Infor SyteLine Financials User Guide

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Chapter 1: General Financials Information

About Accounts

An account tracks the money spent or earned by business activities.

Business activities could be any of the following:

- Paying Bills
- Receiving Payments
- Generating Payroll Checks
- Purchasing Supplies
- Paying Rent

The system uses default accounts for specific types of transactions. Account numbers to use for transactions are often automatically assigned from code and parameters forms.

Customer order and purchase order lines use account numbers defined on the **Product Codes** form. An item is assigned a product code, and each product code has account numbers associated with it. When an item is sold, it is entered on a customer order line item. When the voucher is entered, the system credits the inventory account (taken from the product code) with the proper amount.

Account Number Setup

The account number is the central location for domestic currency amounts. The account number spans the system. Use the **Chart of Accounts** form to maintains all amounts for all parts of the system. Accounts must be set up for each of the following account types:

- Assets
- Liabilities
- Owner's Equity
- Revenue
- Expenses

You can also set up accounts for the following account types:

- Allocation
- Statistical: You can only use Statistical Accounts within **Financial Statements**, the **Chart of Accounts** form and the **Chart of Accounts Budget and Plan** form, where they are maintained.
- Analytical: This account type is available only if you have selected the **Analytical Ledger** option on the **General Parameters** form.

For each account, you can also determine whether unit codes will be used. The **Unit Code** tabs display valid unit codes. There are also utilities to help you add, copy, and remove ranges of unit codes.

We recommend that you set up all accounts to be the same number of digits. For example, if you will have accounts up to 999999, then all accounts should have 6 digits. This makes it easier to run utilities with account ranges. If your account numbers are different lengths, for example, 600 to 999 and 100000 to 999999, and you enter the range 600 to 999999 in a utility, it will not process all accounts. You must run the utility for the range 600 - 999 and again for 100000 - 999999.

Note: Accounts can be deleted; however, you cannot delete accounts with data posted to them. You also cannot delete accounts that are referenced on any parameters form (for example, Purchasing Parameters or Accounts Payable Parameters), or any account record if it has any associated Unit Codes (1 through 4).

Control Accounts

On the **Chart of Accounts** form, select the **Control Account** check box to identify the current account as a control account. For more information about how control accounts are used, see About Control Accounts on page 12.

Currency Translation Methods

The currency translation method that is defined for each account is used to calculate exchange rates at different points in time; for example, at the time of a transaction posting, the end of an accounting period, or the average exchange rate within a period. They can only be updated for financial entities that report to other financial entities.

Note: To comply with FASB 52 or GAAP standards, you must set the currency translation method to Average for revenue and expense accounts and End for asset and liability accounts.

About Control Accounts

A control account is a general ledger account with a balance that reflects the total balances of related subsidiary ledger accounts.

For example, many companies specify control accounts for these areas:

- Accounts Payable
- Accounts Receivable
- Inventory
- WIP
- Vouchers Payable
- Taxes
- Bank Accounts
- Service Order Labor, Miscellaneous and Deposit Accounts
- Service Contract Accounts

Control accounts are defined on the **Chart of Accounts** form and are generally only used on setup and parameter forms.

Control accounts require some basic security. Users should not be able to manually post transaction amounts to a control account, which might cause the control account to become out of balance. If you select **Secure Control Accounts** on the **General Parameters** form, control account numbers are not available on drop-down lists on transaction forms like Purchase Orders or Job Material Transactions, and the account numbers also cannot be manually entered on transaction forms.

However, a user who is assigned the group authorization Allow JE to Ctrl Acct (Allow Journal Entries to Control Accounts) can specify a control account for a manual journal entry in the General journal or a user-defined journal in the **Journal Entries**, **Import Journal Entries**, or **Journal Builder** forms. This allows the correction of Distribution journal entries that were incorrectly assigned to control accounts.

About Cancellation Posting for Single-Entry Accounting

For businesses that use single-entry accounting, cancellation posting allows for cancellation or reversal adjustment transactions using a negative entry on the same side, debit or credit, as the original entry. A negative sign (-) is displayed to identify the adjustment. Cancellation posting is available for accounts payable adjustments and accounts receivable credit memos.

Setup and Application

You enable cancellation posting functionality by selecting a setting on the **General Parameters** form. You can then apply this functionality to individual adjustment entries on the**Invoices, Debit and Credit Memos** and **A/P Vouchers and Adjustments** forms.

When you apply cancellation posting to a transaction record, these indications are visible on subsequent posted transactions, journal entries, and ledger reports for the transaction:

- On related forms and reports, a negative sign (-) is displayed with the adjustment amount.
- On these forms, a display-only **Cancellation** check box is selected:
- **A/P Posted Transactions Detail**
- **A/R Posted Transactions Detail**
- **G/L Posted Transactions**
- **Journal Entries**
- On these reports, an X is displayed next to the transaction:
- **A/P Voucher Posting Report**
- **Invoice Transaction Report**
- **Journal Transaction Report**

Processing Rules

These processing rules exist for cancellation posting:

- Accounts Payable:

On the **A/P Vouchers and Adjustments** form, a cancellation posting adjustment references the original voucher number and reverses the entire amount of the original voucher. Partial adjustments cannot be made. Also, amounts and discount and due dates from the original voucher cannot be changed.

Posted vouchers can be canceled only one time. Posted vouchers referenced by posted adjustments or payments cannot be canceled.

- Accounts Receivable:

On the **Invoices, Debit and Credit Memos** form, a cancellation posting credit memo references the original invoice number and reverses the entire amount of the original invoice. Partial credit memos cannot be made. Also, amounts from the original invoice cannot be changed. The due date follows existing rules based on credit terms.

Posted invoices can be canceled only one time. Posted invoices referenced by posted credit memos, debit memos, or payments cannot be canceled.

- Journal Entries and G/L Posted Transactions:

On the **Journal Entries** and **G/L Posted Transactions** forms, negative-signed debit and credit amounts are displayed for cancellation adjustments in the AP Dist journal and for cancellation credit memos in the AR Dist journal. Debit amount totals are tallied using the sum of positive and negative-signed debits. Credit amount totals are tallied using the sum of positive and negative-signed credits. All other entries are displayed using traditional double-entry accounting notation.

The application of cancellation posting does not alter transaction entry. It affects only the display of the debit and credit amounts and totals, as shown in this example:

Original A/R Invoice	Double-Entry Credit Memo for Original Invoice	Single-Entry Cancellation Posting Credit Memo for Original Invoice
Dr Accounts Receivable 119	Dr Revenue 100	Dr Accounts Receivable - 119
Cr Revenue 100	Dr VAT 19	Cr Revenue - 100
Cr VAT 19	Cr Accounts Receivable 119	Cr VAT -19

Reporting

Reports related to voucher adjustments and credit memos display transactions using negative-signed debit and credit amounts. This applies to reporting that occurs during the transaction-to-journal-to-ledger cycle. Again, debit amount totals are tallied using the sum of positive and negative-signed debits. Credit amount totals are tallied using the sum of positive and negative-signed credits.

Certain reporting rules apply when the **Separate Debit and Credit Totals** option is also applied to reports.

A/R A/P Offset Overview

This feature allows you to have a batch of selected AR invoices and AP vouchers offset each other. This can be done only if you have a customer that is also a vendor.

The functionality involves these forms:

- **Accounts Payable Parameters**
- **Vendors**
- **AR/AP Payment Offset**
- **A/R Payments**
- **A/R Payment Distributions**
- **A/P Payments**
- **A/P Payment Distributions**

Offsetting A/R Invoices and A/P Vouchers

To offset A/R Invoices and A/P vouchers:

1. Create an offset account on the **Accounts Payable Parameters** form.
2. Link a customer to a vendor with the Customer field on the **Vendors** form.
3. Create offsetting payments for A/R and A/P on the **A/R A/P Payment Offset** form.
   a. Select either the vendor or the customer. Only vendors and customers with a corresponding customer or vendor appear in the drop down lists. The grid populates with outstanding invoices and vouchers.
   b. Select a combination of vouchers and invoices that have equal amounts. For example, select an invoice for $1,000 and two vouchers; one for $400 and one for $600. If you don't have amounts that exactly balance, click the offset amount either for the voucher or the invoice and provide the new number.
   c. Click **Create Offsets**. A message is displayed that tells you that A/P and A/R payment distributions were created. You can now post these payments using the **A/R Payment Posting** and **A/P Check Printing/Posting** forms. The grid on the **A/R A/P Payment Offset** form does not refresh with current data until you post.
4. View payments as offset with the **Offset** check box on these forms: **A/R Payments**, **A/R Payment Distributions**, **A/P Payments**, and **A/P Payment Distributions**.

   Note: Offset payment distributions cannot be deleted using the **A/R Payment Distributions** or **A/P Payment Distributions** form; however, these distributions are deleted when payments are posted or if you manually delete the payments using the **A/R Payments** or **A/P Payments** form.

Creating and Maintaining Budgets and Plans

Budgets are estimates of anticipated receivables and payables for a specific time frame. They are usually based on historical facts, including past sales and growth trends. The budget amounts are used by General Ledger reports, financial statements, and the **Chart of Accounts Report**. Budgets are also displayed when viewing posted General Ledger (G/L) transactions to allow a comparison between a period's actual transaction amount and the budgeted amount.

The **Chart of Accounts Budget and Plan** form is a worksheet that you use to create budgets and plans for each individual account, accounting period, and fiscal year. This form maintains information for budgets, plans, and actual change amounts. Actual change values are used only to define statistical accounts.

