the vendor bill record, when you click **Bill Exception**, the vendor bill enters the Show Exceptions state. In this state, all identified discrepancies are retrieved and displayed for viewing. This option is made available after the vendor bill goes through the Pending Approval state.

3 Way Match Vendor Bill Approval Exception Criteria

The following table displays the list of fields assigned to each exception criteria that is executed within the workflow states. The exception criteria fields are identified by the prefix, [SS], which stands for Saved Search.

If you do not need the workflow to execute an exception, you have to disable its field. For more information, see [Disabling Exception Criteria](#).

 **Note:** A tolerance limit determines what percentage of the evaluated value is used as the limit. A difference limit represents an absolute quantity number that is used as the limit.

State	Exception Criteria Field	Description
Bill Validation	[SS] VB-PO: Terms	Checks if the Terms on the VB and PO are the same
	[SS] Receipt of Item	Checks for an existing Item Receipt for the VB
	[SS] VB-PO: Location	Checks if the Location on the VB and PO are the same
	[SS] VB Standalone	Checks if the VB is created without a PO
Quantity Tolerance Validation	[SS] VB-PO: Vendor Qty Tolerance	Checks if the discrepancy between VB and PO quantity exceeds the Vendor quantity tolerance limit
	[SS] VB-PO: Item Qty Tolerance	Checks if the discrepancy between VB and PO quantity exceeds the Item quantity tolerance limit
	[SS] VB-PO: Subsidiary Qty Tolerance	Checks if the discrepancy between VB and PO quantity exceeds the Subsidiary quantity tolerance limit

State	Exception Criteria Field	Description
	[SS] VB-IR: Vendor Qty Tolerance	Checks if the discrepancy between VB and Item quantity exceeds the Vendor quantity tolerance limit
	[SS] VB-IR: Item Qty Tolerance	Checks if the discrepancy between VB and Item quantity exceeds the Item quantity tolerance limit
	[SS] VB-IR: Subsidiary Qty Tolerance	Checks if the discrepancy between VB and Item quantity exceeds the Subsidiary quantity tolerance limit
Quantity Difference Validation	[SS] VB-PO: Vendor Qty Difference	Checks if the discrepancy between VB and PO quantity exceeds the Vendor quantity difference limit
	[SS] VB-PO: Item Qty Difference	Checks if the discrepancy between VB and PO quantity exceeds the Item quantity difference limit
	[SS] VB-PO: Subsidiary Qty Difference	Checks if the discrepancy between VB and PO quantity exceeds the Subsidiary quantity difference limit
	[SS] VB-IR: Vendor Qty Difference	Checks if the discrepancy between VB and Item quantity exceeds the Vendor quantity difference limit
	[SS] VB-IR: Item Qty Difference	Checks if the discrepancy between VB and Item quantity exceeds the Item quantity difference limit
	[SS] VB-IR: Subsidiary Qty Difference	Checks if the discrepancy between VB and Item quantity exceeds the Subsidiary quantity difference limit
	[SS] VB Qty Greater Than PO Qty	Checks if the VB quantity exceeds the PO quantity
	[SS] VB Qty Less Than PO Qty	Checks if the PO quantity exceeds VB quantity
Amount Validation	[SS] VB-PO: Vendor Amt Tolerance	Checks if the discrepancy between VB and PO amount exceeds the Vendor amount tolerance limit
	[SS] VB-PO: Item Amt Tolerance	Checks if the discrepancy between VB and PO amount exceeds the Item amount tolerance limit
	[SS] VB-PO: Subsidiary Amt Tolerance	Checks if the discrepancy between VB and PO amount exceeds the Subsidiary amount tolerance limit
	[SS] VB Amt Greater Than PO Amt	Checks if the VB amount exceeds the PO amount
	[SS] VB Amt Less Than PO Amt	Checks if the PO amount exceeds the VB amount

Customizing the 3 Way Match Vendor Bill Approval


You can customize the 3 Way Match Vendor Bill Approval Workflow by enabling only the features that meet your specific requirements. You can choose which exception criteria to execute in your custom workflow and rearrange the sequence of actions.

To begin the customization, you must create a copy of the workflow. On the workflow page, point to the More link and then click Make Copy. For more information, see the help topic [Copying a Workflow](#).

The default 3 Way Match Vendor Bill Approval Workflow states, actions, and transitions are copied to your custom workflow. The action scripts and saved searches are available for use. Click the following links to view the complete list of states and exception criteria:

- [3 Way Match Vendor Bill Approval States](#)
- [3 Way Match Vendor Bill Approval Exception Criteria](#)

See the following help topics to learn how to customize the 3 Way Match Approval Workflow:

 **Warning:** You should only add customizations documented in the following topics. Adding undocumented customizations may cause issues.

- [Customizing a Workflow State](#)
- [Disabling Exception Criteria](#)
- [Setting Tolerance and Difference Limits](#)
- [Best Practices When Using the Tolerance and Difference Limits](#)

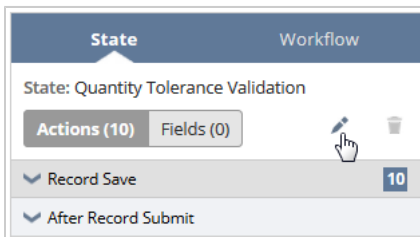
After you complete your customization, you must run the workflow. For instructions on running the workflow, see [Running the 3 Way Match Vendor Bill Approval Workflow](#).

Customizing a Workflow State

You can update the details of a state, its actions, and assign specific settings. Within each state, you can change the order by which the validations or exception criteria are executed.

For specific instructions on using the tolerance limits and disabling exception criteria, see [Setting Tolerance and Difference Limits](#) and [Disabling Exception Criteria](#).

To view and edit a state, select the state from the workspace. On the **State** subtab, click the pencil icon. You can also double-click the state on the workflow diagram to open the Workflow State page.



Editing a State

On the Workflow State page, you can change the state name and description. For more information about workflow states, see the help topic [Workflow States](#).

On the **Actions** subtab, click the Edit link for the action or group to update its details, add a condition, and set the schedule. You can also create a new custom action or group by clicking **New Action** or **New Group**. For more information about actions, see the help topic [Workflow Actions](#).

For more information about action groups, see the help topic [Using Action Groups](#).

On the **Transitions** subtab, click the Edit link for the transition to update its details and add a condition. By changing the transition settings, you can reorder the flow of processing. You can also add a new transition to the state. For more information about transitions, see the help topic [Workflow Transitions](#).

Changing the Exception Message

Exception or validation messages displayed on the vendor bill record are set in the workflow state where its action is executed.

To change the exception message:

1. On the Workflow State page, click the **Edit** link for the NAW Create Exception Record WS action.

The screenshot shows the 'Workflow State' page with the 'Actions' tab selected. A table lists actions, with 'NAW Create Exception Record WS' highlighted. The 'Parameters' column for this action contains the text: 'exception=Discrepancy between the Quantity on Bill and PO exceeds the Vendor Quantity difference limit,record ID=Workflow : [3WAY] Exception Record Id (Into Workflow : [3WAY] Exception Record Id)'.

The following screenshot shows the message for [SS] VB-PO: Vendor Qty Difference: Discrepancy between Quantity on Bill and PO exceeds the Vendor Quantity difference limit.

2. On the Workflow Action page, in the Parameters section, enter the new message in the **Value** column for the **exception** field.

The screenshot shows the 'Parameters' section of the Workflow Action page. The 'exception' field is highlighted with a blue border, and its value is 'Discrepancy between the'. The 'record ID' field is also visible, with its value '[3WAY] Exception Record Id (Workflow)'.

3. Click **Save**.

Reordering Actions or Groups

On the Workflow State page, on the **Actions** subtab, click the row of the action to be moved. Drag and drop it before or after another action. You can also click the Edit link for the action, and use the **Insert Before** field on the Workflow Action page. For more information, see the help topic [Reordering Actions](#).

To reorder action groups within a state, click the group to be moved. Drag and drop it to the beginning or end of another group. You can also use the **Insert Before** field on the Workflow Action Group page. When you save the changes, the group numbering is automatically updated.

Disabling Exception Criteria

By default, all exception criteria are enabled and executed by the workflow. You can disable those that do not suit your business requirements. In effect, this shortens the duration of the workflow run for each vendor bill. This is done by changing the property of the field that is associated with the exception.

To determine which criteria to execute in your custom workflow, see [3 Way Match Vendor Bill Approval Exception Criteria](#).

To disable exception criteria:

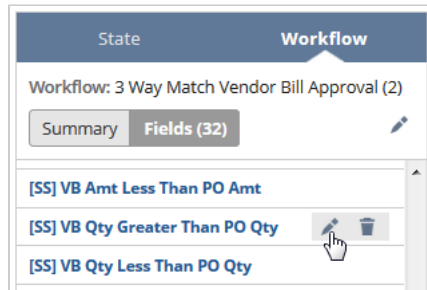
1. On the **Workflow** tab of the context panel, click the **Fields** subtab.

Exception criteria fields are identified by the [SS] prefix, for example, **[SS] VB Qty Greater Than PO Qty**.



Important: The **Fields** subtab also shows fields with the [3WAY] prefix. To avoid disrupting the workflow process, make sure that those fields are not changed or deleted.

2. Click the pencil icon for the exception criteria field.



3. On the Workflow Field page, click the **Validation & Defaulting** subtab.
4. Clear the **Default Checked** box.
5. Click **Save**.

For more information about workflow fields, see the help topic [Working with Custom Fields](#).

Setting Tolerance and Difference Limits

The NetSuite Approvals Workflow SuiteApp requires you to set the acceptable tolerance and difference levels. You must do this on the item, vendor, and subsidiary record to use the exceptions that use these values.

A tolerance limit determines what percentage of the evaluated value is used as the limit. A difference limit represents an absolute quantity number that is used as the limit.

If you leave the fields blank on the subsidiary and vendor record, the workflow does not execute the criteria that use them. For more information about exceptions, see [3 Way Match Vendor Bill Approval Exception Criteria](#).



Note: Fields and settings related to subsidiaries are only applicable to OneWorld accounts.

To set the tolerance and difference limit:

1. Follow the path below to set the limit for each record:
 - Go to Lists > Accounting > Items.
 - Go to Lists > Relationships > Vendors.
 - Go to Setup > Company > Classifications > Subsidiaries.
2. Click **Edit** to update the record.
3. On the record page, enter the tolerance or difference limit in the appropriate field.

The fields on the vendor record are located on the **Financial** tab. The fields on the subsidiary record are located on the **Vendor Bill Matching** tab.

Note: In the tolerance and difference fields, you have to enter a positive number that is greater than zero. Decimal values are accepted.

Field	Description
Vendor Bill - Purchase Order Quantity Tolerance	Enter the tolerance limit for the discrepancy between the quantity on the vendor bill and purchase order.
Vendor Bill - Purchase Order Amount Tolerance	Enter the tolerance limit for the discrepancy between the amount on the vendor bill and purchase order.
Vendor Bill - Purchase Order Quantity Difference	Enter the difference limit for the discrepancy between the quantity on the vendor bill and purchase order.
Vendor Bill - Item Receipt Quantity Tolerance	Enter the tolerance limit for the discrepancy between the quantity on the vendor bill and item receipt.
Vendor Bill - Item Receipt Amount Tolerance	Enter the tolerance limit for the discrepancy between the amount on the vendor bill and item receipt.
Vendor Bill - Item Receipt Quantity Difference	Enter the difference limit for the discrepancy between the quantity on the vendor bill and item receipt.

4. Click **Save**.



Important: To use the tolerance limits, disable other quantity and amount criteria used only to identify discrepancies between the vendor bill and purchase order.

- [SS] VB Qty Greater Than PO Qty
- [SS] VB Qty Less Than PO Qty
- [SS] VB Amt Greater Than PO Amt
- [SS] VB Amt Less Than PO Amt

Best Practices When Using the Tolerance and Difference Limits

The 3 Way Match Vendor Bill Approval Workflow contains more validations than the standard Vendor Bill Approval Workflow. By default, all of these validations are enabled after you have installed and set up the workflow. When running criteria for the tolerance and difference limits, you have to disable specific exceptions that may conflict with them.

For example, a vendor record is created with the following difference limits:

- Vendor Bill-Purchase Order Quantity Difference = 4
- Vendor Bill-Item Receipt Quantity Difference = 4

Based on the following conditions:

- A purchase order is created with an item quantity of 100 and the received quantity is 98.
- A vendor bill is submitted with the same quantity of 98.


When the vendor bill is submitted, the workflow runs the exception that determines if the vendor bill quantity is less than the purchase order quantity. Because this exception is enabled, the vendor bill is routed for approval, even if it has not exceeded the quantity difference limit.

For instructions on disabling exceptions, see [Disabling Exception Criteria](#).

View the following guidelines to effectively use the tolerance and difference limits of the 3 Way Match Vendor Bill Approval Workflow.

Using the Tolerance limits

- If you want to use the Tolerance limits, set the values in the subsidiary, item, or vendor bill record after installing the workflow. Create a copy of the workflow to disable the exceptions that may conflict with the tolerance exception criteria. Do not forget to run the workflow after saving your changes.
- Disable the following exception fields that may conflict with tolerance checking:
 - [SS] VB Qty Greater Than PO Qty
 - [SS] VB Qty Less Than PO Qty
 - [SS] VB Amt Greater Than PO Amt
 - [SS] VB Amt Less Than PO Amt


 **Note:** To use these standard discrepancy exceptions, disable the exceptions for tolerance limits.

- If you customized the workflow, verify that the corresponding workflow fields for the tolerance limits are enabled to continue running them:
 - VB - PO QTY Tolerance limit: [SS] VB-PO: Vendor Qty Tolerance, [SS] VB-PO: Item Qty Tolerance, [SS] VB-PO: Subsidiary Qty Tolerance
 - VB - PO AMT Tolerance limit: [SS] VB-PO: Vendor Amt Tolerance, [SS] VB-PO: Subsidiary Amt Tolerance, [SS] VB-PO: Item Amt Tolerance
 - VB - IR QTY Tolerance limit: [SS] VB-IR: Vendor Qty Tolerance, [SS] VB-IR: Item Qty Tolerance, [SS] VB-IR: Subsidiary Qty Tolerance

For the complete list and description of exception criteria, see [3 Way Match Vendor Bill Approval Exception Criteria](#).

