

# Accounts Payable Accounting and Management Best Practices

## Why Attend

- Accounts Payable (AP) is not just processing checks, mailing them and then filing the backup paperwork. To truly and effectively manage accounts payable, one must understand the AP department's building blocks including, but not limited to customer service, vendor management, check requests and Purchase Orders (POs).
- This course will discuss how to handle invoices, process checks, prevent errors, conduct annual audits, and use technology in the department. You will also learn the best practices to adopt in your AP department and how to develop your department into an effective business partner.

## Course Methodology

- This course demonstrates theoretical and practical core topics in addition to introducing Excel in managing accounts payable. The course also features role playing and presentations by participants.

## Course Objectives

By the end of the course, participants will be able to:

- Identify the function of accounts payable and its role in organizations
- Use accounting principles related to accounts payable
- Describe how to take a successful lead in the management of accounts payable
- Assess AP operations and processes and recommend improvements using the latest best practices
- Evaluate main issues affecting AP staff in order to increase their efficiency and productivity
- Apply tools and techniques in Microsoft Excel to effectively manage and monitor AP performance

## Target Audience

- Managers of accounts payable, AP staff and professionals as well as clerks and specialists who wish to advance their career. The course is also beneficial to professionals in accounting, finance, purchasing and procurement who work closely with accounts payable.

## Target Competencies

- Examining the role of accounts payable
- Performing month-end accruals
- Realizing the value added of three-way matching
- Preparing and analyzing accounts payable aging
- Preventing accounts payable fraud
- Applying accounts payable best practices
- Implementing early payment discount
- Utilizing Excel functions

### The important role of AP

- The meaning of managing accounts payable
- The functions of management
- The big picture: accounts payable and the financial health of organizations
- The functions of the accounts payable department and the role of AP staff
- Accounts payable impact on working capital and cash management

### Accounting essentials for accounts payable

- Accounts payable terminologies
- General ledger and sub-ledger
- Preparing for month-end close and accruals

### Accounts payable processes and best practices

- Invoice handling and routing
- The three-way matching
- Methods of payment processing
- Maintaining the vendor master file
- Travel and Entertainment (T&E)
- Procurement Cards (P-Cards)
- Electronic payment options

### Key topics in accounts payable management

- Operational analysis and benchmarking
- Continuous process improvement
- Developing performance metrics
- Applying best practices in your organization
- Identifying proper internal controls
- The annual audit as an added-value
- Impact of AP outsourcing
- Detecting fraud in accounts payable

## The behavioral side of managing accounts payable department

- Improving the image of the AP department
- Ways to motivate AP staff
- Organizing the AP department
- Closing the communication gap
- Dealing with internal and external disputes
- Importance of internal customer service
- Providing customer service to vendors

## Accounts payable department as a real business partner

- When should we pay our suppliers
- Understanding cost of funds
- Evaluating early payment discount
- Pros and cons of early or late payments
- Relationship with the treasury department

## Using Microsoft Excel in managing accounts payable

- Interface between the accounts payable system and Excel
- Using pivot tables to extract valuable information
- Preparing and analyzing accounts payable aging
- Accounts payable role in improving suppliers commercial terms