The **Chart of Accounts Budget and Plan** form allows you to store budgets for multiple fiscal years. Each time a new fiscal year is added to the accounting periods or a new Chart of Accounts is added, you must manually add corresponding budget, plan, and actual records. You can either click **New** to add them one at a time or use the **Copy Balances to Budgets** form to copy ranges of Unit Codes and account ranges to and from fiscal years. These amounts are useful for comparing actual financial activity against budgeted or planned activity.

Budget amounts and plan amounts are handled the same way. The plan amounts simply allow for a second budget or planning figure. A common practice is to use the plan amounts to maintain last year's sales figures.

If you are using a second Analytical Ledger in addition to the General Ledger, see About Analytical Accounting on page 233 to learn how budgets and plans are affected.

To enter amounts manually for a new fiscal year:

1. Select **Actions > New**.
2. Select the account.
3. Select the fiscal year, if necessary.
4. In the **Budgeted Change** field, enter the amount.
5. In the **Planned Change** field, enter the amount.
6. Click **Actions > Save**.

You can use the Planned Change amounts in this form to contain last year's account balances.

To create a base value for budgeted amounts that increment each preceding accounting period by a specific percentage:

1. Select **Actions > Budget Growth Auto-Set**.

   The system displays the **Chart of Accounts Budget and Plan Growth** form.
2. Enter the base amount and the desired percentage increase per accounting period.

   This process updates each accounting period for that year.
3. To save the entries, click **OK**.

To create a base value for planned amounts for all currently defined accounting periods that increment each preceding accounting period by a specific percentage:

1. Select **Actions > Plan Growth Auto-Set**.

The system displays the **Chart of Accounts Budget and Plan Growth** form.

2 Enter the base amount value and the desired percentage increase rate of change per accounting period.

This process updates each accounting period for that year.

3 To save the entries, click **OK**.

About Statistical Accounts

Statistical accounts are used to track non-financial, that is, non-monetary, amounts over a period of time.

You can use the information from statistical accounts to compare non-financial data to related financial data - for example, compare Shipping Expenses to Quantity Shipped in each shipping department - in order to control costs or measure productivity.

You can also use statistical accounts to track periodic changes in non-financial data, and to allocate and distribute expenses based on that variable data.

Note: You can only use statistical accounts within the **Chart of Accounts** form and the **Chart of Accounts Budget and Plan** form, where they are maintained.

Creating Statistical Accounts

Statistical accounts are used to track non-financial, that is, non-monetary, amounts over a period of time.

For more information, see About Statistical Accounts on page 17.

To set up statistical accounts.

1 Create an account on the **Chart of Accounts** form where the **Account Type** is set to **`Statistical`**. Set the appropriate unit codes to be accessible. For example, if you want to record statistical information about departments, and Unit Code 1 reports department information, then set **Unit Code 1** to **`Accessible`** for the account.

2 On the **Chart of Accounts - Budget and Plan** form, specify statistical information related to the unit code in the statistical account. Use the **Actual Change** to record the amount of change during the current period.

3 After you have set up your statistical accounts and entered information on the **Chart of Accounts - Budget and Plan** form, use this information to create ratios, compare financial values to non-financial values, or allocate and distribute expenses based on that variable data. For more information, see Example: Allocating Expenses with Variable Percentages based on YTD Amounts from Statistical Accounts on page 280.

Consolidation Overview

You can consolidate your financial data from several sites for timely reporting and online queries.

Entities

In a multi-site environment, you can specify a hierarchy of financial entities that operating sites report to. A financial entity is a level of business operation for which there is:

- A complete set of financial statements,
- Its own domestic currency code, which must be shared by sites that report to it, and its own currency rates, which may or may not be shared by reporting sites/entities.
- Its own account template, chart of accounts, and accounting periods, which must be shared by reporting sites. (Reporting entities do not have to share these characteristics.)

Each entity allows no business activity aside from period, chart and currency maintenance, and the reporting of its consolidated ledger and budgets. Entity users should all belong to the default authorization group Entity Forms, which limits them to using only entity-level forms. They should also be licensed for the "Entity" module.

If the Ledger Detail category is replicated to the entity from the sites, you may be able to view detail down to the level of the originating transaction. (This assumes that any other categories required for the transaction-level detail are also being replicated. Having this level of G/L and other transaction detail replicated to the entity generally does not make sense from a performance standpoint.) Otherwise, you will need to access the specific site in order to view the transaction detail.

For more information about replicating categories, see the *Multi-Site Planning Guide*.

Sites Reporting to an Entity

The majority of operations at sites reporting to an entity remain the same as at a non-reporting site, including the financials. If a site reports to an entity, the site's Chart of Accounts is now owned by the entity and copied from it. In the local copy of the Chart of Accounts, you can delete records to use a subset of the accounts. The site must use the domestic currency of its entity, but it may use its own rates. Consolidation utilities must be run at the reporting sites to copy the posted ledger transactions and budgets into the entities all the way up the hierarchy.

A site is not required to report to an entity, in which case its financials are not consolidated.

Setup of Entities and the Reporting Structure

When you create system databases or add sites and entities to a database, you must specify a site type. When you create a site that will be used as a financial entity, specify a site type of entity.

Operational data such as entry or selection of customers and vendors is not necessary for entities.

Defining the Hierarchy

To define or change the hierarchy of your sites and entities, several tools are available:

- **Change Reports to Entity**: Use this utility at the reporting site/entity to specify the next-level entity to which this site/entity reports.
- **Multi-Site Chart Copy**: Use this utility at the entity to copy the Chart of Accounts to the reporting sites/entities.
- **Ledger Consolidation**: Use this utility at the reporting site/entity to consolidate all previously unconsolidated records for the site, all the way up the financial reporting hierarchy.

Note: Additional steps are required in order to initially set up a financial hierarchy.

For more information, see Setting Up a Consolidation Reporting Structure on page 272.

We suggest that you contact Infor Consulting Services to help with your implementation.

It is not necessary to have a balanced financial hierarchy.

Changes to Your Reporting Structure

Over time, sites come and go and the hierarchy of entities may change. As these changes occur, the historical consolidated financial data will not change, and an historical time-phased site/entity structure will be maintained. This allows prior period reporting and drill-downs to yield identical results, even after the structure has changed. On the date of a reporting structure change, a large transaction is posted to close out all accounts for all selected subordinate sites, computing the account balance of each account. Half of this transaction is immediately consolidated to the existing structure, effectively zeroing the balances from the books. After the hierarchy is changed, the other half of the transaction is consolidated to the new structure, creating opening balances for all the accounts. At the site level, this has no effect, since a debit and credit for the same amount is posted to the same account on the same date.

Be aware of the following when changing the reporting hierarchy:

- Financial statement reporting at entities only shows data for transactions that occurred during the time period that the hierarchy was in place.
- When you change an entity's Reports To mapping, there is no historical audit trail of how it was formerly set up.
- Transactions are consolidated to the current structure only, regardless of effective date of the hierarchy change or the ledger transaction date.

Note: Sites can only report to entities that have matching reporting parameters. This includes the same chart template, domestic currency and financial periods, as well as every Chart of Accounts already defined at the entity.

Currency

Average exchange rates are calculated based on exchange rates established by sites (set up by site or mid-level entity that the site reports to in a shared currency environment). During ledger consolidation, when posting revenue and expense accounts, exchange rates set up at the site level (set up by site or mid-level entity that the site reports to in a shared currency environment) are used to calculate average exchange rate for the period and are used to translate site amounts in site's currency to corporate currency. Exchange rates must be set up at the site (or mid-level entity that the site reports to in a shared currency environment) for Ledger Consolidation to correctly post amounts in corporate currency.

When dealing with multiple currencies in a consolidated environment:

- The base (domestic) currency must be the same at all sites reporting to an entity. However, you may set up the sites so they can maintain their own currency exchange rates - or you may want to maintain the rates only at the entity.

  For more information, see the section on replicating shared currency in Default Replication Categories.
- In each entity's Chart of Accounts, the currency translation method and the exchange rate type are specified for each account.
- The currency table of the entity is the one used for translation during the consolidation. (Sites use the domestic currency of their entity, so there is no currency translation at this level.)

To comply with FASB52 or GAAP standards, on the **Chart of Accounts** form, you must make sure the currency translation methods are set to **`Average`** for revenue and expense accounts, **`End`** for asset and liability accounts, and **`Spot`** for Owner's Equity accounts. You can exclude Owner's Equity accounts from being revalued by setting the **Account Class** in the **Chart of Accounts** form to **`Equity - Non-Monetary`**.

Note: This adjustment is necessary only when the ledger is consolidated in a multi-site setup where a subordinate entity's domestic currency is different from its parent entity's domestic currency, different account types are posted with different translation methods, and the exchange rates varies.

See FASB52 Overview on page 238.

Combined vs. Consolidated Reporting

Financial statements can either show combined data from a group of sites, or consolidated data from an entity and its reporting sites.

If you want to create sample financial statements before changing a hierarchical structure, to see what the combined data from multiple sites will look like, you can mimic the new structure by using multi-site group IDs and combined financial statements.

Even after you have set up a consolidated environment, you may still run combined financial statements for a group of sites.