Using the Difference limits

- If you want to use the Difference limits, set the values in the subsidiary, item, or vendor bill record after installing the workflow. Create a copy of the workflow to disable the exceptions that may conflict with the difference exception criteria. Do not forget to run the workflow after saving your changes.
- Disable the following exception fields that may conflict with difference checking:
 - [SS] VB Qty Greater Than PO Qty
 - [SS] VB Qty Less Than PO Qty

 **Note:** To use these standard discrepancy exceptions, disable the exceptions for difference limits.

- If you disabled specific criteria in the workflow, verify that the corresponding workflow fields that use the difference limits are enabled to keep them running:
 - VB - PO QTY Difference limit: [SS] VB-PO: Vendor Qty Difference, [SS] VB-PO: Item Qty Difference, [SS] VB-PO: Subsidiary Qty Difference

- VB - IR QTY Difference limit: [SS] VB-IR: Vendor Qty Difference, [SS] VB-IR: Item Qty Difference, [SS] VB-IR: Subsidiary Qty Difference

Vendor Bill Approvals in the Employee Center

Users with the Employee Center role can review and approve vendor bills using the standard vendor bill approval process. These users can also review and approve vendor bills using a vendor bill approval workflow in SuiteFlow.

Users with the Employee Center role cannot approve vendor bills by default. You must assign the necessary permissions in the Employee Center role first.

Consider the following scenario. Laura is one of the Financial Controllers in her company. Laura works in NetSuite with the Employee Center role. The company policy states that every vendor bill must be approved by the Finance Control department. Bills that are not approved are not considered complete and do not have an impact in Accounts Payable. The Accounting department enters vendor bills periodically in NetSuite. As a Controller, Laura is in charge of approving or rejecting the bills entered by the company accountants. By configuring vendor bill approvals in the Employee Center, Laura can see what bills are waiting for her approval. Laura can approve or reject these bills without leaving the Employee Center.

Configuring Vendor Bill Approvals in the Employee Center

To approve vendor bills in the Employee Center, you must enable the following permissions in the Employee Center role:

- **Bills** - Grants users the permission to view vendor bills.
- **Vendor Bill Approval** - Grants users the permission to approve or reject vendor bills.

The Employee Center is a standard NetSuite role. You cannot modify a standard role, but you can create a copy of the standard role and customize this copy for your needs. For more information about NetSuite roles, see the help topic [NetSuite Roles Overview](#).

Before configuring vendor bill approvals in the Employee Center, verify that the following options are enabled in NetSuite:

- Accounts Payable
- SuiteFlow
- Approval Routing for Bill Approvals



Note: You need to enable SuiteFlow and Approval Routing for Bill Approvals only if you plan to approve bills using SuiteFlow.

To verify prerequisites:

1. Verify that the Accounts Payable feature is enabled:
 - a. Go to Setup > Company > Setup Tasks > Enable Features.
 - b. Click the **Accounting** subtab.
 - c. Under the **Basic Features** section, verify that the **A/P** box is checked.
2. Verify that the SuiteFlow feature is enabled:

- a. Click the **SuiteCloud** subtab.
 - b. Under the **SuiteFlow** section, verify that the **SuiteFlow** box is checked.
3. Verify that the Approval Routing preference for Vendor Bills is enabled:
 - a. Go to Setup > Accounting > Preferences > Accounting Preferences.
 - b. Click the **Approval Routing** subtab.
 - c. Under the **Approval Routing** section, click **Vendor Bills**.

To configure vendor bill approvals in the Employee Center:

1. Go to Setup > Users/Roles > User Management > Manage Roles.

Note: To configure vendor bill approvals in the Employee Center, you must customize the standard Employee Center role with the required permissions.

2. In the **Manage Roles** page, find the **Employee Center** role, and then click **Customize**.
3. In the **General** section, type the **Name** for your custom Employee Center role, or use the default name.

Note: Customizing the role creates a copy of the original role. The default Employee Center role is maintained.

4. Click the **Permissions** subtab, and then click **Transactions**.
5. For the **Bill** permission, select the **View** level, and then click **OK**.
6. For the **Vendor Bills Approval** permission, select the **Edit** level, and then click **OK**.

Permissions

Restrictions

Forms

Searches

Users

Preferences

Translation

History

Transactions

Reports

Lists

Setup

Custom Record

PERMISSION	LEVEL
Amend W-4	View
Edit Banking Information	Full
Edit Profile	Edit
Find Transaction	Full
Individual Paycheck	View
Track Time	Full
Vendor Bill Approval	Full
Bills	View
Expense Report	Full
Purchase Order	Full

7. If necessary, configure other options for the custom role. For more information, see the help topic [Customizing or Creating NetSuite Roles](#).

Note: By default, in OneWorld accounts, the custom role is available to the user's subsidiary only. This default configuration grants the user the permission to approve bills from the Employee Center in the user's subsidiary, but not in other subsidiaries.

8. Click **Save**.
9. Assign the users you want to approve bills from the Employee Center to the new custom role. For instructions to complete this process, see the help topic [Assigning Roles to an Employee](#).

Configuring a Reminder for Bills Pending Approval in the Employee Center Dashboard

NetSuite provides portlets that employees can add to the Employee Center dashboard. You can configure a Reminders portlet on the Employee Center to show users the bills that are waiting for their approval. For more information about dashboard portlets, see the help topic [Dashboard Portlets](#).

By default, the Reminders portlet is available in the user's Dashboard. If the Reminders portlet is not available, add the portlet following the instructions in the [Adding a Portlet to a Dashboard](#) section.

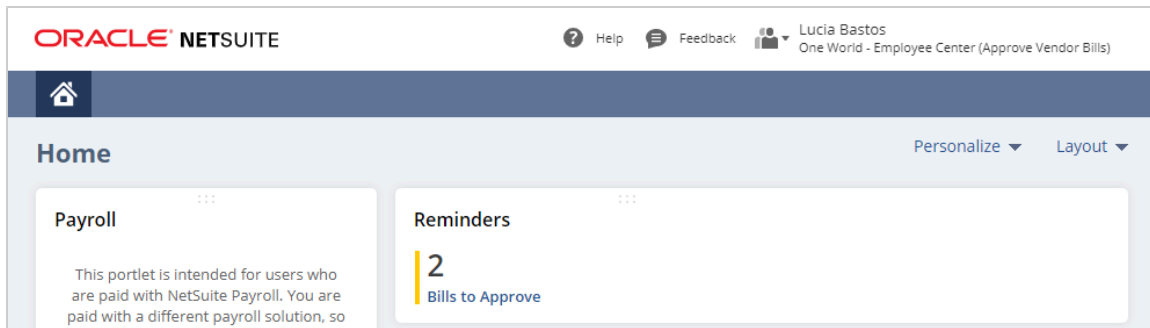
To configure a reminder for bills pending approval in the Employee Center dashboard:

1. Log in to NetSuite with the user account with the custom Employee Center role.
2. In the Reminders portlet, click the menu icon and then click **Setup**.
3. In the **Select reminders** menu, click **Bills to Approve**.



Note: The Bills to Approve reminder is only available after configuring the required permissions in the Employee Center role. For more information, see [Configuring Vendor Bill Approvals in the Employee Center](#).

4. Click **Save**.



If the Reminders Portlet Does Not Show the Expected Information

If the Reminders portlet does not show any information or the expected number of bills, review the following:


- In the Reminders portlet, click the Refresh button to update the information.
- Verify that the employee account is part of the customized Employee Center role.
- Verify that the bills are not in a locked or closed account period.
Only administrators can approve or reject bills in a locked account period. Bills in a closed account period cannot be approved or rejected.
- In NetSuite OneWorld accounts, verify that the bills pending approval belong to the same subsidiary as the user with the Employee Center role.
- Ensure that you are an approver, or the next approve in the workflow.

Approving Vendor Bills in the Employee Center


You can approve vendor bills in two different ways:

- **Standard Vendor Bill Approval** - Use this method to approve one or more vendor bills when you do not have complex approval requirements. For more information, see [Approving Vendor Bills With Standard Vendor Bill Approval](#).
- **Custom Vendor Bill Approval Routing Using SuiteFlow** - Use this method for more complex approval requirements. You can also use this method when you want to flag exceptions for discrepancies between the purchase order and the vendor bill. For more information about configuring a custom vendor bill approval workflow, see [Vendor Bill Approval Workflow](#).

When you use the standard vendor bill approval in the Employee Center you only have the option to select one or more bills for approval. Using approval routing, you can customize the actions. For example, using a vendor bill approval routing workflow you can include the Approve and Reject buttons, include an alternate approver, or use approval limits.

 **Note:** After a vendor bill is approved, you cannot cancel or change the status of that bill.

The approval process using vendor bill approval routing varies depending on the workflow. The following procedure describes only the standard approval process in the Employee Center.

 **Note:** For information about vendor bill approvals not using the Employee Center, see [Vendor Bill Approvals](#).

To approve vendor bills in the Employee Center using Standard Approval:

1. Log in to NetSuite in the custom Employee Center role.
2. In the **Reminders** portlet, click the **Bill to Approve** link.
3. Optionally, click the date of a bill to open the bill details.
4. In the **Approve Bills** page, select the bills that you want to approve.
5. Click the **Submit** button to approve the selected bills.

Vendor Payments

- [Vendor Payments Overview](#)
- [Default Vendor Payment Accounts](#)
- [Paying Bills to a Single Vendor](#)
- [Paying Bills to Multiple Vendors](#)
- [Checking the Status of a Bill Payment](#)
- [Editing a Bill Payment](#)
- [Correcting Bill Payment Applications](#)
- [Printing Bill Payments](#)
- [Printing Bill Payment Vouchers](#)
- [Vendor Payment Installments](#)
- [In-Transit Payments](#)
- [Custom Workflow-Based Approvals for Vendor Payments](#)

Related Topics

- [Vendor Records](#)
- [Vendor Bills](#)
- [Vendor Prepayments](#)
- [Vendor Returns](#)
- [Vendor Credits](#)

Vendor Payments Overview

After you enter vendor bills, you pay them in NetSuite when they are due. The payment posts to the general ledger as an expense and the amount of the payment is deducted from your accounts payable total. This helps you track expenditures and total payables due.



Important: All system-generated currency revaluation including rounding revaluation posts to the current open period. This enables you to move the revaluation to any period you require.

You can set a Vendor Payment Account preference. After you set the Vendor Payment Account preference, NetSuite automatically sets the Account field on vendor prepayments and bill payments to your preferred account. For more information, see [Default Vendor Payment Accounts](#).

Record a bill payment by doing one of the following:

- To pay a single vendor, click Pay Single Vendor.
For more information, see [Paying Bills to a Single Vendor](#).
- To pay bills for several vendors, click Pay Bills.
For more information, see [Paying Bills to Multiple Vendors](#).

Credits are negative numbers from past payment adjustments and payments are positive numbers. If the two are combined and the sum of all payments is a negative number, note the following. An error message indicates that a payment cannot be processed for a negative amount.

Use the Write Checks transaction to pay vendor bills only if you do not use Accounts Payable. If you use Accounts Payable, use the Pay Bills function.

Note: If you use NetSuite OneWorld and have vendor records shared with multiple secondary subsidiaries, note the following. The list of open invoices is filtered by the subsidiary and displays all vendors to which the subsidiary is assigned. For more information about shared vendor records, see the help topic [Assigning Subsidiaries to a Vendor](#).

You can also enter deposits to vendors before you enter the vendor bills using vendor prepayments. For more information about the Vendor Prepayments feature, see the help topic [Vendor Prepayments](#).

For information about how NetSuite calculates revaluation for vendor bill payments, see the help topic [Rounding Gain/Loss](#).

Default Vendor Payment Accounts

You can set a Vendor Payment Account preference. After you set the Vendor Payment Account preference, NetSuite automatically sets the Account field on vendor prepayments and bill payments to your preferred account.

You can set the default vendor payment account on three levels:

- **Company level** – Set a company-wide accounting preference. For more information, see [Setting a Company Level Default Vendor Payment Account](#).
- **Subsidiary level** – Set preferences at the subsidiary level. For more information, see [Setting a Default Vendor Payment Account for a Single Subsidiary](#).
- **Vendor level** – Set a preference for individual vendors. For more information, see [Setting a Default Vendor Payment Account for a Single Vendor](#).

Individual preferences override preferences set on a higher level. For example, a default vendor payment account set for a vendor overrides any company level or subsidiary level preferences for that individual vendor.

The preferences affect the Account field on the following transaction types:

- Vendor prepayments
- Bill payments

Setting a Company Level Default Vendor Payment Account

Follow this procedure to set a company-wide vendor payment account.

To set a company level default vendor payment account:

1. Go to Setup > Accounting > Preferences > Accounting Preferences.
2. Click the **Items/Transactions** subtab.
3. In the **Default Vendor Payment Account** field in the Accounts section, select your preferred vendor payment account.

4. Click **Save**.

Setting a Default Vendor Payment Account for a Single Subsidiary

You can set a default vendor payment account for a individual subsidiaries. This is useful if one or more of your subsidiaries make vendor payments independently with unique accounts.

To set a default vendor payment account for a single subsidiary:

1. Go to Setup > Company > Classifications > Subsidiaries.
2. Click **Edit** next to the subsidiary you want to set the default vendor payment account to.
3. Click the **Preferences** subtab.
4. In the **Default Vendor Payment Account** field, select the account you want to as default for this subsidiary.
5. Click **Save**.

Setting a Default Vendor Payment Account for a Single Vendor

Follow this procedure to set a default vendor payment account on specific vendor records.

To set a default vendor payment account for a single vendor:

1. Go to Lists > Relationships > Vendors.
2. Click **Edit** next to the vendor you want to set the default vendor payment account for.
3. Click the **Financial** subtab.
4. In the **Account Information** section of the **Financial** subtab, select an account in the **Default Vendor Payment Account** field.
5. Click **Save**.

Paying Bills to a Single Vendor

Use the Pay Single Vendor transaction to pay for outstanding payables to one vendor. You can also select an employee in the Payee field to pay employee expenses.

