Early Payment Discounts

Angie Mann
Accounts Payable & Travel
Early Payment Discounts

- What is an early payment discount?
  - An invoice discount provided by a supplier when an invoice is paid prior to a specific due date

- Who benefits from the discount?
  - Departments

- How do I get a discount?
  - Complete receipts and approve supplier invoices in a timely manner

- Effective Date = April 15, 2021
  - Applies to all purchase orders created for Grainger Industrial Supply - Southaven, MS starting on Thursday
  - Payment Terms = 2% 10, Net 30
    - 2% discount of invoice total if paid within 10 days of the invoice date

- Suppliers offering a discount will increase as contracts are negotiated to include discount payment terms
Purchase Order

Terms and Taxes

Payment Terms: 2% 10, Net 30
Invoice Date: 04/12/2021

Terms and Taxes:
- Payment Terms: 2% 10, Net 30
- Discount Date: 04/22/2021
- Due Date: 05/12/2021
## Payment Information

### Invoice Information
- **Company**: Louisiana State University and Agricultural and Mechanical College
- **Supplier**: Grainger Industrial Supply - Southaven, MS
- **Currency**: USD
- **Invoice Date**: 04/12/2021
- **Invoice Received Date**: (empty)
- **Total Invoice Amount**: $78.55
- **Amount Due**: 0.00

### Terms and Taxes
- **Payment Terms**: 2% 10, Net 30
- **Discount Date**: 04/22/2021
- **Due Date**: 05/12/2021
- **Default Payment Type**: Paymode

### Invoice Reference Information
- **Ship To Address**: LSU 213 Thomas Boyd Hall Baton Rouge, LA 70803 United States of America
- **Settlement Run**: ST-2021041203
- **On Hold**: No
- **Supplier Document Received**: No
- **Supplier’s Invoice Number**: TEST/INVOICE
- **External PO Number**: (empty)
- **Referenced Invoices**: (empty)
- **Supplier Contract**: SPC-000661: E&G Grainger Cooperative Purchasing Agreement
- **Total Contract Amount**: 10,000,000.00
- **Requisition Type**: Purchase Services/Goods (PSG)

### Payments
- **Payment Date**: 6/4/2021
- **Status**: Complete
- **Reconciliation Status**: Unreconciled
- **Company**: Louisiana State University and Agricultural and Mechanical College
- **Transaction Reference**: 00020984529
- **Payment Amount**: 76.98
- **Discount Taken**: 1.67
### Ledgers

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<th>Journal</th>
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<th>Company</th>
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<th>Ledger Debit Amount</th>
<th>Ledger Credit Amount</th>
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Contributors

- Accounts Payable & Travel
- Administrative Computing Services
- Asset Management
- Financial Accounting & Reporting
- Procurement Services
- Sponsored Program Accounting
Questions?