When you run consolidated financial reports from the entity, all sites that report to the entity must have run the **Ledger Consolidation** utility. When the financial statement is run, no currency translation is required, because the data at the entity level is already translated into the entity's currency and Chart of Accounts. Also, since no multi-site group IDs are specified, it looks only at the information in the entity. Therefore, consolidated financial reports run much faster than combined financial reports.

About Ledger Consolidation

You can consolidate the ledger at the end of the year. When you select the Year End check box, the system posts CTA adjustment transactions to the ledger for the revenue and expense accounts.

The following checks are made:

- The hierarchy is valid
- The accounts map correctly
- The unit codes map correctly
- The currencies convert properly

The system uses the currency rate tables that are defined by each financial entity where the consolidation entries are being written. The translation is performed directly on data from the originating site's transaction.

Period totals are created, using the definitions at each entity additionally segregated by hierarchy.

As this utility runs, it creates a report of any exceptions, undoing only the affected ledger record and continuing with the remaining processing.

Before actually posting the transactions, you can run in Verify mode by not selecting the Consolidate check box.

Note: Before running this utility, you must specify a valid account in the **CTA Account** field on the **General Parameters** form at the corporate entity level; otherwise, an error message displays.

If you are reconsolidating, use the **Set Ledger Consolidated Flag** utility to reset the **Ledger Consolidated** field. Then delete the data in the ledger and pertot database tables for the corporate and lower entities, but not for sites. If you do not take these steps before rerunning **Ledger Consolidation**, the entity ledger will be out of balance.

Unit Code Mapping

Each unit code is copied to the Reports To entity verbatim if that account in the Reports To entity has the unit code enabled.

Budget Consolidation

Use the **Budget Consolidation** utility at the reporting site/entity to consolidate all previously unconsolidated site budgets and plans through the cutoff date. All entities in the hierarchy that are senior to the current site must be replicating G/L or Ledger Consolidation data with the current site. Each budget and plan for each account is consolidated all the way up the hierarchy; the budget and plan at the current site remains unchanged. For higher level entities, the newly created budgets and plans are stored using that entity's chart of accounts, base currency, and financial periods.

If a site or entity enters and leaves a hierarchy in the course of a single year, the original budget/plan will be replaced with the later one.

Chapter 2: Accounts Payable (A/P)

Accounts Payable Setup

To set up your Accounts Payable system:

1 Define A/P account numbers in the **Chart of Accounts** form.

The account numbers are needed for all vouchers, adjustments, and payments in Accounts Payable. The **Chart of Accounts** must contain all Accounts Payable-related account numbers before transaction distributions and posting can occur.

2 Define standard accounts for vouchers payable, duty, freight, and so on, using the **Purchasing Parameters** form.

3 Set up inventory adjustment and variance accounts using the **Product Codes** form.

The system uses the inventory adjustment account number for PO receiving transactions. The variance accounts are the accounts to which you want to assign variance expenses for a group of items identified by a product code.

4 In the **Accounts Payable Parameters** form:

- Specify vendor prefixes.

  The vendor prefix is used for alphanumeric numbering of vendors. The prefix is automatically added to the beginning of default vendor numbers for new vendors. If the user overrides the default value, the prefix is not applied.

- Set up aging parameters, used as the default day range and titles on the **AP Aging Report**.

  Negative numbers represent days until due (the voucher will be due in the future). Positive numbers represent days past due. The **Aging Report** can be based on invoice date, due date, or discount date.

- Set up default accounts for system-generated distributions.
- Specify whether external expense reports are processed by the A/P system.

5 Set up a bank code for each vendor using the **Bank Reconciliations** form.

Bank codes are defined for each bank your company does business with. Each bank code requires a general ledger account number. Several bank codes may use the same general ledger cash account.

6 Set up shipping codes using the **Ship Via Codes** form.

Ship via codes are required for vendors and are used to reference a method of shipment on an order.

7 Set up billing terms codes using the **Billing Terms** form.

The **Billing Terms Code** displays on the **Vendors** or **Multi-Site Vendors** form and identifies the default billing terms. The default value can be overridden on the order. Billing terms calculate the due date, discount date and discount percent (if applicable) when the user provides the invoice date.

8 Set up payment hold reason codes in the **Payment Hold Reasons** form.

These codes explain reasons why vendor payment may be held.

Accounts Payable Steps

Accounts Payable (A/P) is the process you use to pay vendors for services and goods contracted for and delivered. Accounts Payable is closely linked to the purchasing function, where you create and receive purchase orders, purchase requisitions, blanket purchase orders, and line releases.

The following events are the basic steps for Accounts Payable. See the linked help topics for more information.

1 Entering a Vendor Record
2 Creating A/P Vouchers or Adjustments on page 95
3 Distributing A/P Vouchers and Adjustments on page 103
4 Creating Recurring Vouchers on page 92
5 Generating Recurring Vouchers on page 106
6 Distributing Recurring Vouchers on page 102
7 Authorizing Vouchers on page 91
8 Printing and Posting Vouchers on page 107
9 Distributing Vendor Payments Manually on page 69
10 Generating Automatic Payments on page 71
11 Using Quick Payment Application on page 86
12 Printing and Posting Checks on page 77
13 Creating Manual Checks on page 68
14 Using Vendor Payment Hold
15 Logging Vendor Communications
16 Posting to the A/P Ledger Distribution Journal on page 73
17 Deleting A/P Posted Payments on page 24
18 Voiding Posted Checks on page 89
19 Activating/Deactivating Posted Transactions
20 Accounts Payable Year End Procedure
21 Purging Voucher History on page 108

Creating a Debit Memo in A/P

Debit memos for A/P transactions that originated in purchasing must be made in purchasing. So, if you currently have a voucher in **A/P Posted Transactions**, follow these steps:

1. Open the **Purchase Order Receiving** form.
2. Find the PO number.
3. To add the PO line item, click **Add**. The system displays the **Add Receiving Line** form.
4. Select the **DR Return** check box.
5. Enter a positive quantity in the **Receive Qty** field.
6. Leave the **Reject Qty** field at 0 (zero).
7. Select a **Reason Code**.
8. To add the line item, click **Add** and then click **OK**. The system returns you to the **Purchase Order Receiving** form.
9. Select the line item you added and then, to receive it, click **Receive**.

   These journal entries are created:

   - Inventory (Credit)
   - Voucher/Payment (Debit)
10. Open the **Generate AP Transactions** form. The transaction is an adjustment.
11. Select the correct voucher number to create the debit memo. The adjustment is then posted to **A/P Vouchers and Adjustments**.
12. Click **Generate**.
13. Open the **A/P Vouchers and Adjustments** form and post the negative adjustment to the A/P Ledger Distribution Journal.

    These journal entries are created:

    - Voucher/Payment (Credit)
    - A/P (Debit)
14. The debit will show as an adjustment on the **A/P Posted Transactions Detail** form. You can then match the **Vouchers Payable Report** to the General Ledger Vouchers Payable Account.

Caution: Never enter a negative voucher on the **A/P Vouchers and Adjustments** form to create a debit memo for Accounts Payable. A debit memo can be tied by the system back to a voucher, but a voucher cannot be tied back to another voucher (regardless if one is negative).

Deleting A/P Posted Transactions

To void and delete A/P payments that have been posted, use the **Delete A/P Posted Transactions** utility. This utility deletes all fully paid vouchers for the selected vendors.

1. Open the **Delete A/P Posted Transactions** utility form.
2. Specify this information:

- **Through Date**: The current system date displays by default, but you can change it to the last date that a voucher's invoice date can be deleted. If a voucher has a due date that falls after this date, it will not be deleted, regardless of whether the voucher has been paid.
- **Starting Vendor** and **Ending Vendor**: Select the range of vendors whose transactions you want to delete. To delete transactions for all vendors, leave both these fields blank.
- **Purge Non A/P Payments**: To delete all non-A/P payments for the selected vendors, select this check box.
- **Preview/Commit**:
  - To view the results of running the utility without saving the results in the database, select **Preview**.
  - To save the results in the database, select **Commit**.

3 Click **Process**.

Electronic Funds Transfer (EFT)

Setting up Electronic Funds Transfer (EFT) Payments

Electronic funds transfer (EFT) is a common way to process automatic transfer of funds from a company's bank account to its vendors or employees. SyteLine supports various output file formats for submission to third-party EFT transmission systems.

Note: Be aware that check numbers are limited to 7 digits for vendor/employee payments with an EFT Payment Type where the EFT Format set to ALLEFT. You can manually set the check number on the **A/P Payments** form.

1 In the **Chart of Accounts** form, set up any new G/L accounts and unit codes that you will use for automatic A/P payments.

2 On the **General Parameters** form, specify your company's **Bank Authority Party ID**, if your company does business in countries that require it.

3 On the **Countries** form, you should already have set up country codes that map to ISO country codes. You must also set up the **Bank Transit Number Mask** in this form for each country where you will transmit electronic banking data. See the help for this field for some examples of the masking format.

4 On the **Bank Reconcilations** form, specify information about the banks that you will use for EFT transactions. This includes your company's bank as well as vendor and employee banks.

- Create a bank code and specify the appropriate information to describe the banks where your company has accounts. This can include your company’s IBAN number and the currency in which the bank deals, your company’s BIC number or Bank Authority Party ID, as appropriate.

  Your company might have accounts at banks in different regions or in different currencies, to simplify dealing with vendors and employees in those regions or currencies.

- Create a bank code and specify information to describe each of the banks where your vendors and employees have accounts. Specify the currency in which each bank deals.