You cannot make payments to inactive vendors. For more information, see [Inactivating Vendor Records](#).

Note: All system-generated currency revaluation including rounding revaluation posts to the current open period. This enables you to move the revaluation to any period you require.

Use these links for more information about two methods to pay these bills:

- [Make a bill payment to a single vendor](#)
- [Pay a single vendor from a bill](#)

Make a bill payment to a single vendor

To make a bill payment to a single vendor:


1. Go to Transactions > Payables > Pay Single Vendor.
2. Check the **To ACH** box. For more information, see the help topic [ACH Vendor Payments](#).
3. Complete the form as described in the following sections.
4. Click **Save**.

After the bill is paid, you can view bill payments by going to Transactions > Payables > Enter Bills > List. The Credits Applied subtab on payments shows any credits that were applied.

If you are offsetting bills or refunds with credits and no balance is due, the transactions are updated and no payment checks are created.

Primary Information

1. In the **A/P Account** field, select an accounts payable account for this transaction.
2. From the **Custom Form** field, select a form to use for this transaction.

 **Note:** This field appears only if you have a custom bill payment form available. NetSuite sets the standard bill payment form otherwise.

3. In the **Payee** field, select the payee you want to pay.
 - Select a vendor to pay a vendor bill.
If you use NetSuite OneWorld and this vendor is shared with multiple secondary subsidiaries, the **Subsidiary** field defaults to the vendor's primary subsidiary. You can, however, change it to any secondary subsidiary assigned to this vendor. For more information about globally shared vendor records, see the help topic [Assigning Subsidiaries to a Vendor](#).
If the vendor record you select is not shared with multiple subsidiaries, the **Subsidiary** field defaults to the vendor's assigned subsidiary.
 - Select an employee to pay an expense report.
Outstanding payables for this payee appear in the list.
If you use multiple currencies, the currency for this vendor appears in the **Currency** field.
4. In the **Account** field, select an account for this transaction
5. The **Balance** field displays the balance in the selected account.
6. If you use the Multiple Currencies for vendors feature, select the currency of the bills you want to pay. This filters the list of bills to show only the bills in this currency. For more information, see the help topics [Multiple Currencies](#) and [Vendors and Multiple Currencies](#).
7. The exchange rate for this currency is shown in the **Exchange Rate** field. You can enter an exchange rate for this currency.
8. The current date shows, but you can select or enter another date.
9. Select the period you want this payment to post to.
If you use approval routing, the posting period is set upon approval. For details, see the help topic [Posting Period for Transactions Subject to Approval](#).
10. On the **Payee Address** subtab, the address information from the payee records appears. If the **Auto Fill** preference is enabled, the address information from the latest transaction for the payee appears. If you have not pay any invoices to the contact or if the **Auto Fill** preference is disabled, the **Default Billing** address information appears.



Note: The **Auto Fill** preference takes precedence over the **Default Billing** address.

To check or clear the **Default Billing** box, go to Home > Set Preferences List > Relationships > Customers. Click **Edit** next to a customer. This box is on the **Address** subtab, next to an address.

11. Check the appropriate box:
 - **To Be Printed** – adds a check to the print queue
 - **Voucher** – adds a voucher for this check to the print queue
12. The **Check #** field shows the next check number or shows To Bill Pay.

Classification

1. Select a **Department**, **Class**, and **Location**, if you track them.
2. Check the **For Electronic Bank Payment** box if you want to process the payment transaction through Electronic Payments. When this box is checked, the Check # field and other payment options are automatically cleared.
3. The **Vendor Bank Fees** field value is dependent on the payee selected. This field identifies if the vendor or company will pay the bank transfer fee. For more information, see help topic [Japan Zengin Bank Fee Calculation](#).

Apply Subtab

1. On the **Apply** subtab, check the **Apply** box next to bills you want to pay.
As you apply bills, the total payment amount is shown in the **Amount** field.



Important: The **Amount Due** field is dynamically calculated.

Amount Due = Vendor Bill amount - (Other credit applied to the bill and other payment applied on the bill).

2. Check the **Apply** box next to credits you want to apply.

Relationships

1. On the **Relationships** subtab, the primary contact for the customer is selected automatically. To edit information for this contact, click the contact name.
You can also add contacts to this order by entering the contact information and clicking **Add**.

Communication

1. Click the **Communication** subtab to associate activities, notes or files with this transaction.
 - Use the **Events**, **Tasks**, and **Phone Calls** subtabs to attach activities to this transaction. For more information, see the help topic [Attaching Events, Tasks, and Calls to Records and Transactions](#).
 - On the **Files** subtab, you can select and attach files from the File Cabinet related to this transaction. Select **New** to upload a new file to File Cabinet.
 - On the **User Notes** subtab, you can enter a title and note for any comments you want to add to this transaction. Click **Add** after each note.

EFT Subtab

1. Click the **EFT** subtab to select the preferred bank account to pay outstanding payments to a single vendor, employee, or partner for electronic bank payment.
 - **Preferred Entity Bank** – By default, the primary entity bank account of the payee will be selected in this field. You can select from the dropdown list if you want to use any of the secondary bank accounts available in the payee record. For more information, see the country-specific topics about Setting Up Bank Records for Vendors, Employees, and Partners for Electronic Bank Payment.
 - **Entity Bank Details** – This field displays the entity bank details based on the preferred entity bank account selected for this payment.

You can also pay a vendor directly from an existing bill.


Pay a single vendor from a bill

To pay a single vendor from a bill:

1. Go to Transactions > Payables > Enter Bills.
2. Click **View** next to the bill you want to pay.
3. On the bill, click the **Make Payment** button.
4. Check the **To ACH** box. For more information, read the help topic [ACH Vendor Payments](#).
5. Verify that the payment information showing on the bill is correct.
6. Check the **Apply** box next to credits you want to apply.
7. Check the appropriate box:
 - **To Be Printed** – adds a check to the print queue
 - **Voucher** – adds a voucher for this check to the print queue
8. Click **Save**.

Paying Bills to Multiple Vendors

Use NetSuite to process payments to several vendors at one time.

 **Note:** You cannot make payments to inactive vendors. For more information, see [Inactivating Vendor Records](#).

All system-generated currency revaluation including rounding revaluation posts to the current open period. This enables you to move the revaluation to any period you require.

To pay multiple vendors:

1. Go to Transactions > Payables > Pay Bills.
2. In the **A/P Account** field, select an accounts payable account to associate with this payment.
3. In the **Account** field, select the bank account you are using to pay these bills. When you select an account, the current balance of the account appears in the **Balance** field.
4. The **Balance** field shows the balance in the account you selected.


5. The current date autofills the **Date** field.
6. Select the period you want this payment to post to.
7. Select a department, class and location, if you track them.

If a custom segment is applied on the vendor payment record, the custom segment field is displayed in the Classification section. Select the custom segment to apply to all vendor payments.

8. Enter a date in the **Start Date** field to limit the transactions in the list.

The **Start Date** field is blank by default and all open payable transactions appear in the list.


Entering a start date and end date in their respective fields filters your list of payable transactions by due date.

 **Note:** If you enter a start date and an end date, payable transactions without a due date entered will not appear on the list.


9. If you want to print your bill payments, check the **To Be Printed** box.
10. In the **Use Bill-To Address From Vendor** field, do the following:
 - Check this box to use the vendor's default billing address on bill payments generated regardless of the billing address shown on the bill or credit.
If a vendor has no default billing address, the **Address** field on bill payment is blank.
 - Clear this box to use the billing address shown on the bill or credit for bill payments that are generated.

Journal entries always use the current default billing address of the vendor.

11. Click the Select Item to scan in transaction bar codes.
12. Check the box in the **Pay** column next to the bills you want to pay and the credits you want use to offset the bills.

 **Note:** There must be at least ten transactions for NetSuite to split the transactions into multiple workqueue records.

This list shows your outstanding bills, as well as any credits or refunds you have received from vendors. This list also includes expenses due to be paid to employees.

 **Note:** If you use the Multiple Currencies feature, the bills showing in the list depend on currency settings.

If you use NetSuite OneWorld, only bills associated with the subsidiary where the account can be used shows in the list. If the account currency is the same as the subsidiary's currency, all bills associated with the subsidiary show in the list, regardless of the currency. If the account currency is different from the subsidiary's currency, only bills associated with the subsidiary and with the account currency show in the list.

If you do not use NetSuite OneWorld, note the following. If the account currency is the same as the base currency, all bills show in the list, regardless of currency. If the account currency is different from the base currency, only bills that use the account currency show in the list.

As you check bills and credits, the total amount of the payment appears in the **Amount** field at the top of the page.

This amount is shown in your base currency. If you use the Multiple Currencies feature and have bills in other currencies selected, those currency amounts are converted into your base currency. For more information, see the help topic [Vendors and Multiple Currencies](#).

For accounts that use the Electronic Bank Payments SuiteApp, bank fee is calculated as soon as the payment records are processed. The **Bank Fee** field is calculated for each payment when:

- The bank account selected is associated with a company bank detail account that uses a Zengin template.
- The **EFT Bill Payment** box is checked on the vendor record.

For more information about bank fee calculation, see the help topic [Japan Zengin Bank Fee Calculation](#).

You can click the date next to a bill or credit to open it.

To open the vendor record:

1. Click the vendor **Name**.
 2. Click **Mark All** to select all bills that show on the page you are viewing.
If the list of bills extends beyond one page, you must view the next page of results to select those bills.
 3. On additional pages, you can select individual bills or click **Mark All** to select all the bills that are showing.
 4. After you have marked the bills to pay in the list, click **Save** to submit them for payment .
13. Click **Save** to process the bill payments.

If you are offsetting bills with credits or returns and no balance is due, the transactions are updated and no payment checks are created.

Checking the Status of a Bill Payment

Follow this procedure to check the status of a bill payment.

To check the status of a bill payment:

1. Go to Transactions > Payables > Pay Bills.
A list of bill payments appears.
2. To expand the available filters, click **Filters**. By default, the filter is set to today's date.
3. Click the **Date Created** field, and select a time frame.
4. Optionally, in the **From** and **To** fields, select your own date range.
5. Click **Refresh** to update the list.


Editing a Bill Payment

If there is a change to a bill you have already paid, you must change the bill payment.


To change an individual bill on a bill payment:

1. Go to Transactions > Payables > Pay Single Vendor > List.
2. Click **Edit** by the transaction you want to change.
3. In the **Apply** subtab on the **Bill Payment** page:
 - Check the **Apply** box next to bills you want to pay.
 - Clear the **Apply** box next to bills you want to unapply.

4. Click **Save**.

 **Important:** If you must delete a bill payment that has vendor credits applied, you must unapply the vendor credits separately. Deleting the bill payment **does not automatically unapply credits** that were applied to it.

Vendor credits can be unapplied either before or after you delete the bill payment.

 **Note:** You cannot delete a bill payment that is linked to other transactions, even if the payment is voided.

To unapply vendor credits:

1. Go to Transactions > Payables > Enter Vendor Credits.
2. Click **Edit** next to the credit you want to unapply.
3. On the **Bill Credit**, click the **Apply** subtab.
4. Clear the **Apply** box next to the bill it is applied to.
5. Click **Save**.
6. Repeat these steps to unapply other credits.


After vendor credits are unapplied, they can be applied to another bill.

Correcting Bill Payment Applications

You may need to change the application of a bill payment.

To manually correct the way a bill payment was applied:

1. Go to Transactions > Payables > Enter Bills > List.
2. Click **Edit** next to the transaction you want to change.
3. Choose the correct bills to pay on this payment application.
4. Click **Save**.

 **Important:** To delete a bill payment that has vendor credits applied, unapply the vendor credits separately. Deleting the bill payment **does not automatically unapply credits** that were applied to it. You must unapply the vendor credits separately.

Vendor credits can be unapplied either before or after you delete the bill payment.

To unapply vendor credits:

1. Go to Transactions > Payables > Enter Vendor Credits.
2. Click **Edit** next to the credit you want to unapply.
3. On the **Bill Credit**, click the **Apply** subtab.
4. Clear the **Apply** box next to the bill it is applied to.
5. Click **Save**.

After a vendor credit is unapplied, it can be applied to another bill.

Printing Bill Payments

To print a bill payment, use the same procedure as printing a check.

To print checks, you need Adobe® Reader®. Visit the [Adobe Web site](#) to download the latest version at no charge.

To print checks:

1. Go to Transactions > Management > Print Checks & Forms.
2. Click **Checks**.
3. On the Print Checks page, choose the bank account you want to print checks from.
4. Specify the starting check number for your preprinted checks.
NetSuite sets the check number for each subsequent check.
5. Click **Print Back to Front** if higher-number checks go into your printer before lower-number checks.
6. Choose the type of preprinted check.
7. As you select checks to print, NetSuite displays in the **Check Number** field the last check number that will be printed.
8. Check the box next to each check you want to print.
9. Click **Print**.
NetSuite shows the printout for your checks in PDF format.
10. Place blank checks in your printer tray, starting with the check number that matches the First Check Number on the Print Checks page.
11. Click the printer button in the Adobe application frame.
12. If you want to print multiple copies, specify the number in the print popup window that appears. Then, load the appropriate number of pages of blank paper after each blank check in your printer.
13. Click **OK**.

To handle a printing error:

1. Void the check.
For information about voiding a check, see the help topics [Voiding, Deleting, or Closing Transactions](#) and [Voiding Transactions](#).
2. Open the transaction in NetSuite, mark it To Be Printed and change the check number so that it matches your next blank check.
3. Repeat the printing process.


To set your check printing preferences:

1. Go to Setup > Company > Preferences > Printing & Fax.
2. Click the **Printing** subtab.
3. In the **Default Check Type** field, choose from two types of checks:
 - **Standard** – which are printed without a voucher—three to an 8.5 x 11 inch sheet

- **Voucher** – which are printed at the top of an 8.5 x 11 inch sheet with voucher information printed at the bottom

If you use voucher checks, you can print a maximum of 19 line items on each check. If you have more than 19 line items for a single check, the items do not appear on the voucher.

4. Select a font style in the **Check Font** field.
5. Select a font size in the **Check Font Size** field.

 **Note:** The preferences in steps 4 and 5 do not affect the position of layout elements on the check form.

6. Click **Save**.

If you need to adjust the printing position, you can do so at Home > Set Preferences. Adjust the values in the Horizontal and Vertical Print Offset fields. Adjusting the values on the Set Preferences page affects all checks you print.

Your administrator can customize the layout of your printed forms using Advanced PDF/HTML templates. For information, see the help topic [Advanced PDF/HTML Templates](#).

NetSuite checks can be purchased from the Forms Fulfillment Center, a NetSuite partner at www.netsuiteforms.com.

Printing Bill Payment Vouchers

Payment vouchers give detailed information about the payment you send to a vendor. You can print a payment voucher for bill payments that you make.

A bill payment voucher lists each bill paid by an individual payment, as well as payment discounts taken at the time of payment. When a payment includes a payment and credit applied against the same bill, they appear together on the check voucher and the payment voucher. Vendor prepayments applied to the bill also appear on the vouchers and are deducted from the final amount.

Remittance information for payments against many bills may not fit on a single check voucher. In such a case, you can print a separate voucher page that includes all of the remittance advice. Then, you can send this expanded voucher page to the vendor along with the check.

When you print a separate voucher, no bills are listed on the voucher part of the check. The check voucher indicates that the remittance advice is on a separate page.

Payment vouchers use the default NetSuite template. You can customize the default PDF or HTML template, adding or removing information to better suit your needs. For a full description of the customization capabilities in NetSuite, review the [Advanced PDF/HTML Templates](#) section.

Vouchers automatically queue in a list to print separately if your check type is set to Standard. This is also true if a payment includes more bills than will fit on the voucher check.

To print bill payment vouchers:

1. Do one of the following:
 - From the **Bills** list:
 1. Go to Transactions > Payables > Pay Bills > List.
 2. Next to the bill payment, click **View**.
 3. Point to the Print icon, and then click **Print Voucher**.

- From **Print Checks and Forms**:
 1. Go to Transactions > Management > Print Checks & Forms.
 2. Click **Payment Vouchers**.
 3. Select a location and form as needed.
 4. Next to vouchers you want to print, check the box in the **Print** column.
 5. Click **Print**.

Vendor Payment Installments

When you enter a purchase order, you may want to identify installments that reflect negotiated terms of payment. Use the Installments feature to divide the total amount of a vendor bill into several parts to be paid in installments. This enables flexibility to create vendor bills with multiple due dates and due amounts. Then, you can apply a payment to a specific installment, enabling more accurate detail aging data.

Each installment payment can have a distinct due date. For example, a vendor bill total is \$120. This total can be broken into three installments of \$40 each, as follows:

- Installment 1 – Total due = \$40, Due Date is October 30
- Installment 2 – Total due = \$40, Due Date is November 30
- Installment 3 – Total due = \$40, Due Date is December 30

To calculate the balance overdue or to calculate finance charges on late payments, aging is based on the installment payment due date, not transaction date. Single or multiple payments can be made either before or after the due date. You can pay amounts on different due dates as determined by the defined installment terms. The vendor bill posts to the Accounts Payable account on the payment transaction date.

To pay vendors in installments, you must set up your account for the Installments feature. First, enable the Installments feature and set preferences. Next, create Installments Terms to define how installment payments are made. See the following topics for details:

- [Vendor Payment Installments Setup](#)
- [Billing a Purchase Order With Installments](#)
- [Paying Vendor Bills in Installments](#)

If the vendor bill is generated from a purchase order, installments are generated from the linked purchase order. If you create a stand-alone vendor bill, installments are generated from the term. For information about creating a stand-alone vendor bill, see [Vendor Bills](#).

Vendor Payment Installments Setup

See the following sections for information about how to set up vendor payment installments in your account:

- [Enabling Vendor Payment Installments](#)
- [Setting Preferences for Vendor Payment Installments](#)
- [Creating Terms for Vendor Payment Installments](#)

You first must enable the Installments feature. Note that the Installments feature can also be used with customer payments. For more information, see the help topic [Creating Installments](#).

You can optionally also enable the Allow Bill Consolidation of POs with Different Terms preference. When this preference is enabled, the first installment term is applied to any additional bills created for that purchase.

For more information about setting accounting preferences, see the help topic [Accounting Preferences](#).

Enabling Vendor Payment Installments

Follow this procedure to enable vendor payment installments in your account.

To enable the Installments feature:

1. Go to Setup > Company > Enable Features.
2. Click the **Accounting** subtab.
3. Check the following boxes:
 - **Installments**
 - **A/R**
 - **A/P**
4. Click **Save**.

Setting Preferences for Vendor Payment Installments

Follow this procedure to set preferences for vendor payment installments.

To set preferences for installments:

1. Go to Setup > Accounting > Preferences > Accounting Preferences.
2. Click the **General** subtab.
3. Under **Accounts Payable**, check the **Allow Bill Consolidation of POs with Different Terms** box.
4. Click **Save**.

Creating Terms for Vendor Payment Installments

You can create installment terms to define payment installments you use for vendors. For information about creating installment terms, see the help topic [Creating Terms of Payment](#).

After saving the installment term, you can add it to a purchase order. On a vendor bill, installment details are available for viewing only. Installments can be edited only on a purchase order.

Billing a Purchase Order With Installments

Use terms on purchase orders to define the installment payments required for that purchase and create bills according to those terms. To bill a purchase order with installments, you must first set installment terms on the purchase order.

To set installment terms on a purchase order:

1. Go to Transactions > Purchases/Vendors > Enter Purchase Orders > List.

2. Click **Edit** next to the purchase order you want to set installment terms on.
3. Click the **Billing** subtab.
4. Select your term from the **Terms** list.
Vendor bills created from a purchase order show due dates and amounts due based on the settings defined on the term record.
5. Click **Save**.

When the purchase order is billed, the installment terms appear on the vendor bills. The amount due and due date for each term is calculated based on the term definitions.

To bill a purchase order with installments:

1. Go to Transactions > Purchase > Enter Purchase Orders.
2. Click **View** next to the order you want to bill.
3. Click **Bill**.
4. Click the **Billing** subtab.
5. Under **Installments**, verify that the scheduled installments correctly show the due dates and amounts or percentages due.
6. You have the option to override the scheduled installments and enter a custom amount due for each installment. To make changes, check the **Override Installments** box on the term. If you override any installments, you must ensure that the total adds up to the total amount of the bill.



Note: If a payment has already been made, you cannot use the Override option to make changes.

7. Click **Save**.

On the bill, the due date in the header indicates the next installment due date. This header due date cannot be changed on the bill. Paid installments also cannot be edited. On the purchase order, installments can only be viewed, not edited.

To view scheduled installment payments, view the vendor bill and click the Billing subtab. Scheduled installment payments show under Installments. Each installment details the date due and amount due.

Paying Vendor Bills in Installments

Record a bill payment by doing one of the following:

- To pay a single vendor, click Pay Single Vendor.
For more information, see [Paying Bills to a Single Vendor](#).
- To pay bills for several vendors, click Pay Bills.
For more information, see [Paying Bills to Multiple Vendors](#).

When paying a bill in installments, each installment is treated as a separate bill and has its own reference number.

When you make a payment, the status of the bill changes. If you pay more than the amount due for an installment, the overage amount is applied to the next installment. If the overage amount does not completely cover the amount due for an installment, the status for that installment is Partially Paid. Similarly, if an installment payment is late, the aging balance shows the installment payment amount as Past Due, not the entire balance.

When the status of an installment is Unpaid after the due date, only the late installment is marked as Past Due, not the entire bill.

Note that when paying installments, taxes are always added to the first installment.

The A/P Aging report details aging for individual installments. Each installment is considered based on its own due date.

Installments and Discounts

When making vendor payments, some vendor bills have discounts applied. Vendor bill discounts work with installments as described below.

- **When paying a single vendor bill** – If the payment amount is greater than the amount due, the payment amount is recalculated as follows:
Payment amount = amount due - discount
- **When paying multiple vendor bills** – The discount defaults to show zero. A discount is not allowed on when using terms.

In-Transit Payments

Use the In-Transit Payments feature to accurately recognize payment deposits when they occur. An in-transit payment distinguishes that payment transactions occur across time. It first records the date of your intent to pay funds, and then confirms the date that a deposit occurs at the bank. In-transit payments are also known as Two-Stage payments because the payment is tracked by its two distinct phases:

- **First Stage: Recording the payment**

Enter a payment record to track that a payment is being made. This record does not immediately post to a bank account in the General Ledger (GL). First, it temporarily posts to an interim, non-posting Cash-in-Transit account. The Accounts Payable (A/P) account is debited only after verification is received that the payment amount has actually been deposited by the vendor's bank. The payment status remains as In-Transit until you receive verification from the vendor's bank and actively mark the payment as Confirmed.

- **Second Stage: Verifying the funds deposited**

You receive a statement or bank reconciliation data that verifies the payment funds have been processed by both banks and received by the vendor. You can mark the payment as Confirmed. When confirmed, the payment amount is reconciled by moving funds out of the interim Cash-In-Transit account, updating the bank account and accounts payable account. The payment record is then updated with the bank accounts' posting dates and the payment status is updated.

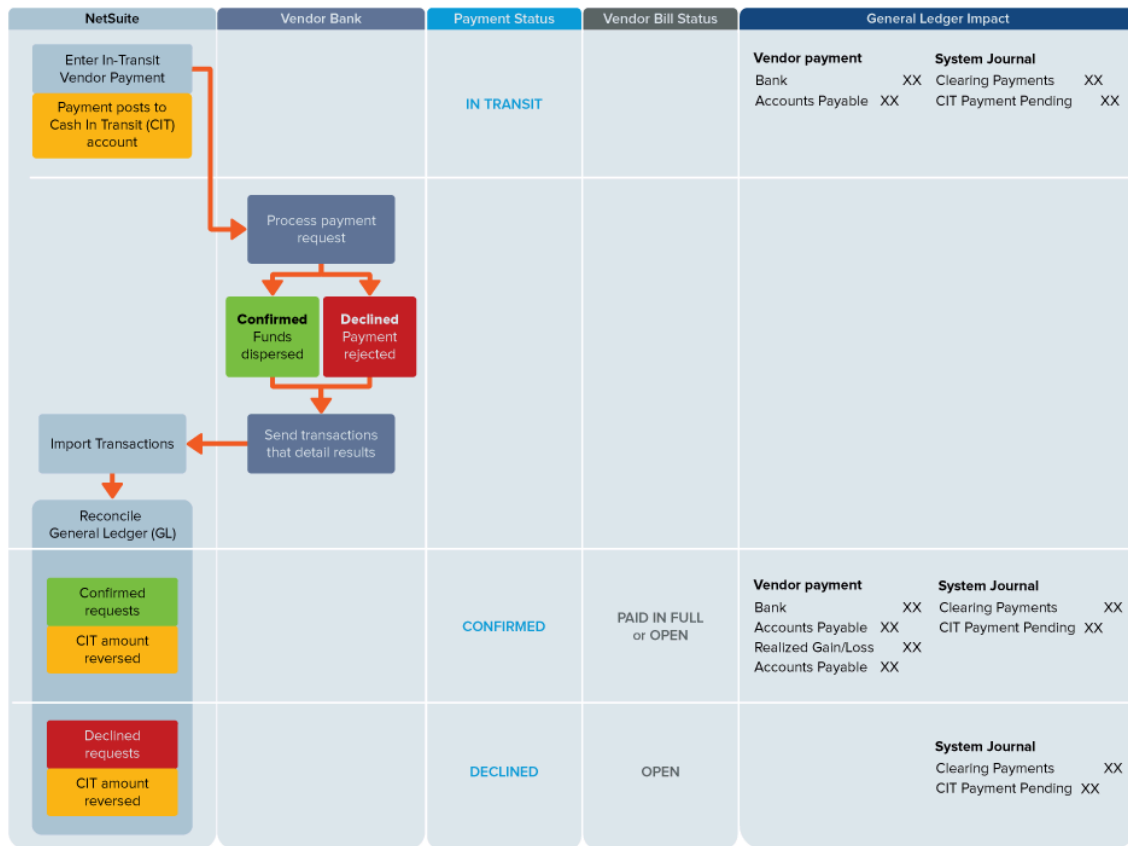
If the bank encounters errors during processing, you can decline the payment and the funds are removed from the Cash-In-Transit account.

Using the In-Transit Payments feature, accurate account balances for cash and accounts payable can be accessed by accountants, purchasing managers, accounts payable clerks. Bank account balances distinguish between the standard account balance and the available balance, which also takes into account any funds that are in transit.

Payments can be cleared in your ledger at the same time they are confirmed, simplifying reconciliation.

The in-transit payment process can also be used with paper checks. To do so, you will need to wait until you receive the bank statement that verifies the check was processed to confirm the payment.

The following diagram shows the basic workflow and accounting for in-transit payments.



The In-Transit Payments feature works as follows.

1. Enable the feature and set preferences.
 - [In-Transit Payments Setup](#)
 - [Setting Preferences for In-Transit Payments](#)
2. Enter a vendor payment.
 - Check the In-Transit box on the form.
 - The payment status is In Transit.
 - The payment amount posts to the Cash In Transit (CIT) account.

For more information, see [Creating an In-Transit Vendor Payment Without Approval Routing and Paying Bills to a Single Vendor](#).

3. The bank processes the payment request.
 - Payments may be SWIFT/SEPA, EFT/FTP electronic payments, ACH/wired, or paper checks.
 - The result of the request is one of the following:
 - The bank disburses funds to deposit the payment.
 - The bank rejects the payment request.
4. When the bank sends you a statement or data with the processing results, import the transactions that detail disbursements and rejections. Reconcile matched General Ledger transactions to clear the bank payments against your in-transit payment records.

In-transit payments are updated as follows:

- a. Successful disbursements – Confirm successful payments. For more information, see [Confirming an In-Transit Payment](#).
 - i. The vendor payment status is updated to Confirmed.
 - ii. The CIT account amount is reversed.
 - iii. The AP account is debited and the bank account is credited.
- b. Errors or rejected payments – Decline rejected payments. See [Declining an In-Transit Payment](#).
 - i. The vendor payment status is updated to Declined.
 - ii. The CIT account amount is reversed.