For vendor's banks, also specify the appropriate EFT information, which can include the IBAN number, BIC number or Bank Authority Party ID, as appropriate.

- If your vendors use an Optical Character Recognition (OCR) number in banking, select the appropriate settings in the OCR Reference Control fields.

5 On the **Bank Addresses** form, specify at least the bank number and the branch code for each bank.

6 On the **A/P EFT Posting** form, specify the format.

7 Use the **Bank File Format** and **Bank Code Bank File Format** forms to set up the EFT parameters for this information:

- EFT format: ALLEFT, BBMEFT, ABAFILE, NACHA PPD, NACHA CCD, SEPA, CPA, CNAB, or ZENGIN File (JBA).
- Bank code to use for EFT transactions
- Logical folder where the EFT output files will be stored
- User name and user number, which is needed only for the ABAFILE format
- Destination ID and Origination ID, which are needed only for the NACHA and CPA formats
- Company ID, which is needed only for the NACHA format
- Whether to use the default account. This is needed only for the CPA format.
- Registration number, which is needed only for the CNAB format

After EFT processing has begun, this tab also shows the last date an EFT file was created, and the name (number) of that file.

8 In the **Remittance Advice** area to the right of the EFT parameters, indicate whether you want to print remittance advice after posting EFT transactions.

9 On the **Vendors** or **Multi-Site Vendors** form, set up EFT information for the individual vendors.

This information includes the **Bank Code** for your company's bank account that you will use for automatic payments; the **Payment Type**, and the **Vendor Bank** code that describes the vendor's bank account that will receive payments from your bank account.

If the vendor's default payment type is EFT, specify this information, depending on the EFT format that you use:

- For ABAFILE, specify the bank account, the bank's EFT (sort) number, and the account name.
- For ALLEFT and BBMEFT, specify the bank account and the bank's EFT (sort) number.
- For CNAB, specify the transit reference, EFT (sort) number, and the account name.
- For CPA, specify the bank account, the transit reference, EFT (sort) number, and the account name.
- For NACHA PPD and NACHA CCD, specify the bank name, transit reference, and bank account.
- For SEPA, specify the international bank account number (IBAN).

For vendors in countries where this is a requirement, specify the Bank Authority Party ID.

If a **Remit To Vendor** is set for the vendor, then EFT information must also be set up for the Remit To Vendor.

10 On the **Employees** form, in the Direct Deposit section, specify appropriate banking information for employees who can receive automatic payments. The information that you must supply depends on the requirements of the banking authority.

For posting steps, see Posting Electronic Funds Transfer Transactions on page 27.

Posting Electronic Funds Transfer Transactions

Note: Ensure that users who perform the Final Register and Post, or who print the Remittance Advice, have permission to write to the output directory for the EFT files. If you run either process successfully, and no file is created, check the permissions on the directory.

To post electronic funds transfer (EFT) transactions and to create the EFT output file:

1 Before posting,select the **A/P EFT Posting Report** option on the **A/P EFT Posting** form.

This option produces a list of the EFT payments that will be posted. The grid at the bottom of the form also displays the list of items that will be posted. Review these lists.

2 After printing the report, to begin the posting process, select the **Final Register and Post** option.

This step also creates the EFT payments output file, using information from fields on the **Bank File Format** form. The system:

- Writes the file in the format specified by the **EFT Format** field.
- Writes payment records to this file, which has an incrementally numbered filename (continuing from the number in the **Last EFT File** field).
- Places the file in the logical folder specified in the **Logical Folder** field.
  Note: Click the **Files** button on the **A/P EFT Posting** form to view or download the output file from the logical folder.
- Creates the EFT Output File Report. This report logs all output EFT records.

3 Optionally, select the **Print Remittance Advice** option and then click **Process** to print remittance advice,

Note: If the EFT option for **Remittance Advice** is selected on the **Accounts Payable Parameters** form, you must also select **Print Remittance Advice**.

To have the remittance advice statement processed for print, fax, or email on a vendor-by-vendor basis, also select the **Use Profile** check box.

When you post an EFT payment and distribution, a **Bank Reconciliations** record stores the payment. The system marks the record as Not Voided.

EFT Output Files

This topic describes EFT output filenames. See the format topics for more information.

About EFT Output Filenames

If the EFT format is ALLEFT or BBMEFT, the filename is incremented each time the post process is run, so the file is never overwritten.

If the EFT format is ABAFILE, CNAB, CPA, NACHA or SEPA, the filename format is EFT + day + month + year + hour + minutes + seconds + the file extension (.aba, .dat, .txt or .xml), so the file is never overwritten.

Format

The format of the EFT output file depends on the value of the **EFT Format** field on the **Accounts Payable Parameters** form. See these topics for information about the file formats:

- ABAFILE Format on page 28
- ALLEFT Format on page 31
- BBMEFT Format on page 31
- CNAB Format on page 32
- CPA Format on page 40
- NACHA Format on page 44
- SEPA Format on page 59

The Zengin (JBA) EFT file is also supported.

ABAFILE EFT Output Format

For full details of the ABAFILE format, contact the Australian Bankers Association. The following tables show field size and justification.

ANZ,NAB, and WBC all use the standard ABA file format. These banks use transaction code 50 or 13 depending on if the payment is a debit or credit.

ABAFILE (ANZ, NAB, WBC)

Standard Record Type 0

Name	Starting Position	Length	Value or Notes
Record Type 0	1	1	0
Blank	2	17	Must be blank-filled
Reel Sequence Number	19	2	01
User Financial Institution	21	3	bank_addr_mst.bank_code Must be an approved financial institution abbreviation
Blank	24	7	Must be blank-filled
User preferred name of user supplying file	31	26	apparms_mst.EFT_user_name Must not be all blanks
User Identification Number of user supplying file	57	6	apparms_mst.EFT_user_number Must be User Identification Number assigned by APCA and User Financial Institutions. Must be numeric. Right justified. Zero filled
Description of file contents	63	12	"VENDOR PMT"

Name	Starting Position	Length	Value or Notes
Date to be processed	75	6	Today() The date when transactions are released to all financial institutions
Blank	81	40	Must be blank-filled.

Standard Record Type 1

Name	Starting Position	Length	Value or Notes
Record Type 1	1	1	1
BSB Number	2	7	vendor_mst.EFT_bank_num Format ###-###
Account number	9	9	vendor_mst.account
Indicator	18	1	blank
Transaction Code	19	2	13 or 50
Amount	21	10	glbank_mst.check_amt
Title of Account	31	32	parms_mst.company
Reference	63	18	glbank_mst.ref_num+'-'+glbank_mst.check_num
BSB Number	81	7	bank_addr_mst.bank_number Format ###-###
AccountNumber	88	9	bank_hdr_mst.branch_code
Name of Remitter	97	16	parms_mst.company
Amount of withholding Tax	113	8	00000000

ABAFILE (HSBC, Bankwest)

These banks use the records above, but in addition to those standard records, they request one last record of Type 1 (Transaction Code = 13) that totals all the payments into one credit record with the format shown here:

Name	Starting Position	Length	Value or Notes
Record Type 1	1	1	1
BSB Number	2	7	bank_addr_mst.bank_number Format ###-###

Name	Starting Position	Length	Value or Notes
Account number	9	9	bank_hdr_mst.branch_code
Indicator	18	1	blank
Transaction Code	19	2	13
Amount	21	10	dbl_NegativeAmtTotal
Title of Account	31	32	parms_mst.company
Reference	63	18	"Creditor Payments"
BSB Number	81	7	bank_addr_mst.bank_number Format ###-###
AccountNumber	88	9	bank_hdr_mst.branch_code
Name of Remitter	97	16	parms_mst.company
Amount of withholding Tax	113	8	00000000

ABAFILE (CBA)

This bank uses the standard formats shows above, but it requires two records for each transaction (Transaction Code = 50 followed by this one with Transaction Code = 13):

Name	Starting Position	Length	Value or Notes
Record Type 1	1	1	1
BSB Number	2	7	bank_addr_mst.bank_number Format ###-###
Account number	9	9	bank_hdr_mst.branch_code
Indicator	18	1	blank
Transaction Code	19	2	13
Amount	21	10	DomCheckAmt
Title of Account	31	32	parms_mst.company
Reference	63	18	"Payment"
BSB Number	81	7	bank_addr_mst.bank_number Format ###-###
AccountNumber	88	9	bank_hdr_mst.branch_code
Name of Remitter	97	16	parms_mst.company
Amount of withholding Tax	113	8	00000000

ALLEFT EFT Output Format

This table shows the ALLEFT EFT output format:

Database Table and Column	Description	Format
vendor_mst.EFT_bank_num	Vendor bank sort code	99-99-99
vendor_mst.account	EFT bank account number	99999999
N/A	Always set to zero	9
first 18 characters of vendor_mst.account_name if not null; else first 18 characters of vendaddr_mst.name	vendor name, or vendor account name. This is reference information.	string of length 18
Sum of all appmtd_mst.dom_amt_paid if the vendor's currency code = currparms_mst.curr_code for a payment; else sum of all apppmtd_mst.for_amt_paid for a payment	Payment amount	decimal, length 8, padded on left with blanks, always 2 digits after the decimal point (maximum 99999.99)
appmt_mst.check-num	Check number	string of length 7, padded on left with blanks

Note: There are no spaces except as specified and each EFT output file line corresponds to one payment record.