After you create in-transit payments, outstanding in-transit balances are visible on vendor records and dashboards. For more information, see [Vendor Records and the Vendor Dashboard](#).

In-Transit Payments Setup

To use the In-Transit Payments feature in your account, you must first enable the feature and create a Cash-In-Transit clearing account.

For more information, see the following help topics:

- [Enabling the In-Transit Payments Feature](#)
- [Creating a Cash In-Transit \(CIT\) Clearing Account](#)

Enabling the In-Transit Payments Feature

To use in-transit payments in your account, you must enable the feature.



Note: After the feature has been enabled, it cannot be disabled.

NetSuite automatically creates the Clearing Payment account when you enable this feature.

The In-Transit Payments feature is not compatible with the Online Bill Pay feature or Automated Clearing House (ACH) processing.

To enable the In-Transit Payments feature:

1. Go to Setup > Company > Enable Features.
2. Click the **Accounting** subtab.
3. Under the Advanced Features heading, check the **In-Transit Payments** box.
4. Click **Save**.

To use the feature, you must create a Cash-In-Transit clearing account. For more information, see [Creating a Cash In-Transit \(CIT\) Clearing Account](#).

Creating a Cash In-Transit (CIT) Clearing Account

You must create a clearing account to hold amounts that are intended to be paid but have not yet been received by the vendor's bank. This account to hold interim funds is known as a Cash-In-Transit (CIT) account.

The CIT account you create must be an Other Current Liability type account. CIT accounts can be used only for journals and in-transit payment transactions.

For information about creating a new account, see the help topic [Creating Accounts](#).

After creating a CIT account, you can use it on transactions and to set preferences for in-transit payments. For more information, see [Setting Preferences for In-Transit Payments](#).

If you use NetSuite OneWorld, you can set a global preference to use one CIT account for in-transit payments in all subsidiaries. Otherwise, each subsidiary can use a different CIT account. After it is assigned to a subsidiary or global preference, the account can be used only for CIT transactions. If an account was previously used on a non-in-transit payment, you cannot make it a CIT account.

Setting Preferences for In-Transit Payments

After you have enabled the In-Transit Payments feature, you can set preferences for the way in-transit payments are processed. Preferences you can set depend on if you use approval routing and if you have a NetSuite OneWorld account.

For more information, see the following help topics:

- [Setting Accounting Preferences for In-Transit Payments](#)
- [Setting Subsidiary Preferences for In-Transit Payments](#)
- [Setting Approval Routing Preferences for In-Transit Payments](#)
- [Setting Up a Checking Account for In-Transit Payments](#)

Setting Accounting Preferences for In-Transit Payments

Follow this procedure to set accounting preferences for in-transit payments.

To set accounting preferences for in-transit payments:

1. Go to Setup > Accounting > Preferences > Accounting Preferences.
2. Click the **General** subtab.
3. Under Accounts Payable, choose settings in the following fields:
 1. Check the **Use In-Transit Vendor Payments by Default** box if you want vendor payments marked as In-Transit by default. This setting can be changed when you create individual vendor payments. This field defaults to be checked.
Clear this box if you prefer that vendor payments are not marked as In-Transit by default.
 2. In the **Vendor In-Transit Payment Account** field, choose an account to function as the interim Cash In Transit (CIT) account. This is the account where in-transit funds are held until they are confirmed by the vendor's bank. For more information about a CIT account, see [Creating a Cash In-Transit \(CIT\) Clearing Account](#).
4. Click the **Approval Routing** subtab.
5. Check the **Vendor Payments** box to require approval for vendor in-transit payments. This can be done using standard approval routing or by using a SuiteFlow custom workflow for vendor payment approvals. For more information, see [In-Transit Payments with Approval Routing](#).
6. Click **Save**.

For information about setting accounting preferences, see the help topic [Accounting Preferences](#).

Setting Subsidiary Preferences for In-Transit Payments

In NetSuite OneWorld accounts, you may want to set additional preferences for individual subsidiaries.

To set subsidiary preferences for in-transit payments:

1. Go to Setup > Company> Subsidiaries.
2. Click **Edit** next to the subsidiary record.
3. Click the **Preferences** subtab.
4. Click the **General** subtab.
5. Check the **Use In-Transit Vendor Payments by Default** box if you want vendor payments for this subsidiary marked as In-Transit by default. This setting can be changed when you create individual vendor payments.

This field defaults to the setting for the global accounting preference for Use In-Transit Vendor Payments by Default. After this setting is changed in this field, the setting is no longer sourced from the global accounting preference.

You can choose this setting for each subsidiary.

Clear this box if you prefer that vendor payments for this subsidiary are not marked as In-Transit by default.

6. In the **Vendor In-Transit Payment Account** field, choose an account to function as the interim Cash In Transit (CIT) account for this subsidiary . This is the account where in-transit funds are held until they are confirmed by the vendor's bank. For more information about a CIT account, read [Creating a Cash In-Transit \(CIT\) Clearing Account](#).

In a NetSuite OneWorld account, if you do not set a default account on the Accounting Preferences page, one must be set in this field.

This field defaults to the setting for the global accounting preference for Vendor In-Transit Payment Account.

7. Click **Save**.

Setting Approval Routing Preferences for In-Transit Payments

Follow this procedures to set approval routing preferences for in-transit payments.

To set approval routing preferences for in-transit payments:

1. Go to Setup > Accounting > Preferences > Accounting Preferences.
2. Click the **Approval Routing** subtab.
3. Check the **Vendor Payments** box to set up an approval workflow to process in-transit payments for vendors.
4. Click Save.

Setting Up a Checking Account for In-Transit Payments

You can use in-transit payments when you write paper checks.

To set up a checking account for in-transit payments:

1. Go to Lists > Accounting > Accounts.
2. Click **Edit** next to the checking account. For more information about how to edit an account, see the help topic [Editing an Account](#).
3. Check the **Use Match Bank Data and Reconcile Account Statement Pages** box to enable the account for confirmation using data import and account reconciliation.


4. Click **Save**.

When you write a check, the available balance for the account shows on the check. The bank account available balance is calculated as follows:

Bank account balance — Sum of outstanding in-transit payments = Available balance


Creating an In-Transit Vendor Payment Without Approval Routing

After you have enabled the In-Transit Payments feature, you can enter in-transit vendor payments. The balance of the originating vendor bill is reduced by the amount of the payment created.

 **Note:** In-transit vendor payments cannot be processed using these features: Online Bill Pay, Automated Clearing House (ACH).

Enter an in-transit vendor payment:

1. Do one of the following to open the vendor bill payment form:
 - To create a single in-transit vendor payment, go to Transactions > Payables > Pay Single Vendor. For full details about the entire form to create a single vendor payment, see [Paying Bills to a Single Vendor](#).
 - To bulk create in-transit vendor payments, go to Transactions > Payables > Pay Bills. For full details about the entire bulk vendor payment form, see [Paying Bills to Multiple Vendors](#).
2. Complete the form with in-transit payment information, as described below.
3. Click **Save**.

 **Important:** After this payment form is saved, the setting for the **In-Transit** field cannot be changed. Additionally, any fields on the form that affect the General Ledger (GL) cannot be changed. You must void or delete the in-transit payment and then create a new one to change information in fields that affect the GL.

Primary Information

1. Check the **In Transit** box to designate this vendor payment as an In-Transit Payment.
 - This defaults based on the setting for the Use In-Transit Vendor Payments by Default preference. See [Setting Preferences for In-Transit Payments](#).
 - The **In Transit** box can be checked only when first creating a payment. After the payment form is saved, this setting cannot be changed.

Clear this box if this vendor payment is not an In-Transit payment.

The setting for this field cannot be changed after the form is saved.

2. The **Available Balance** is displayed for the selected **Account**. The bank account available balance is calculated as follows:

Bank account balance — Sum of outstanding in-transit payments = Available balance

If you use approval routing, the form may not show the Approval Status and Next Approver fields until after the form is saved.

After Saving an In-Transit Payment

After you save the form,

- A/P transaction is recorded as non-posting
- Cash-In-Transit transaction is posted
- The available balance of the vendor bill is reduced by the amount of the in-transit payment.

The status of the vendor bill becomes Payment In-Transit when an in-transit payment linked to the vendor bill is created that meets the following criteria:

- The in-transit payment amount is for the total balance due on the vendor bill.
- The in-transit payment has a status of In-Transit.

Existing payments with a status of In-Transit are not affected when the Payment Hold box on the vendor bill is checked. However, no new payments can be created.

The Void button shows on a saved in-transit payment only if the status of the payment is Confirmed. For details about in-transit payment statuses, see [In-Transit Payment Statuses](#).

Vendor Records and the Vendor Dashboard

After you save an in-transit vendor payment, information about in-transit payments is displayed on vendor records and on the Vendor Dashboard. The in-transit amount shown is the amount of in-transit payments made that have not yet been deposited by the vendor's bank.

The in-transit amount is displayed on the vendor record under the Balance Information section in the In-Transit Balance field.

Also, on the Currencies subtab, an In-Transit Balance shows for each currency that has a corresponding payment. In OneWorld accounts, the Subsidiary subtab of vendor records shows the In-transit Payment Balance by subsidiary.

In the Vendor portlet of the vendor dashboard displays the total in-transit payment balance for that vendor. For details about the vendor dashboard, read [Vendor Dashboards](#).

Confirming an In-Transit Payment

When you receive a statement or transaction data from the vendor's bank, you can update the status of an in-transit payment. You can mark it that the payment was confirmed or declined by the bank.

When your bank verifies that funds have been disbursed to make a payment, mark the bill payment as Confirmed. When you confirm the in-transit payment, you can identify the date bank processing occurred. You can verify or update data accurate as of that date, including exchange rate, posting date, and posting period.

If a payment is declined by the vendor's bank, mark the in-transit payment as Declined. For more information, see [Declining an In-Transit Payment](#).

To confirm an in-transit bill payment:

1. View the bill payment record.
2. Click **Confirm**.
3. In the **Confirm Information** window, do the following:

1. Enter or verify the **Date** shown to indicate the date the bank deposited the payment. This defaults to show the current date.
Based on the date you enter, the associated exchange rate and posting period may be updated.
2. Enter or verify the **Posting Period**. This defaults to the current period.
3. Enter or verify the **Exchange Rate**. This defaults to the current rate. For example, if the payment was made in another currency, enter the rate here.
4. Check the **Clear Payment** box to mark the payment as Cleared for reconciliation. This defaults to be checked.
Clear this box if you do not want the payment marked as Cleared.
5. Click **OK**.

Now, the payment posts as an Accounts Payable transaction and the status shows as Confirmed. A reversal posts to clear the payment amount from the Cash-In-Transit (CIT) account.

Any Realized Gain/Loss amount posts. Realized Gain/Loss results if an exchange rate changes between the time you create an in-transit payment and the payment is deposited in the vendor's bank.

If no outstanding balance remains on the originating vendor bill, the status of the vendor bill is updated to Paid in Full.

Declining an In-Transit Payment

A bank may decline to disburse funds for several reasons, including insufficient funds or errors with account numbers. When the vendor's bank verifies that the payment has not processed by the bank, mark the in-transit payment record as Declined.

To decline an in-transit bill payment:

1. View the bill payment record.
2. Go to Transactions > Payables > Enter Bills.
3. Click **Edit** next to the bill you want to pay.
4. Click **Decline**.

Now, the payment status shows as Declined and the vendor bill status returns to Open.

The payment date shows as the date you marked the bill payment as Declined. A reversal posts to clear the payment amount from the Cash-In-Transit (CIT) account. The payment amount does not post to the general ledger. The open balance of the vendor bill adjusts because the vendor bill will not be paid by this payment.

In-Transit Payments with Approval Routing

When the Vendor Payments box is checked on the Approval Routing subtab for accounting preferences, you can use approval routing for in-transit payments. For more information, see [Setting Preferences for In-Transit Payments](#).

When an in-transit payment has a Pending Approval status, the payment amount is recorded but does not yet post to the general ledger. After the payment is approved, the following occurs:

- The payment status is updated to In-Transit.

- The payment amount posts to the Cash-In-Transit (CIT) account.
- The balance of the vendor bill is reduced by the in-transit payment amount.

Using approval routing, bill payment forms show the Approval Status and Next Approver fields. Note that these fields do not appear when you first create the in-transit payment record. They show only when editing an existing in-transit payment and can be set either manually or using a SuiteFlow workflow.

When you save an in-transit payment with a Pending Approval status, it cannot be set to Confirmed or Declined. If the amount of the in-transit payment is for the full balance of the vendor bill, the bill status becomes Payment In-Transit.

After the in-transit payment is approved, the vendor payment status becomes In-Transit.

If the in-transit payment is rejected, the status of the vendor bill returns to Open. An in-transit payment with a Rejected status cannot be edited if any vendor bills linked to the payment have an amount due of zero.

Standard or Custom Approval Routing

You can enforce approval processes for in-transit vendor payments in the two following ways:

- [Standard Vendor Payment Approval](#)
Standard in-transit vendor payment approval does not require creating and using a custom SuiteFlow.
- [Custom Vendor Payment Approval Routing Using SuiteFlow](#)
Create a custom SuiteFlow workflow to process in-transit vendor payment approvals.

Standard Vendor Payment Approval

When the Vendor In-Transit Payments box is checked on the Approval Routing subtab for accounting preferences, your vendor payments show an Approval Status field. Vendor payments with a status of Pending Approval can be approved or be rejected. A vendor payment that is rejected is not processed for payment.

You can use standard approval for vendor in-transit payments, regardless of whether you enable SuiteFlow for other purposes.

Bill payment approvals can be handled on individual transactions or in bulk. For more information, see:

- [Approving an In-Transit Payment With Standard Vendor Payment Approval](#)
- [Approving In-Transit Payments Standard Vendor Payment Approval in Bulk](#)

Custom Vendor Payment Approval Routing Using SuiteFlow

For more complex approval requirements, you can use SuiteFlow workflow management when you enable the Vendor In-Transit Payments preference for Approval Routing. Then, you have the option of creating a custom SuiteFlow workflow to process in-transit vendor payments.

For information about custom workflows, see the help topic [SuiteFlow Overview](#).

Approving an In-Transit Payment With Standard Vendor Payment Approval

Follow this procedure to approve or reject an in-transit payment with standard vendor payment approval.

To approve an in-transit vendor payment:

1. Go to Transactions > Payables > Pay Bills.
2. Click **View** by the payment you want to process.
3. On the payment form, click one of the following:
 - **Approve** – Approves the payment for processing.
 - **Reject** – Stops the payment from being processed.
4. Click Save.

Approving In-Transit Payments Standard Vendor Payment Approval in Bulk

Follow this procedure to approve or reject in-transits payment with standard vendor payment approval in bulk.

To approve or reject in-transit vendor payments in bulk:

1. Go to Transactions > Payables > Approve In-Transit Vendor Payments.
2. In the **View** field, select Vendor In-Transit Payments for Approval to filter the list.
3. On the Approve Vendor Payment page, make a selection in the **Action** field:
 - **Pending Approval – Approve**
 - **Pending Approval – Reject**
 - **Pending Approval – Resubmit**
 - **Rejected – Resubmit**
4. Check the **Select** box next to each payment to update.
5. Click **Submit**.

Viewing In-Transit Payment Balances

You can view the total in-transit payment balance for a vendor on the vendor record. The balance is the currency amount that is in process for payment to a vendor that has not yet been confirmed by the vendor's bank.

To view the in-transit payment balance for a vendor:

1. Go to Lists > Relationships > Vendors.
2. Click **View** next to the name of the vendor.
3. Under Balance Information, the **In-Transit Balance** field displays the total currency amount that is in transit to the vendor.
4. For OneWorld accounts, on the **Subsidiaries** subtab displays columns the in-transit balance for each subsidiary.

Vendors can also use the Vendor Dashboard to view the total balance of in-transit payments being processed. For more information, see [Vendor Dashboards](#).

In-Transit Payment Statuses

After you save a vendor payment that is marked as In Transit, it can have one of the statuses detailed in the table below.

Status	Edit Allowed?	Delete Allowed?	Void Allowed?	Bill Balance Amount	Notes
Pending Approval	All	Yes	No	Decreased by payment amount	<ul style="list-style-type: none"> Associated non-posting transactions are recorded for bank accounts and Accounts Payable accounts. Editing and deleting are allowed because transactions have not posted to the General Ledger (GL). The setting for the In Transit box cannot be changed.
In-Transit Stage 1	Non-GL	No	No	Decreased by payment amount	<ul style="list-style-type: none"> Associated non-posting transactions are recorded for bank accounts and Accounts Payable accounts. Changes that affect the GL are not allowed because associated posting transactions exist that use the Vendor In-Transit Payment account and Clearing Payment accounts,
Confirmed Stage 2	Non-GL	Yes	Yes	Decreased by payment amount	<ul style="list-style-type: none"> Changes that affect the GL are not allowed because of the following: <ul style="list-style-type: none"> Associated posting transactions and reversal transactions are recorded that use the Vendor In-Transit Payment and Clearing Payment accounts. Associated posting transactions are recorded that use the Accounts Payable, Banking and Realized Gain/Loss accounts Deletion is allowed if the associated In-Transit and Confirmed transactions are dated in open periods. Voiding is allowed and reverses GL posts to the Accounts Payable, Banking and Realized Gain/Loss accounts.

Declined	Non-GL	Yes	No	Increased by payment amount	<ul style="list-style-type: none"> Changes that affect the GL are prevented because associated posting and reversal transactions are recorded that use the Vendor In-Transit Payment and Clearing Payment accounts. Deletion is allowed if the associated In-Transit and Confirmed transactions are dated in open periods. Voiding is not allowed because no account transactions to reverse exist for the Accounts Payable, Banking, and Realized Gain/Loss accounts. When an in-transit payment is declined, the amount of the vendor bill balance is increased by the amount of the declined payment.
Rejected	All	Yes	No	Increased by payment amount	<ul style="list-style-type: none"> This status is set only when using approval routing. An in-transit payment with a Rejected status cannot be edited if any vendor bills linked to the payment have an amount due of zero. All fields on the bill can be edited except the In Transit box. <p>If all associated vendor bills have an amount due greater than zero, the In-Transit box can be cleared and fields can be edited.</p> <p>If a linked vendor bill has an amount due of zero, then the bill is unlinked when saved and editing is not allowed.</p>
Void	Non-GL	Yes	No	Increased by payment amount	<ul style="list-style-type: none"> Fields that are non-posting and do not affect the GL can be edited. Payments with a Void status can be deleted if both the In Transit and Confirmed transactions are dated in an open period. When an in-transit payment is voided, the balance of the associated vendor bill is increased by the amount of the voided payment.

Custom Workflow-Based Approvals for Vendor Payments

You can choose to use SuiteFlow to create your own custom workflow to process vendor payments. SuiteFlow workflows can be used for vendor payments to provide additional flexibility to review and evaluate vendor payments before approving or rejecting them.

When you enable approval routing for use with vendor payments, you can create an approval rule to define approval preferences to prompt approval routing. You can identify a specific vendor payment approver on the vendor record and set approval limits on employee records.

To use SuiteFlow to process vendor payment approvals:

1. To enable features, go to Setup > Accounting > Preferences > Accounting Preferences.
 - a. On the **SuiteCloud** subtab, check the **SuiteFlow** box.
 - b. Click **Save**.
2. To enable the Vendor Payments approval routing preference, go to Setup > Accounting > Preferences > Accounting Preferences.
3. On the **Approval Routing** subtab, check the **Vendor Payments** box.
4. Set up an approval workflow.

You must use SuiteFlow to create a workflow to apply to your vendor payments. For information about setting up approval workflows, see the help topic [Creating Your First Workflow](#).

The following are some options you may consider incorporating into your vendor payments approvals workflow:

- Hierarchical or custom routing rules
- Email notifications that include links to drill down to records for approval
- Approve and Reject buttons
- Respecting approval limits
- Updating the Approval Status and Next Approver field on records
- Preventing records that are pending approval from being edited
- Designating an alternate approver



Note: If the record is processed through multiple levels of approval by different users in a routing loop, note the following. You should use a custom workflow field that refer to the current approver's approval status. This lets you track the current approver's approval status separately from the overall approval status of the record.

If you use SuiteFlow for vendor payment approval, vendor bills are created with a Pending Approval status by default. You can manually set a vendor bill to an approved status for simple approvals.

Vendor Returns

The following topics are included in the vendor returns chapter:

- [Vendor Return Authorization Overview](#)
- [Creating a Vendor Return Authorization](#)
- [Creating a Vendor Return Authorization From an Existing Purchase Order](#)
- [Approving a Vendor Return Authorization](#)
- [Canceling a Vendor Return](#)
- [Shipping Authorized Vendor Returns](#)
- [Viewing the Status of a Vendor Return Authorization](#)
- [Crediting an Authorized Vendor Return](#)
- [Vendor Returns for Drop-Ship Orders](#)
- [Closing a Line Item on a Vendor Return Authorization](#)

Related Topics

- [Vendor Records](#)
- [Vendor Bills](#)
- [Vendor Payments](#)
- [Vendor Prepayments](#)
- [Vendor Credits](#)

Vendor Return Authorization Overview

When you track vendor returns using authorizations, you know the status of each return and you can track accurate information about each return you process. The vendor return workflow includes obtaining Return Materials Authorization (RMA) from the vendor, then processing the return in NetSuite to track information about each return.



Important: You must have the Credit Returns permission and have the Advanced Shipping and Vendor Return Authorizations features enabled to use the vendor return process.

The vendor return process:

1. **Entering** the authorization – records information about the return
 For example, records the item number and description, quantity being returned, value of the return, and the vendor RMA number.
 For more information, see [Creating a Vendor Return Authorization](#).
2. **Approving** the authorization – approves the return of the item to the vendor

For more information, see [Approving a Vendor Return Authorization](#).

3. **Shipping** the return – verifies that the item has been shipped to the vendor

For more information, see [Shipping Authorized Vendor Returns](#).

4. **Crediting** the return – logs a refund or credit from the vendor for the returned item

For more information, see [Crediting an Authorized Vendor Return](#).

Using return authorizations also gives your shipping department the information they need to match items to vendor return forms as they send shipments. Then, your accounting department knows what is expected from each vendor, such as a credit, refund, or replacement item.

When you want to return an item to a vendor, complete the information about a vendor return authorization form including the following:

- The item to be returned
- The quantity of each item being returned
- The amount to be credited or refunded to you upon return of the item

A vendor return authorization is a non-posting record of an item you intend to ship back to the vendor it was purchased from. Each vendor return authorization you enter is assigned a unique return number that enables you to track the entire return process.

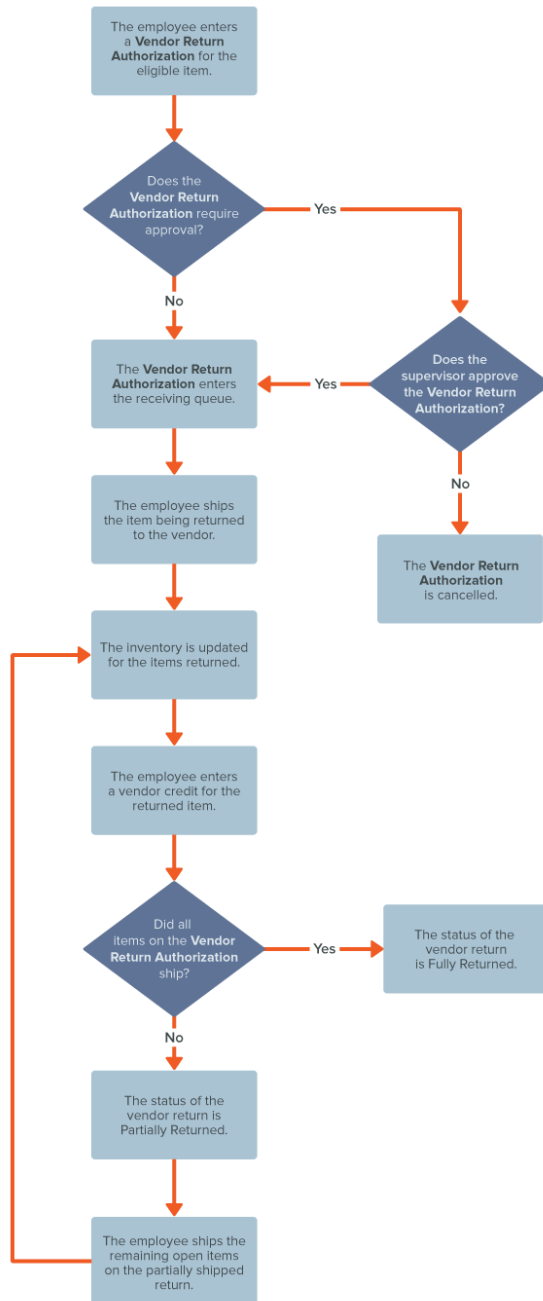


Note: This number is separate from the RMA number issued by the vendor. You can track both numbers on the vendor return authorization.

This is considered a purchase transaction, and is non-posting.

Enable Vendor Return Authorizations

To enable vendor return authorizations, go to Setup > Company > Enable Features. On the Sales Transactions subtab, check the Vendor Return Authorizations box, and then click Save.




Creating a Vendor Return Authorization

NetSuite offers two ways to create a vendor return authorization:

- Create an individual vendor return authorization.
- Create a vendor return authorization from an existing purchase order.

This creates a vendor return authorization that automatically shows the items and prices from the original purchase.

 **Tip:** To print a Vendor Return Authorization form you must be in View mode.

 **Note:** After you enter a quantity for an item on a vendor return authorization, note the following about changing the quantity later:

- Returning fewer items than you ordered is allowed.
- Increasing the quantity or changing the rate will create an improper G/L impact and is not recommended.


To create an individual vendor return authorization:

1. Go to Transactions > Purchases > Enter Vendor Return Authorizations.
2. Complete the form as described in the sections below.
3. Click **Save**.


After you click **Save**, the vendor return authorization is recorded in the Vendor Return Authorizations register, a non-posting account in your chart of accounts.

Primary Information

1. The **Subsidiary** field displays the subsidiary associated with this transaction.

 **Note:** This field appears only if you use NetSuite OneWorld. If you have defined vendor records that are shared with multiple secondary subsidiaries, you can change the subsidiary where the vendor return is authorized. For more information about globally shared vendor records, see the help topic [Assigning Subsidiaries to a Vendor](#).

2. Optionally enter a reference number for this return transaction. Typically, this is a number provided by the vendor after they approve the return. This number may be referred to by the vendor as an RMA number or return number.
3. Select a vendor.
If this vendor is shared with multiple secondary subsidiaries, the **Vendor** field lists all of the vendors assigned to the selected subsidiary.
4. The status of the approval can be one of the following:
 - Pending Approval
 - Pending Return

 **Note:** By selecting Pending Return, the authorization skips the approval process.

If your company uses the approval process for vendor return authorizations, Pending Approval is your default status. If your company does not use the approval process, Pending Receipt is your default status.

The default status for return authorizations is set by an administrator at Setup > Accounting > Accounting Preferences on the **Order Management** subtab. You can change the status for each vendor return authorization in this field, if needed.

5. Accept or enter the date.
6. The vendor's currency appears in the **Currency** field. All currency amounts on this transaction are shown in this currency.
7. The currency's exchange rate is shown in the **Exchange Rate** field. You can edit the exchange rate for this transaction only, or you can update the currency record with the exchange rate you enter here.

8. In the **Memo** field, you can enter information about this return, such as the reason for the return. What you enter in this field appears on reports.

Classification

1. Select a department, class or location if you track them.

Expenses and Items

1. On the **Expenses** subtab, select an account to associate with this vendor return.
2. Enter expenses associated with this return that you want to show on a vendor credit when this return is fulfilled.

Both items and expenses show on a vendor credit. However, only items show on a return fulfillment. Expenses **do not show** on return fulfillments.