If the payment amount is greater than 99999.99, then ?????.?? is written to the output file, and a line displaying the error is written to an error file (generated in the same directory as the output file).

```
11-22-33100200320Bicycle Parts Comp   10.00      1
11-22-33100200320Bicycle Parts Comp   20.00      2
```

BBMEFT EFT Output Format

This table shows the output format:

Database Table and Column	Description	Format
vendor_mst.EFT_bank_num	Vendor bank sort code	99-99-99
N/A	Separator	','
first 18 characters of vendor_mst.account_name if not null; else first 18 characters of vendaddr_mst.name	vendor name, or vendor account name. This is reference information.	string, length 18
N/A	Separator	','

Database Table and Column	Description	Format
Sum of all appmtd_mst.dom_amt_paid if the vendor's currency code = cur-rparm_msts.curr_code for a payment; else sum of all apppmtd_mst.for_amt_paid for a pay-ment	Payment amount	string of length 10, leading spaces converted to zeros and decimal point re-moved
N/A	Always set to 'EFT'	'EFT'
appmt_mst.check-num	check number	integer, field as long as required for number
N/A	Always set to '99'	integer
N/A	Separator	'/'

Note: There are no spaces except as specified and each EFT output file line corresponds to one payment record. Use '/' to delimit the end of each record.

```
11-22-33,Bicycle Parts Comp,10020032,0000001500,EFT7,99/
11-22-33,Bicycle Parts Comp,01234568,0000002000,EFT82,99/
```

CNAB EFT Output Format

The Header and Footer records are the outer "envelope" of the transaction. The Batch Header and Batch Footer records act as an inner envelope.

Each record ends with a carriage control (line break) character.

Header Record

Field Description	Posi-tion	Length	Format	Field or Notes
Bank code in Compensation	1	3	Numeric	bank_addr_mst.bank_number This is the bank that will receive the file.

Field Description	Position	Length	Format	Field or Notes
Batch service	4	4	Numeric	Sequential number to uniquely identify a lot of service. Created and managed responsible for generating the magnetic data in the file. Fill with '0001 'for the first batch file. For the others: use the batch number plus 1. The number must not be duplicated within the file. If the File Header record is complete, use '0000. If the file trailer record is complete, use '9999 '.
Record type	8	1	Numeric	'0'
Use Unique FEBRABAN/CNAB	9	9	Alphanumeric	Blanks
Type of Company Registration	18	1	Numeric	1 - for CPF 2 - for CNPJ.
Company registration number	19	14	>Numeric	apparms_mst.registration_number
Code of the Covenant in the database	33	20	Alphanumeric	Fill with "0009999990126 ", where 999999 is the number of the Covenant for payment, right-aligned with leading zeros, followed by "0126" for payment and other positions with blanks (spaces).
Agency Sponsor of Account	53	5	Numeric	bank_addr_mst.branch_code
Check digit of the Agency	58	1	Alphanumeric	Code adopted by the Bank responsible for the current account, to verify authenticity of the Code of the Agency.
Current account number	59	12	Numeric	bank_hdr_mst.bank_acct_no
Digit account Checker	71	1	Alphanumeric	Code adopted by the responsible bank account to verify the authenticity of Current Account Number. For banks that make use of two positions for the Check Digit Number Current Account, fill this field with the 1st position of this digit. Example:Number Current Account = 45981-36 In this case Account Check Digit = 3

Field Description	Position	Length	Format	Field or Notes
Check digit of AG/Account	72	1	Alphanumeric	Blank
Name of company	73	30	Alphanumeric	parms_mst.company
Name of bank	>103	30	Alphanumeric	bank_hdr_mst.name
Use Unique FEBRABAN/CNAB	133	10	Alphanumeric	Blanks
Shipping/Return Code	143	1	Numeric	1
File generation date	144	8	Numeric	GetCurrentDate()
File generation time	152	6	Numeric	GetCurrentTime()
File sequence number	158	6	Numeric	apparms_mst.EFT_file
No version of the file layout	164	3	Numeric	083
File Recording density	167	5	Numeric	Zeros or blanks
To Use Reserved seat	172	20	Alphanumeric	Text of remarks intended for the exclusive use of the Bank.
Company reserved	192	20	Alphanumeric	Text of remarks intended for the exclusive use of the Company.
Use Unique FEBRABAN/CNABe	212	29	Alphanumeric	Text of remarks intended for the sole use of FEBRABAN. Fill with blanks.

Batch Header Record

Field Description	Position	Length	Format	Field or Notes
Bank code in Compensation	1	3	Numeric	bank_addr_mst.bank_number

Field Description	Position	Length	Format	Field or Notes
Batch service	4	4	Numeric	Sequential number to uniquely identify a lot of service. Created and managed responsible for generating the magnetic data in the file. Fill with '0001 'for the first batch file. For the others: use the batch number plus 1. The number must not be duplicated within the file. If the File Header record is complete, use '0000. If the file trailer record is complete, use '9999 '.
Record type	8	1	Numeric	1
Type of operation	9	1	Alphanumeric	C
Service type	10	2	Numeric	20
Release form	12	2	Numeric	03
Version number of lot Layout	14	3	Numeric	042
Use Unique FEBRABAN/CNAB	17	1	Alphanumeric	Blanks
Type of Company Registration	18	1	Numeric	2
Registration number of company	19	14	Numeric	apparms_mst.registration_number
Code of the Covenant in the database (subdivided below)	33	20	Alphanumeric	
No payment of the Covenant	33	9		apparms_mst.ach_origin_id
	42	4		0126
	46	5		Blanks
	51	2		
Agency Sponsor account	53	5	Numeric	bank_addr_mst_mst.branch_code

Field Description	Position	Length	Format	Field or Notes
Digit account Checker	58	1	Alphanumeric	Code adopted by the responsible bank account to verify the authenticity of Current Account Number. For banks that make use of two positions for the Check Digit Number Current Account, fill this field with the 1st position of this digit. Example: Number C / C = 45981-36 In this case Account Check Digit = 3
Current account number	59	12	Numeric	bank_hdr_mst.bank_acct_no
Digit account Checker	71	1	Alphanumeric	same as above
Check digit of Ag/Account	72	1	Alphanumeric	
Name of company	73	30	Alphanumeric	parms_mst.company
Message 1	103	40	Alphanumeric	
Street name	143	30	Alphanumeric	
Local number	173	5	Numeric	
Home, Apartment, Room, Etc	178	15	Alphanumeric	
City name	193	20	Alphanumeric	
CEP	213	5	Numeric	
Add-on of the CEP	218	3	Alphanumeric	
Abbreviation of the State	221	2	Alphanumeric	
Use Unique FEBRA-BAN/CNAB	223	8	Alphanumeric	
Code of Occurrences for return	231	10	Alphanumeric	

Segment A

Field Description	Position	Length	Format	Field or Notes
Bank code in Compensation	1	3	Numeric	bank_addr_mst.bank_number
Batch service	4	4	Numeric	(From Batch Header record) 0001+
Record type	8	1	Numeric	3
No record in the batch Sequence	9	5	Numeric	00001+
Thread registry Detail	14	1	Alphanumeric	A
Entry type	15	1	Numeric	0
Code instruction for movement	16	2	Numeric	00
Code Coordinating Board	18	3	Numeric	IF(appmt_mst.for_check_amt < 5000, 700, 018)
Payee Bank code	21	3	Numeric	vendor_mst.EFT_bank_num
Agency Sponsor of the payee's Account	24	5	Numeric	First 5 chars of vendor_mst.transit
Check digit of the Agency	29	1	Alphanumeric	Code adopted by the Bank responsible for the current account, to verify authenticity of the Code of the Agency.
Current account number	30	12	Numeric	vendor_mst.account
Digit account Checker	42	1	Alphanumeric	Code adopted by the responsible bank account to verify the authenticity of Current Account Number. For banks that make use of two positions for the Check Digit Number Current Account, fill this field with the 1st position of this digit. Example: Number C / C = 45981-36 In this case Account Check Digit = 3

Field Description	Position	Length	Format	Field or Notes
Check digit of AG/Account	43	1	Alphanumeric	Code adopted by the Bank responsible for the current account, to verify authenticity of the pair Branch Code / Account Number Current. For banks that make use of two positions for the Check Digit Number Current Account, fill this field with the 2nd position of this digit. Example: Number C / C = 45981-36
Payee name	44	30	Alphanumeric	Name OR VadRName = vendaddr_mst.name
Document Number Assigned for Company	74	20	Alphanumeric	ppmt_mst.check_num (74-79) + (From Batch Header record) 0001+ (80-85) + apparms_mst.EFT_file (86-93)
Date of payment	94	8	Numeric	appmt_mst.check_date
Currency type	102	3	Alphanumeric	vendor_mst.curr_code
Currency amount	105	10	Numeric	if Currency type = BRL (000)
Payment amount	120	13	Numeric	appmt_mst.for_check_amt
Document Number Assigned by the Bank	135	20	Alphanumeric	
Actual date of Payment Effectuation	155	8	Numeric	00000000
Actual value of the identifiable Pay	163	13	Numeric	0000000000000
Other information. Salaries of servers by SIAPE	178	40	Alphanumeric	
Supplement Service Type	218	2	Alphanumeric	07
TED's purpose code	220	5	Alphanumeric	

Field Description	Position	Length	Format	Field or Notes
Add-on pay purpose.	225	2	Alphanumeric	
Use Unique FEBRABAN/CNAB	227	3	Alphanumeric	
Notice to the Payee	230	1	Numeric	0
Codes of Occurrences p/return	231	10	Alphanumeric	