3. If this expense is for a particular customer, select that customer in the **Customer** column.



Note: If you use NetSuite OneWorld and the selected customer is shared with multiple subsidiaries, you can choose any customer associated with the selected subsidiary. For information about sharing customer records with multiple subsidiaries, see the help topic [Assigning Subsidiaries to a Customer](#).

4. Click **Add** after each entry.
5. Click the **Items** subtab and select the item you are returning.
6. Enter information about items being returned:
 - a. Click **Add Multiple** to add several items to this transaction.
The Choose Item window opens and shows a list of items you can add.
 - b. Filter the list by item type or name.
 - c. In the left pane, click an item to add it to the right pane.
 - d. Enter an item **Quantity**.
 - e. Click **Done**.

Items and quantities shown in the right pane are added to the transaction.

If the item being returned is a serialized item:

1. Enter the item number in the **Item** field.
 2. Click **List**.
 3. Select the serial number purchased from the vendor you chose in the **Vendor** field.
 4. Enter the serial number and the item number automatically fills the **Item** field.
7. If this item is for a particular customer, select that customer in the **Customer** column.
If the selected customer is shared with multiple subsidiaries, you can choose any customer associated with the selected subsidiary.
 8. Click **Add** after each entry.

Billing

1. Click the **Billing** subtab.
2. In the **Vendor Select** field, choose a vendor.
3. Verify the billing address displayed in the **Vendor** field. To change the address, click the Edit button to the right of the Vendor Select field.

Relationships

1. The primary contact for the vendor is selected automatically. To edit information for this contact, click the contact's name.
2. You can also add contacts to this order by entering the contact's information and clicking **Add**.

Communication

1. Use the **Events**, **Tasks**, and **Phone Calls** subtabs to attach activities to this transaction. For more information, see the help topic [Attaching Events, Tasks, and Calls to Records and Transactions](#).
2. On the **Files** subtab, you can select and attach files from the File Cabinet related to this transaction. Select **New** to upload a new file to File Cabinet.
3. On the **User Notes** subtab, you can enter a title and note for any comments you want to add to this transaction. Click **Add** after each note.

Creating a Vendor Return Authorization From an Existing Purchase Order

Follow this procedure to create a vendor return authorization from an existing purchase order.

To create a vendor return authorization from an existing purchase order:

1. Go to Transactions > Purchases > Enter Purchase Orders.
2. Click **View** next to the purchase order.
3. Click the **Authorize Return** button.



Important: Only purchase orders with a status of Pending Bill or Fully Billed contain the **Authorize Return** button. Purchase orders with a status of Pending Receipt or Pending Billing/Partially Received do not contain the **Authorize Return** button.

A vendor return authorization opens listing all items from the original order. A popup warning appears if there are existing return authorizations associated with this order.



Note: If you create a vendor return authorization from an existing purchase order, you cannot edit the Vendor field on the vendor return authorization. You cannot edit the field because it is linked to the vendor from the purchase order. If you need to set the Vendor field manually, enter a standalone vendor return authorization. For more information, see [Creating a Vendor Return Authorization](#).

4. On the **Expenses and Items** subtab, click the **Items** subtab and verify that all items on the return authorization are being returned.
If some items are not being returned, remove them by clicking the line-item and then clicking **Remove**.
5. Verify the quantity being returned.
6. For information about completing the form, see [Expenses and Items](#), [Communication](#), and [Relationships](#).
7. Click **Save**.

After you click Save, the vendor return authorization is recorded in the Vendor Return Authorizations register, a non-posting account in your chart of accounts.

Approving a Vendor Return Authorization

You can use the vendor return authorizations approval process to keep track of what is being returned and why. For example, a supervisor can review a return authorization entered by an employee to determine if the item really needs to be returned. Then, the supervisor approves the return of the item or cancels the return.

To approve an authorized vendor return:

1. Go to Transactions > Purchases > Enter Vendor Return Authorizations.
2. To open a specific authorization, in the **Select Return Number** field, enter the return number or scan the bar code for the return.
3. Filter the list of unapproved returns by selecting a date range in the date field or by entering dates in the **From** and **To** fields. Then, unapproved returns dated within the chosen date range show in the list.
4. In the **Approve** column, check the returns you want to approve.
The **Amount** field updates to show the total amount of the approved returns.



Note: Open each return individually to edit it and add a vendor RMA number.

5. Click **Submit**.

The return authorizations you approved can now be shipped and then credited.

Canceling a Vendor Return

Follow this procedure to cancel a vendor return.

To cancel a vendor return:

1. Go to Transactions > Purchases > Enter Vendor Return Authorizations.
2. Click **View** next to the return authorization you are canceling.
3. Click **Cancel Return**.

Shipping Authorized Vendor Returns


When you ship items to a vendor for an authorized return, mark the item as shipped. This status lets you track the progress of the order through the return process.

To mark an authorized return item as shipped:

1. Go to Transactions > Purchases > Enter Vendor Return Authorizations.
2. Select the vendor whose authorized return you want to ship. Authorized returns for the vendor show in the list. If the authorized return you want to ship is not showing in the list, the return may need to be approved.


Select **All** to show approved returns for all vendors.

3. In the **Return** column, check the box next to the authorized return you are shipping to the vendor.
4. Click **Submit**.
5. On the Item Fulfillment page:
 - verify information in the following fields:
 - **Vendor** – the vendor you are sending the item to.
 - **Date** – the date the return is shipped
 - **Ref. No.** – the reference number of the return you are shipping
6. On the **Items** subtab, in the **Quantity** column, verify or enter the number of units of each item you are shipping.
7. Check the box in the **Fulfill** column next to items you are shipping.
8. When you have finished, choose one of the following:
 - Click **Save** to save the information.
 - Click **Save and Credit** to save the information and enter a bill credit for this return. Only the amount for items you shipped will show on the bill credit.
 - Click **Save and New** to save the information and enter a new authorization.
 - Click **Save and Print** to save the information and print a packing slip for the return.

 **Note:** You can also print a packing slip for a vendor return by going to Transactions > Management > Print Checks & Forms. Click **Packing Slips and Return Forms**. Be sure to check the **Allow Reprinting** box.

You can also create a custom packing slip form at Setup > Customization > Forms > Transaction Forms . Click **Customize** next to Standard Packing Slip. Optionally set it as the preferred packing slip by doing one of the following:

- Check the **Form is Preferred** box to use the custom form for all packing slips.
- Click **Edit** next to a custom Vendor Return Authorization in the list and click the **Linked Forms** subtab. In the **Packing Slip** field, select the custom packing slip you created.
- Click **Save and Print Label** to save the information and print a shipping label.

 **Note:** When printing a shipping label for a Vendor Return Authorization, the label Reference Number value (label.refnumber) is sourced from the **Ref. No.** field. All other shipping labels source the label Reference Number value from the **PO#** field.

Now, the items on the vendor return authorization are marked returned and your inventory is automatically updated with the items that have been shipped.

To see what has already been received and billed for a return authorization, view the return authorization record and click the Related Records subtab.

Viewing the Status of a Vendor Return Authorization

Each vendor return authorization has a status that reflects where the return is in the shipping and crediting process.

To view the status of a return authorization:

1. Go to Transactions > Purchases > Enter Vendor Return Authorizations.
2. The list shows the status of each return authorization in the Status column.

Depending on whether the Advanced Shipping feature is enabled, the status of a return could be as follows:

- With **Advanced Shipping on**:
 - **Pending Approval** – The return is not yet approved.
 - **Pending Return** – The return is approved and pending the shipment of items to the vendor.
 - **Partially Returned** – Not all items have been shipped to the vendor.
 - **Pending Credit** – All items on the return are shipped to the vendor and it is pending the creation of a vendor credit. This can include partially credited returns.
 - **Pending Credit/Partially Returned** – Some items on the return are shipped to the vendor. It is pending the creation of a vendor credit for shipped items.
 - **Credited** – The return is completely shipped and credited.
 - **Canceled** – The return has been canceled.
 - **Closed** – The return is closed.
- With **Advanced Shipping off**:
 - **Pending Approval** – The return is not yet approved.
 - **Pending Refund** – The return is approved and is pending receipt and refund of the item.
 - **Partially Credit** – The return is partially shipped and credited.
 - **Credited** – The return is completely shipped and credited.
 - **Canceled** – The return has been canceled.
 - **Closed** – The return is closed.

The default status for vendor returns is set by an administrator in the Returns section on the Order Management subtab. Go to Setup > Accounting > Preferences > Accounting Preferences.

- If you use the approval process for vendor return authorizations, **Pending Approval** is your default status.
- If you do not use the approval process, **Pending Receipt** is your default status.

You can change the status for each vendor return authorization in the Status field, if needed.

You can click Show Activity on a vendor return authorization record to see what has already been shipped and credited for a return.

Crediting an Authorized Vendor Return

After a vendor return has been approved, enter a vendor credit, or bill credit, for the amount of the returned items. This enables you to track credit owed to you by a vendor so you can apply the credit to vendor bills.


If the vendor has sent you a refund by cash or check, you can record it by associating the vendor credit with a deposit. For more information, see *Associating a Vendor Credit with a Deposit*.

If you use the Advanced Shipping feature, you can enter a bill credit for the amount of the item before you ship it. If you do not use the feature, you credit items as you ship them. Entering a vendor credit both returns and credits the item.

To enter a bill credit for returned items:

1. Go to Transactions > Purchases > Credit Vendor Returns.
2. Select the vendor.

All open vendor return authorizations appear in the list.

 **Note:** If you use NetSuite OneWorld and the vendor is shared with multiple secondary subsidiaries, you can associated this bill credit with any of the subsidiaries. The items that can be credited reflect the combination of the selected vendor and subsidiary. For more information, see the help topic [Assigning Subsidiaries to a Vendor](#).

3. If you use the Bar Coding and Item Labels feature, you can scan or enter the return authorization number in the **Select Return Number** field.
4. In the **Credit/Refund** column, check the return you want to credit.
5. Click **Submit**.

A bill credit opens.

6. Verify the information about the transaction such as items and amounts. Enter any necessary changes.
7. Click **Save**.

A credit records the amount of the return which you can apply to vendor bills.


Vendor Returns for Drop-Ship Orders

When your customer wants to return an item that they received directly from the vendor by a drop-shipment, note the following. You can process the return in NetSuite without affecting your inventory records.

When you enter the vendor return authorization, you can specify drop-ship for any items the customer received by a drop shipment. You do this by checking the box in the Drop Shipment column on the Items subtab.

- The Drop Shipment box is automatically checked if you create the return authorization from the purchase order for drop-shipped items.
- The Drop Shipment box is **not** automatically checked if you create the return authorization from a vendor bill.


When you fulfill returns for items that are marked Drop Shipment, the return is processed as a non-inventory item and has no accounting impact. The return transaction verifies that the item has been returned to the vendor and makes the authorization eligible for a vendor credit.

 **Note:** Drop-ship returns for serialized items do not require a serial number on the shipment transaction.

Closing a Line Item on a Vendor Return Authorization

On vendor returns, you are able to close line items manually when you do not intend to send open items on the order.

For example, you return ten widgets to a vendor and have not yet returned five more you expect in the warehouse. You find out the customer is keeping the items and you will not receive the remaining five. If you close the line manually instead of changing the quantity, you retain a record of how many you originally expected to send.

 **Note:** If you are going to close a line item on a vendor return manually, credit the vendor return before you close the line. When all lines on a vendor return are shipped or closed manually, the vendor return is removed from the credit queue and the shipping queue.

To close a line item on a vendor return manually:

1. Go to Transactions > Purchases > Enter Vendor Return Authorizations.
2. Click **Edit** next to the vendor return with the line you want to close.
3. On the **Items** subtab of the vendor return, click the line you want to close.
4. Check the box in the **Closed** column, and then click **Done**.
5. Click **Save**.

You can also close line items on the following forms:

- Sales Order
- Return Authorization
- Purchase Order

Vendor Credits

The following topics are included in the vendor credits chapter:

- [Entering Vendor Credits](#)
- [Entering a Vendor Credit Manually](#)
- [Creating a Vendor Credit Directly From a Vendor Bill](#)
- [Associating a Vendor Credit With a Deposit](#)
- [Creating a Vendor Credit Directly From a Vendor Return](#)
- [Applying a Vendor Credit](#)
- [Viewing Vendor Credits](#)
- [Removing Credits From Deleted Vendor Payments](#)
- [Vendor Credit Printing](#)

Related Topics

- [Vendor Records](#)
- [Vendor Bills](#)
- [Vendor Payments](#)
- [Vendor Prepayments](#)
- [Vendor Returns](#)

Entering Vendor Credits

A vendor credit is a transaction to show credit from a vendor that you can apply to your payables account. Vendors might credit your account if you return merchandise to them or negotiate a discount after receiving an invoice.

You can apply vendor credits to vendor bills when you make payments and the credit decreases the payable amount due to the vendor.



Tip: You can delete vendor credits, if required. On the vendor record, click Edit. Click the Financials subtab, and then locate vendor credit you want to delete. Click Delete, and then confirm the deletion in the prompt.

You may need to enter a transaction to show credit from a vendor to apply toward your payables account. For example, you have returned merchandise to a supplier or received a discount after receiving the invoice. You can enter a vendor credit for all or part of the amount of the invoice.

You can enter a vendor credit as a way to record a deposit paid on a purchase order (PO).

There are three ways to create a vendor credit:

- You can create a credit manually that is not necessarily associated with an existing bill. This could be useful to record credit or a discount negotiated from your vendor either after receiving a bill or independent of any bills.

See [Entering a Vendor Credit Manually](#).

- You can create a credit directly from an original vendor bill.

This is useful to record credit for some or all items on an existing bill and automatically associates the credit with the original bill.

See [Creating a Vendor Credit Directly From a Vendor Bill](#).

- You can create a vendor credit directly from a vendor return. Then, the items and amounts automatically completes the credit form and the credit is associated with the return.

See [Creating a Vendor Credit Directly From a Vendor Return](#).

Entering a Vendor Credit Manually


You can create a credit manually that is not necessarily associated with an existing bill. This could be useful to record credit or a discount negotiated from your vendor either after receiving a bill or independent of any bills.