Batch Footer

Field Description	Position	Length	Format	Field or Notes
Bank code in Compensation	width="56">1	width="40">3	Numeric	bank_addr_mst.bank_number
Batch service	4	4	Numeric	0001+
Record type	8	1	Numeric	5
Use Unique FEBRABAN/CNAB	9	9	Alphanumeric	Blanks
Amount of batch Records	18	6	Numeric	Add Record types (1,3,5)
Sum of the values	24	16	Numeric	SUM()
Sum of amount of Coins	42	13	Numeric	SUM()
Debit Notice number	60	6	Numeric	
Use Unique FEBRABAN/CNAB	66	165	Alphanumeric	Blanks
Return codes of occurrences for	231	10	Alphanumeric	

Footer

Field Description	Position	Length	Format	Field or Notes
Bank code in Compensation	1	3	Numeric	bank_addr_mst.bank_number
Batch Service	4	4	Numeric	9999

Field Description	Position	Length	Format	Field or Notes
record type	8	1	Numeric	9
Use Unigue FEBRABAN/CNAB	9	9	Alphanumeric	Blanks
Amount of lots in File	18	6	Numeric	SUM()
Amount of file records	24	v6	Numeric	SUM()
Number of Accounts for Conciliation (Lots)	30	6	Numeric	000000
Use Exclusivo FEBRABAN/CNAB	36	205	Alphanumeric	Blanks

CPA EFT Output Format

The Header and Trailer records are the outer "envelope" of the transaction. The Detail records act as an inner envelope combining similar entries.

Each record ends with a carriage control (line break) character.

Header Record

Field Description	Position	Length	Format	Field or Notes
Originator's ID	11-20	10	Alphanumeric	`bank_hdr_bank_file_fmt_mst.ach_origin_id` This is the number assigned by the bank for EFT accounts.
File Creation No.	21-24	4	Numeric	`bank_file_fmt_mst.last_file` The file creation number must increment by one from one file to the next.
Creation Date	25-30	6	Numeric	GETCurrentDate(CYYDDD) C=0 YY=10 for 2010 DDD=Year Day
Destination Data Centre	31-35	5	Numeric	`bank_hdr_bank_file_fmt_mst.ach_dest_id` This is the bank's institution ID.
Reserved Customer-Direct Clearer Communication area	36-55	20	Alphanumeric	Blank
Currency Code Identifier	56-58	3	Alphanumeric	vendor_mst.curr_code

Field Description	Position	Length	Format	Field or Notes
Filler	59-1464	1406	Alphanumeric	Blank

Detail Record

Field Description	Position	Length	Format	Field or Notes
Logical Record Type ID	1	1	Alpha	C = Credit Payment D = Debit Payment
Logical Record Count	2	9	Numeric	Count() Increment by 1 from field 02 in the Header record
Origination Control Data	11	10	Alphanumeric	`bank_hdr_bank_file_fmt_mst.ach_origin_id` This is the number assigned by the bank for EFT accounts.
File Create Number	21	4	Numeric	`bank_file_fmt_mst.last_file` Must be the same as the field in the Header record
CPA Code	25	3	Numeric	450 CPA transaction code
Amount	28	10	Numeric	`appmt_mst.for_check_amt` Amount of EFT transaction, format $$$$$$$$cc No commas or decimal points. Right justified
Due Date Centry	38	1	>Numeric	0 (no change in turn of century)
Due Date Year	39	>2	>Numeric	GetYear()
Due Date Day	41	3	Numeric	GetDay()
Financial Institution Number	44	4	Numeric	vendor_mst.EFT_bank_num Institution ID
Financial Institution Branch Number	48	5	Numeric	vendor_mst.transit Branch or transit number.
Account Number	53	12	Alphanumeric	vendor_mst.account Field must be left justified, do not zero fill. Enter significant digits only

Field Description	Position	Length	Format	Field or Notes
Item Trace Number	65	22	Numeric	0000000000000000000000
Stored Trans Type	87	3	Numeric	000
Short Name	90	15	Alphanumeric	bank_hdr_bank_file_fmt_mst.user_name Your company's name for participant's statements. This appears on most bank statements. Do not enter zeros in the field.
Transaction Payee/ Payor name	105	30	Alphanumeric	Name OR VadRName = vendaddr_mst.name Vendor or Remit To Vendor Name
	Name	135	30	Alphanumeric
Eft Originator ID	165	10	Alphanumeric	Blank
Transaction Origination Xref	175	19	Alphanumeric	appmt_mst.vend_num + "-" + appmt_mst.check_num Optional reference field
Transaction Return Financial Institution	194	9	Numeric	The element is formatted as (a) (b) (c) 9 999 99999 where (a) = constant zero (b) = bank number (bank_addr_mst.bank_number) (c) = branch or transit number (bank_addr_mst.branch_code) If Use Default Account is not selected on the Bank Code Bank File Format form, this value contains bank_addr_mst.bank_number + bank_addr_mst.branch_code. If Use Default Account is selected, this value contains all zeros.
Transaction return Account	203	22	Alphanumeric	bank_hdr_mst.bank_acct_no If Use Default Account is not selected on the Accounts Payable Parameters form, this field is required; if not then leave blank

Field Description	Position	Length	Format	Field or Notes
Originator's Sundry Info	215	15	Alphanumeric	Blank
Stored Trace Number	230	22	Alphanumeric	Blank
Settlement Code	252	2	Alphanumeric	Blank
Invalid Data Element	254	11	Numeric	00000000000

Trailer Record

Field Description	Position	Length	Format	Field or Notes
Record Type	1	1	Alpha	Z
Record Sequence/Count	2	9	Numeric	Count() Increment by 1 from previous record sequence number
EFT Originator	11	10	Numeric	`bank_hdr_bank_file_fmt_mst.ach_origin_id` Must be the same as in the Header record
File Create Number	21	4	Numeric	`bank_file_fmt_mst.last_file` Must be the same as in the Header record.
Value of debits	25	14	Numeric	00000000000000 Amount of debit payment transactions (type D). Right-justify with leading zeros. Format $$$$$$$$$$$$cc
Number of debits	39	8	Numeric	00000000 Total number of debit payment transactions (Type D). Right-justify with leading zeros.
Value of credits	47	14	Numeric	Sum() Amount of credit payment transactions (Type C). Righ- justify with leading zeros. Format $$$$$$$$$$$$cc

Field Description	Position	Length	Format	Field or Notes
Number of credits	61	8	Numeric	Sum() Total number of debit payment transactions (Type C). Right-justify with leading zeros.
Total Value of Error Corrections 'E'	69	14	Numeric	0
Total Number of Error Corrections "E"	83	8	Numeric	0
Total Value of Error Corrections "F"	91	14	Numeric	0
Total Number of Error Corrections "F"	105	8	Numeric	0

NACHA EFT Output Format

The NACHA file format is composed of 94-character records.

The File Header and File Control records are the outer "envelope" of the transaction. The Batch Header and Batch Control records act as an inner envelope combining similar entries.

Note: ACH File output format is used for payments from a US company with a domestic currency of USD to a US vendor. If the company domestic currency does not equal USD, then an IAT record is included in the EFT output for NACHA format.

Records can be formatted using the file structures described in these topics:

- NACHA ACH File Output Format on page 44
- NACHA IAT File Output Format on page 50

NACHA ACH File Output Format

ACH records are used when NACHA payments are sent domestically within the United States.
Note: ACH File output format is used for payments from a US company with a domestic currency of USD to a US vendor. If the company domestic currency does not equal USD, then an IAT record is included in the EFT output for NACHA format.

See NACHA IAT File Output Format on page 50.

Each record ends with a carriage control (line break) character.

File Header Record

This record includes your company name and company number. It also designates the immediate destination of the entries in the file.

Field Description	Position	Length	Format	Field or Notes
Record Type Code	1	1		Value is 1. This identifies the file header record.
Priority Code	2	2		Value is 01. The lower the number, the higher the processing priority. Currently, only 01 is used.
Filler	4	1	Blank	Not used.
Destination ID	5	9	Fill with zeros to the left	`bank_hdr_bank_file_fmt_mst.ach_dest_id` - Bank's transit routing number
Company ID	14	10	Left-justified	`bank_hdr_bank_file_fmt_mst.ach_co_id` - Company number. The use of an IRS federal tax ID number is recommended. The company ID is displayed in the output with leading zeros.
Creation Date	24	6	YYMMDD	dbo.getsitedate - Date the input file was created.
Creation Time	30	4	HHMM	dbo.getsitedate - Time of day the input file was created.
File ID	34	1	Uppercase A-Z Numeric 0-9	Initial value is A. This is a code to distinguish between multiple input files. If more than one file is delivered, they must have different file IDs.
Record Size	35	3		Value is 094 - Number of bytes per record.
Blocking Factor	38	2		Value is 10.
Format Code	40	1		Value is 1.
Destination Name	41	23	Left-justified	`bank_hdr_mst.name` - Name of bank. Form field is 60 characters, but is truncated here to 23.
Company Name	64	23	Left-justified	`parms_mst.company` - Name of your company. Form field is 60 characters, but is truncated here to 23.
Filler	87	8	Blanks	Not used.

Note: There is a space between the File Header Company Name and the Batch Header Record Code.

Batch Header Record

This record contains the effective entry (transaction) date, which is the date the deposits will be settled. The record also identifies your company and contains an entry description for debits and credits in this batch.