To enter a vendor credit manually:

1. Go to Transactions > Payables > Enter Vendor Credits.
2. Complete the information in the following sections.
3. Do one of the following:
 - To save the vendor credit, click **Save**.
 - To save the vendor credit and open a new vendor credit entry form, in the Save button dropdown list, click **Save & New**.
 - To save and print the vendor credit, in the Save button dropdown list, click **Save & Print**.
This option is only available if you have the Advanced PDF/HTML Templates feature enabled. See the help topic [Vendor Credit Printing](#).

Primary Information

1. On the Bill Credit page, specify the vendor who is issuing a credit.
If you use NetSuite OneWorld and have defined vendor records shared with multiple secondary subsidiaries, note the following. You can associated this vendor credit with any of the subsidiaries assigned to this vendor. The items that can be credited reflect the combination of the selected vendor and subsidiary. For more information about globally shared vendor records, see the help topic [Assigning Subsidiaries to a Vendor](#).
2. Select the accounts payable account that will be affected by this transaction.
3. Enter the total amount of the transaction. NetSuite updates this amount as you add or edit line items.

 **Note:** The total amount cannot be negative.

4. The currency selected on the vendor's record appears in the **Currency** field. All currency amounts on this transaction are shown in this currency.
5. The current exchange rate for this vendor's currency appears in the **Exchange Rate** field. Enter a new exchange rate to update this currency's exchange rate.
6. In the **Due Date** field, you can specify a date for when this credit is due.


7. Accept or enter the date for the transaction.
8. In the **Reference No.** field, you can enter a reference number for the credit.
9. Select the period you want to post this credit to.
10. Enter a note about the transaction in the **Memo** field.

Items subtab

1. On the **Items** subtab, NetSuite updates the amount in the **Applied** and **Unapplied** fields as you add and edit line items.
2. On the **Expenses & Items** subtab, check the **Auto Apply** box for NetSuite to apply the credit amount to the oldest outstanding vendor bills.

NetSuite remembers your preference for using the **Auto Apply** box on vendor credits. The next time you enter a vendor credit, this box is checked or cleared by default based on the last vendor credit you entered.

If the expense or item is for a particular customer, select that customer in the **Customer** column.

 **Note:** If you use NetSuite OneWorld and the selected customer is shared with multiple subsidiaries, you can choose any customer associated with the selected subsidiary. For information about sharing customer records with multiple subsidiaries, see the help topic [Assigning Subsidiaries to a Customer](#).

3. Enter the credit information:
 - Click the **Expenses** subtab to credit non-inventory items. Specify the account number that was originally used for the purchase that is now being credited. Enter the amount and any other notations about this credit.
 - Click the **Items** subtab to credit inventory items.
 - a. **To add multiple items to this transaction:**
 - b. Click the **Add Multiple** button.
The Choose Item window opens and shows a list of items you can add.
 - c. Filter the list by item type or name.
 - d. In the left pane click an item to add it to the right pane.
 - e. Enter an item quantity.
 - f. Click **Done**
Items and quantities shown in the right pane are added to the transaction.
4. Click the **Apply** subtab to apply the credit toward a specific vendor bill.
5. Clear or check the box in the **Apply** column next to bills to determine which bills the credit is applied to.
6. Enter a new exchange rate to update this currency's exchange rate.
NetSuite updates the amount showing in the **Applied** and **Unapplied** fields as you add and edit line items.
7. When you finish adding information about an item or expense, click **Add**.

Billing subtab

1. Click the **Billing** subtab.
 - a. In the **Vendor Select** field, choose a vendor.

- b. Verify the billing address displayed in the **Vendor** field. To change the address, click the Edit button to the right of the Vendor Select field.

Relationships

1. Click the **Relationships** subtab to add information about contacts. The primary contact for the customer is selected automatically. To edit information for this contact, click the contact name. You can also add contacts to this order by entering the contact information and clicking **Add**.

Communication

1. On the **Communication** subtab, enter files or activities related to this transaction.
 - To add this vendor credit to a queue of vendor credits to be printed, in the Printing section, check the **To Be Printed** box.
This option is only available if you have the Advanced PDF/HTML Templates feature enabled. See the help topic [Vendor Credit Printing](#).
 - Use the **Events**, **Tasks**, and **Phone Calls** subtabs to attach activities to this transaction. For more information, see the help topic [Attaching Events, Tasks, and Calls to Records and Transactions](#).
 - On the **Files** subtab, you can select and attach files from the File Cabinet related to this transaction. Select **New** to upload a new file to File Cabinet.
 - On the **User Notes** subtab, you can enter a title and note for any comments you want to add to this transaction. Click **Add** after each note.

Creating a Vendor Credit Directly From a Vendor Bill

You can create a vendor credit directly from a vendor bill.

To create a vendor credit from a vendor bill:

1. Go to Transactions > Payables > Enter Bills.
2. Click **View** next to the bill you want to credit.
3. Click the **Credit** button.

The Bill Credit opens and automatically enters the items and information from the original bill:

- Vendor name
If you use NetSuite OneWorld and have defined vendor records shared with multiple secondary subsidiaries, note the following. You can associated this vendor credit with any of the subsidiaries assigned to this vendor. The items that can be credited reflect the combination of the selected vendor and subsidiary. For more information about globally shared vendor records, see the help topic [Assigning Subsidiaries to a Vendor](#).
 - Bill number to apply against
 - Items to be credited
 - Expenses to be credited
4. Verify that the credit information showing on the bill is correct. If necessary, modify the amount to be credited for an item or expense.

5. If you like, enter a credit number supplied by your vendor in the **Reference No.** field.
6. In the **Due Date** field, you can specify a date for when this credit is due.
7. Click **Save**.

To apply vendor credits to your accounts payable balance for the vendor

1. Go to Transactions > Payables > Enter Vendor Credits.
2. If the vendor has sent you a refund by cash or check, record the deposit.
For more information, see the following help topics:
 - [Making Deposits](#)
 - [Associating a Vendor Credit With a Deposit](#)
3. After you have entered the vendor credit and recorded the deposit, you can associate the two by issuing a single vendor payment.

Associating a Vendor Credit With a Deposit

In your NetSuite account, you can associate a vendor credit with a bank deposit.


If the vendor has sent you a refund by cash or check, you first need to record the deposit.

To record a deposit:

1. Go to Transactions > Bank > Make Deposits.
2. On the **Deposits** subtab click the **Other Deposits** subtab.
3. Enter the vendor **Name**.
4. Enter the **Amount**.
5. Enter the accounts payable account beside the amount.
Be sure this is the same Accounts Payable account on the Vendor Credit.
6. Click **Save**.

To associate the vendor credit and the deposit:

1. Go to Transactions > Payables > Pay Single Vendor.
2. In the **Payee** field, choose the name of the payee.
The bill credit and the deposit appear in the list at the bottom of the page.
3. In the **Account** field, choose the account in which you deposited the vendor's refund check.
4. Verify the **Exchange Rate**.
5. Verify or enter a **Date**.
6. If you use accounting periods, in the **Posting Period** field, choose the period you want this transaction to be recorded in.
7. Click the **Apply** subtab.
8. Check the boxes in the **Apply** column next to the bill credit and the deposit.
9. Click **Save**.

 **Note:** After you pay the vendor, your vendor credit and deposit are associated in NetSuite.

Creating a Vendor Credit Directly From a Vendor Return

You can create a vendor credit directly from a vendor return.

To create a vendor credit from a vendor return:

1. Go to Transactions > Payables > Enter Vendor Return Authorizations.
2. Click **View** next to the return authorization.
3. On the authorization, click **Refund**.

A new bill credit opens with information automatically filled from the return authorization.

If you use NetSuite OneWorld and have defined vendor records shared with multiple secondary subsidiaries, note the following. You can associated this vendor credit with any of the subsidiaries assigned to this vendor. The items that can be credited reflect the combination of the selected vendor and subsidiary. For more information about globally shared vendor records, see the help topic [Assigning Subsidiaries to a Vendor](#).

4. Verify the information showing on the bill credit and change or add information as necessary.
For details about completing a bill credit form, read [Entering a Vendor Credit Manually](#).
5. Click **Save**.

The bill credit is now available to be applied to open bills.

Applying a Vendor Credit

You can apply vendor credits to decrease the amount owed to a vendor. When you apply a vendor credit against an open bill, the amount of the credit is deducted from the total amount of the bill.

You can apply a vendor credit to a bill on the credit transaction or on a payment transaction. You can also apply part of a vendor credit.

To apply vendor credit on the credit transaction:

1. Go to Transactions > Payables > Enter Vendor Credits > List.
2. On the **Bill Credits** page, click **Edit** next to the credit you want to apply.
3. In the **Items** subtab on the **Bill Credit** page:
 - Check the **Auto-Apply** box if you want NetSuite to apply the credit amount to the oldest vendor bills due.
 - Click the **Apply** subtab to apply the credit toward a specific vendor bill.
 - Check the **Apply** box next to the bills you want the credit applied to.
4. Click **Save**.

Now, when you include the bill you credited on a payment, your payment amount reflects the vendor credit.

You can also apply vendor credits when you enter a payment transaction.

To apply credit on a bill payment:

1. Go to Transactions > Payables > Pay Bills.
2. On the **Bill Payment** page, check the **Pay** box next to each bill you want to pay and each credit you want to apply.
You must have open bills from the vendor to apply a credit from that vendor.
3. Click **Save**.

The vendor credit is applied to the bills for that vendor, and the credit amount is deducted from the total amount paid to the vendor.

To apply credit on a single vendor payment:

1. Go to Transactions > Purchases/Vendors > Pay Single Vendor.
2. On the **Bill Payment** page, select the vendor you want to pay.
Open bills and credits for that vendor appear.
3. Check the **Apply** box next to each bill you want to pay and each credit you want to apply.
You must have open bills from the vendor to apply a credit from that vendor.
4. Click **Save**.

The vendor credit is applied to the bills for that vendor, and the credit amount is deducted from the total amount paid to the vendor.

After you have applied a vendor credit, you can review how it was applied in the following ways:

■ On a Payment:

1. Go to Transactions > Payables > Pay Bills.
2. On the **Bill Payments** page, next to the payment, click **View**.
The **Credits Applied** subtab shows which credits were applied.

■ On a Credit:

1. Go to Transactions > Payables > Enter Vendor Credits > List.
2. On the **Bill Credits** page, next to the credit, click **View**.
3. The **Apply** subtab shows which bills were credited.

If you void a bill payment, the credits previously applied no longer show on that payment.



Important: After you have applied credit to a bill, deleting the bill payment does not automatically unapply credits that were applied to it. You must unapply the vendor credits separately.

Viewing Vendor Credits

You can view the list of vendor credits on the Bill Credits page.

To view vendor credits:

1. Go to Transactions > Payables > Enter Vendor Credits > List.

Removing Credits From Deleted Vendor Payments

It is important to understand that deleting a vendor bill payment or a customer payment does not automatically unapply credits that you have applied. If you need to delete a payment that includes bills or invoices with credits applied, you must open each credit and unapply it separately.

Vendor credits can be unapplied either before or after you delete a bill payment.

To unapply vendor credits:

1. Go to Transactions > Payables > Enter Vendor Credits > List.
2. Click **Edit** next to the credit you want to unapply.
3. On the Bill Credit, click the **Apply** subtab.
4. Clear the **Apply** box next to the bill it is applied to.
5. Click **Save**.

After a vendor credit is unapplied, it can then be applied to another bill.

Vendor Credit Printing

After you enable the Advanced PDF/HTML Templates feature, you can print vendor credits. See the help topic [Advanced PDF/HTML Templates](#).

You can print bills in HTML or PDF format. Printing to PDF format requires Adobe® Reader®. Visit the [Adobe Web site](#) to download the latest version at no charge. You can print individual bills, you can also print multiple bills in bulk.

See the following help topics:

- [Printing a Single Vendor Credit](#)
- [Printing Vendor Credits in Bulk](#)


You can use custom printing templates by creating a custom bill credit form with a custom template assigned in the Print Template field. See the help topic [Advanced Templates Customization in the Template Editor](#).

Printing a Single Vendor Credit

Follow this procedure to print a single vendor credit.

To print a vendor credit:

1. Go to Transactions > Payables > Enter Vendor Credits > List.
2. Click **View** next to the bill credit you want to print.

 **Note:** To print the bill credit directly from the list, click **Print** next to the bill credit you want to print.

3. On the bill credit record, point to the print icon.

4. From the print list, select **Print**.
 - If your preferences are set to print to PDF, a preview of your vendor credit opens in Adobe Reader.
 - If your preferences are set to print to HTML, a preview of your vendor credit opens in your browser in HTML format.
5. To print your vendor credit:
 - When printing from PDF, click the **Print** button in Adobe Reader.
 - When printing from HTML, select the option to print the page from your browser.



Note: The procedure to print from HTML might vary depending on your browser.

6. Click **Print**.

Printing Vendor Credits in Bulk

You enter a vendor credit and then check the To Be Printed box on the Communications subtab. NetSuite saves the vendor credit in a queue to be printed later. This lets you print vendor credits in bulk later. You can also check the Allow Reprinting box to print vendor credits in bulk even if they were previously printed.

To print vendor credits in bulk:

1. Go to Transactions > Management > Print Checks and Forms.
2. Click **Bill Credits**.
3. To only view vendor credits from a specific location, in the **Location** field, select a location.
4. To set a form for this print run, in the **Form** field, select a form.
5. To allow reprinting of bill credits, check the **Allow Reprinting** box.
After you check the **Allow Reprinting** box, all vendor credits appear in the list.
6. Check the **Print** box next to each invoice you want to print.
7. (Optional) See the following additional options:
 - To select all vendor credits at one time, click **Mark All**.
 - To clear all marked vendor credits, click **Unmark All**.
8. Click **Print**.
 - If your preferences are set to print to PDF, a preview of your vendor credits open in Adobe Reader.
 - If your preferences are set to print to HTML, a preview of your vendor credits open in your browser in HTML format.
9. To print your vendor credits:
 - When printing from PDF, click the **Print** button in Adobe Reader.
 - When printing from HTML, select the option to print the page from your browser.



Note: The procedure to print from HTML might vary depending on your browser.

10. Click **Print**.