Field Description	Position	Length	Format	Field or Notes
Record Type Code	1	1		Value is 5. This identifies the batch header record.
Service Class Code	2	3		This value identifies the type of entries in the batch: • 200 identifies the type of entries in the batch as mixed debits and credits. • 220 indicates that only credits are contained in this batch. • 225 indicates that only debits are contained in this batch.
Company Name	5	16	Left-justified, alphanumeric	`parms_mst.company` - Form field is 60 characters, but is truncated here to 16.
Filler	21	20	Blanks	Not used.
Company ID	41	10	Left-justified, alphanumeric	`bank_hdr_bank_file_fmt_mst.ach_co_id` - Company number. Value is the same as Company in the file header record, unless multiple companies or divisions are sent in one transmission. The company ID is displayed in the output with leading zeros.
Entry Class	51	3	Alphabetic	Value is PPD. This identifies the entries in the class. The standard entry class used here is Prearranged Payments and Deposit entries.
Entry Description	54	10	Left-justified, alphanumeric	Value is Vouchers. This is a description of the transaction that may be printed on the receiver's bank statement.
Company Descriptive Date	64	6	MMDDYY	dbo.getsitedate. This is the current date, which is used to identify the transactions. It may be printed on the receiver's bank statement.

Field Description	Position	Length	Format	Field or Notes
Effective Entry (Transaction) Date	70	6	YYMMDD	dbo.getsitedate. This is the current date, which is used to post the transactions.
Filler	76	3	Blanks	Not used.
Originator Status Code	79	1		Value is 1. This identifies the bank as a depository financial institution bound by the rules of the ACH.
Originating ID	80	8	Fill with zeros to left	`bank_hdr_bank_file_fmt_mst.ach_orig_id` - The transit routing number of the originating financial institution.
Batch Sequence Number	88	7	Fill with zeros to left	Initial value is 1. Number batches sequentially.

PPD Detail Record

This record contains the information needed to post a deposit to an account, such as the receiver's name, account number, and payment amount.

Field Description	Position	Length	Format	Field or Notes
Record Type Code	1	1		Value is 6. This identifies a detail entry record.
Transaction Code	2	2	Numeric	Identifies the account type at the receiving financial institution as a deposit destined for a checking account.
Detail Transit	4	8	Fill with zeros to left	`vendor_mst.transit` - Transit routing number of the receiver's financial institution.
Check Digit	12	1	Numeric	The ninth digit of the receiving financial institution's transit routing number, calculated by SyteLine.
Account Number	13	17	Left-justified, alphanumeric	`vendor_mst.account` - Receiver's bank account number.
Amount	30	10	Fill with zeros to left (no decimal point)	DerDomAmtApplied * 100 - Transaction amount in dollars with two decimal places
Vendor ID	40	15	Left-justified, alphanumeric	`vendor_mst.vend_num` - This vendor number may be printed on the receiver's bank statement.

Field Description	Position	Length	Format	Field or Notes
Vendor Name	55	22	Left-justified, alphanumeric	`vendaddr_mst.name` - Form field is 60 characters, but is truncated here to 22.
Filler	77	2	Blanks	Not used.
Addenda	79	1	Numeric	Value is 0 - Indicates no addenda records for this transaction.
Detail Orig ID	80	8	Fill with zeros to left	`bank_hdr_bank_file_fmt_mst.ach_orig_id` - This value is the origination ID of the receiver's bank.
Detail Sequence	88	7	Fill with zeros to left	Initial value is 1. This value increments for every payment record.

Note: The optional Entry Detail Addenda record is not included with SyteLine A/P EFT files. There are line breaks (carriage return characters) between each detail record.

Batch Control Total

This record appears at the end of each batch. It holds totals for the batch.

Field Description	Position	Length	Format	Field or Notes
Record Type Code	1	1		Value is 8. This identifies a batch control total record.
Service Class	2	3	Numeric	This value identifies the type of entries in the batch: • 200 identifies the type of entries in the batch as mixed debits and credits. • 220 indicates that only credits are contained in this batch. • 225 indicates that only debits are contained in this batch.
Entry Count	5	6	Numeric. Fill with zeros to left	Total number of detail records processed in the batch.
Entry Hash	11	10	Numeric	Value is calculated by SyteLine.
Total Debit Amount	21	12	Numeric. Fill with zeros to left	Dollar total of debit entries in the batch.
Total Credit Amount	33	12	Numeric. Fill with zeros to left	Sum of DerDomAmtApplied for each payment *100. This is the dollar total of credit entries in the batch.

Field Description	Position	Length	Format	Field or Notes
Company ID	45	10		`bank_hdr_bank_file_fmt_mst.ach_co_id` - This should match the Company ID used in the batch header. The company ID is displayed in the output with leading zeros.
Filler	55	25	Blanks	Not used.
Origination ID	80	8	Numeric. Fill with zeros to left	`bank_hdr_bank_file_fmt_mst.ach_orig_id` - This should be the originating bank's routing number.
Sequence	88	7	Numeric. Fill with zeros to left	Initial value is 1. This indicates the number of the batch associated with the control record.

File Control Records

This record provides a final check on the submitted data. It contains block and batch counts and totals for each type of entry.

Field Description	Position	Length	Format	Field or Notes
Record Type Code	1	1		Value is 9. This identifies a file control record.
Batch Count	2	6	Numeric. Fill with zeros to left	Initial value is 1. This is the total number of batch header records in the file.
Block Count	8	6	Numeric. Fill with zeros to left	The system calculates the number of detail records, plus all header and control records, and divides by 10 to get the block count. If there is a remainder, it adds 1 to the block count.
Entry Count	14	8	Numeric. Fill with zeros to left	This is the total number of detail records in the file.
Entry Hash	22	10	Numeric. Fill with zeros to left	Value is calculated by SyteLine.
Total Debit	32	12	Numeric. Fill with zeros to left	Dollar total of debit entries in the file.
Total Credit	44	12	Numeric. Fill with zeros to left	Sum of DerDomAmtApplied for every payment * 100. This is the dollar total of credit entries within the file.
Reserved	56	39	Blanks	Leave this reserved field blank.

NACHA IAT File Output Format

NACHA IAT records are used when payments are sent to a foreign country.
Note: ACH File output format is used for payments from a US company with a domestic currency of USD to a US vendor. If the company domestic currency does not equal USD, then an IAT record is included in the EFT output for NACHA format.

See NACHA ACH File Output Format on page 44.

Each record ends with a carriage control (line break) character.

File Header Record

This record includes your company name and company number. It also designates the immediate destination of the entries in the file.

Field Description	Position	Length	Format	Field or Notes
Record Type Code	1	1		Value is 1. This identifies the file header record.
Priority Code	2	2		Value is 01. The lower the number, the higher the processing priority. Currently, only 01 is used.
Destination ID	4	10	Fill with zeros to the left	`bank_hdr_bank_file_fmt_mst.ach_dest_id` - Bank's transit routing number There is a space between Priority Code and Destination ID.
Company ID	14	10	Left-justified	`bank_hdr_bank_file_fmt_mst.ach_co_id` - Company number. The use of an IRS federal tax ID number is recommended. The company ID is displayed in the output with leading zeros.
Creation Date	24	6	YYMMDD	dbo.getsitedate - Date the input file was created.
Creation Time	30	4	HHMM	dbo.getsitedate - Time of day the input file was created.
File ID	34	1	Uppercase A-Z Numeric 0-9	Initial value is A. This is a code to distinguish between multiple input files. If more than one file is delivered, they must have different file IDs.
Record Size	35	3		Value is 094 - Number of bytes per record.
Blocking Factor	38	2		Value is 10.
Format Code	40	1		Value is 1.

Field Description	Position	Length	Format	Field or Notes
Destination Name	41	23	Left-justified	`bank_hdr_mst.name` - Name of bank. Form field is 60 characters, but is truncated here to 23.
Company Name	64	23	Left-justified	`parms_mst.company` - Name of your company. Form field is 60 characters, but is truncated here to 23.
Return				vbNewLine or vbCLf

Note: There is a space between the File Header Company Name and the Batch Header Record Code.

Batch Header Record IAT

This record contains the effective entry (transaction) date, which is the date the deposits will be settled. The record also identifies your company and contains an entry description for debits and credits in this batch.

Field Description	Position	Length	Format	Field or Notes
Record Type Code	1	1		Value is 5. This identifies the batch header record. There is a space between the Company Name and the Batch Header Record Type.
Service Class Code	2	3		This value identifies the type of entries in the batch: • 200 identifies the type of entries in the batch as mixed debits and credits. • 220 indicates that only credits are contained in this batch. • 225 indicates that only debits are contained in this batch.
Company Name	5	16	Blanks	`parms_mst.company` - Form field is 60 characters, but is truncated here to 16.
Foreign Exchange Indicator	21	2		Value is FF. There is no foreign exchange conversion for entries transmitted using this code.
Foreign Exchange Reference Indicator	23	1		Value is 3. Transaction does not use foreign exchange.

Field Description	Position	Length	Format	Field or Notes
Foreign Exchange Reference	24		Space filled	
ISO Destination Country Code	39	2		`vendaddr_mst.country`. Use ISO country codes.
Originator ID	41	10	fill 0 to left	If a person is not originating the batch, this field must contain the IRS Taxpayer Identification number (TIN) of the originators specified in the Originator Name field. NACHA rules do not indicate whether an alpha or number prefixing the TIN is acceptable. NACHA has recommended that third-party senders initiating an IAT transaction on behalf of another part use this field for the third-party sender's TIN.
Entry Class	51	3	Alphabetic	Value is IAT.
Entry Description	54	10	Left-justified, alphanumeric	Value is Vouchers. This is a description of the transaction that may be printed on the receiver's bank statement.
ISO Orig Curr Code	64	3		USD
ISO Dest Curr Code	67	3		USD
Date	70	6	MMDDYY	dbo.getsitedate
Settlement Date	76		Blank	Leave blank.
Originator Status Code	79	1		Value is 1. This identifies the bank as a depository financial institution bound by the rules of the ACH. There are 3 spaces between the Transaction Date and the Originator Status.
Originating ID	80	8	Fill with zeros to left	`bank_hdr_bank_file_fmt_mst.ach_orig_id` - The transit routing number of the originating financial institution.
Batch Sequence Number	88	7	Fill with zeros to left	Initial value is 1. Number batches sequentially.
Return				vbNewLine or vbCLf

IAT Detail Record

This record contains the information needed to post a deposit to an account, such as the receiver's name, account number, and payment amount.

Field Description	Position	Length	Format	Field or Notes
Record Type Code	1	1		Value is 6. This identifies a detail entry record.
Transaction Code	2	2	Numeric	Identifies the account type at the receiving financial institution as a deposit destined for a checking account. If DerDomAmtApplied > 0 then the value is 22 or 32; otherwise it is 27 or 37, depending on whether the vendor account is checking or savings.
Detail Transit	4	8	Fill with zeros to left	vendor_mst.transit - Transit routing number of the receiver's financial institution.
Check Digit	12	1	Numeric	The ninth digit of the receiving financial institution's transit routing number, calculated by SyteLine.
Num Addenda Records	13	4		7. This number represents the number of addenda records associated with each Entry Detail record.
Filler	17	13	Blanks	
Amount	30	10	Fill with zeros to left (no decimal point)	DerDomAmtApplied * 100 - Transaction amount in dollars with two decimal places
Account Number	40	35	Left-justified	vendor_mst.account - Receiver's bank account number.
Filler	75	2	Blanks	
Filler	77	1	Blanks	
Filler	78	1	Blanks	
Addenda	79	1	Numeric	Value is 1 - Indicates that addenda records exist for this transaction.
Trace Number				`vendor_mst.transit` + #. First 8 digits is vendor transit number; the last 7 digits must be incremented by 1 for each Detail record.
Detail Addenda Record Indicator				vbNewLine or vbCLf

Note: The optional Entry Detail Addenda record is not included with SyteLine A/P EFT files. There are line breaks (carriage return characters) between each detail record.

First IAT Addenda Record

This record contains addenda.

Field Description	Position	Length	Format	Field or Notes
Record Type Code	1	1		Value is 7.
Addenda Code	2	2		Value is 10.
Transaction Code	4	3		Value is BUS.
Foreign Payment Amount	7	18	Numeric. Fill with zeros to left	DerDomAmtApplied * 100 No decimal.
Foreign Trace Number	25	22	Space filled	Blank
Receiving Company Name	47	35		`vendaddr_mst.name`
Reserved	82	6	Space filled	
Entry Detail	88	7	Fill with zeros to left	This number is the same as the last seven digits of the Trace Number.
Return				vbNewLine or vbCLf

Second IAT Addenda Record

This record contains addenda.

Field Description	Position	Length	Format	Field or Notes
Record Type Code	1	1		Value is 7.
Addenda Code	2	2		Value is 11.
Originator Name	4	35		`parms_mst.company` Field is 60 characters but will be truncated to 35.
Street Address	39	35		`parms_mst.addr##1` This is the physical address of the originator. A PO Box is not allowed.
Reserved	74	14		

Field Description	Position	Length	Format	Field or Notes
EntryDetailSeqNumber	88	7		
Return				vbNewLine or vbCLf

Third IAT Addenda Record

This record contains addenda.

Field Description	Position	Length	Format	Field or Notes
Record Type Code	1	1		Value is 7.
Addenda Code	2	2		Value is 12.
Originator City and State	4	35		`parms_mst.city + * + parms_mst.state + \` The originator's city and state/province. Use an asterisk between the city and state/province. Use a backslash as the terminator.
Originator Country and Postal Code	39	35		`parms_mst.country + * + parms_mst.zip + \` The originator's country and ZIP code. Use an asterisk between the country and ZIP. Use a backslash as the terminator.
Reserved	74	14		
EntryDetailSeqNumber	88	7		
Return				vbNewLine or vbCLf

Fourth IAT Addenda Record

This record contains addenda.

Field Description	Position	Length	Format	Field or Notes
Record Type Code	1	1		Value is 7.
Addenda Code	2	2		Value is 13.

Field Description	Position	Length	Format	Field or Notes
Originating Bank Name	4	35		bank_hdr_mst.name
	39	2		
Originating Bank ID	41	34		bank_hdr_bank_file_fmt_mst.ach_orig_id
Originating Branch Country Code	75	3		parms_mst.country
Reserved	78	10		Blank
EntryDetailSeqNumber	88	7		
Return				vbNewLine or vbCLf

Fifth IAT Addenda Record

This record contains addenda.

Field Description	Position	Length	Format	Field or Notes
Record Type Code	1	1		Value is 7.
Addenda Code	2	2		Value is 14.
Receiving Bank Name	4	35		vendor_mst.bank_name
Receiving Number Qualifier	39	2		vendor.transit_reference If US is specified for the Receiving Branch Country Code, this defaults to 01.
Receiving Bank Routing Number	41	34		vendor_mst.transit
Receiving Branch Country Code	75	3		vendaddr_mst.country
Reserved	78	10		Blank
EntryDetailSeqNumber	88	7		
Return				vbNewLine or vbCLf

Sixth IAT Addenda Record

This record contains addenda.

Field Description	Position	Length	Format	Field or Notes
Record Type Code	1	1		Value is 7.
Addenda Code	2	2		Value is 15.
Receiver's ID Number	4	15		`vendor_mst.vend_num`
Receiver's Street Address	19	35		`vendaddr_mst.addr##1(vadRAddr_1 or VadAddr_1)`
Reserved	54	34	Space filled	
EntryDetailSeqNumber	88	7		
Return				vbNewLine or vbCLf

Seventh IAT Addenda Record

This record contains addenda.

Field Description	Position	Length	Format	Field or Notes
Record Type Code	1	1		Value is 7.
Addenda Code	2	2		Value is 16.
Receiver City and State	4	35		`vendaddr_mst.city + * + vendaddr_mst.state + \` The receiver's city and state/province. Use an asterisk between the city and state/province. Use a backslash as the terminator.
Receiver Country and Postal Code	39	35		`vendaddr_mst.country + * + vendaddr_mst.zip + \` The receiver's country and ZIP code. Use an asterisk between the country and ZIP. Use a backslash as the terminator.
Reserved	74	14		

Field Description	Position	Length	Format	Field or Notes
EntryDetailSeqNumber	88	7		
Return				vbNewLine or vbCLf

Batch Control Record

This record appears at the end of each batch. It holds totals for the batch.

Field Description	Position	Length	Format	Field or Notes
Record Type Code	1	1		Value is 8. This identifies a batch control total record.
Service Class	2	3	Numeric	This value identifies the type of entries in the batch: • 200 identifies the type of entries in the batch as mixed debits and credits. • 220 indicates that only credits are contained in this batch. • 225 indicates that only debits are contained in this batch.
Entry Count	5	6	Numeric. Fill with zeros to left	Total number of detail records processed in the batch.
Entry Hash	11	10	Numeric	Value is calculated by SyteLine .
Total Debit Amount	21	12	Numeric. Fill with zeros to left	Sum of all negative DerDomAmtApplied for each payment *100.
Total Credit Amount	33	12	Numeric. Fill with zeros to left	Sum of all positive DerDomAmtApplied for each payment *100. This is the dollar total of credit entries in the batch.
Company ID	45	10		`bank_hdr_bank_file_fmt_mst.ach_co_id` - This should match the Company ID used in the batch header. The company ID is displayed in the output with leading zeros.
Filler	55	25	Blanks	Not used.
Origination ID	80	8	Numeric. Fill with zeros to left	`bank_hdr_bank_file_fmt_mst.ach_orig_id` - This should be the originating bank's routing number.

Field Description	Position	Length	Format	Field or Notes
Sequence	88	7	Numeric. Fill with zeros to left	Initial value is 1. This indicates the number of the batch associated with the control record.
Return				vbNewLine or vbCLf

File Control Record

This record provides a final check on the submitted data. It contains block and batch counts and totals for each type of entry.

Field Description	Position	Length	Format	Field or Notes
Record Type Code	1	1		Value is 9. This identifies a file control record.
Batch Count	2	6	Numeric. Fill with zeros to left	Initial value is 1. This is the total number of batch header records in the file.
Block Count	8	6	Numeric. Fill with zeros to left	The system calculates the number of detail records, plus all header and control records, and divides by 10 to get the block count. If there is a remainder, it adds 1 to the block count.
Entry Count	14	8	Numeric. Fill with zeros to left	This is the total number of detail and addenda records in the file.
Entry Hash	22	10	Numeric. Fill with zeros to left	Value is calculated by SyteLine.
Total Debit	32	12	Numeric. Fill with zeros to left	Sum of negative DerDomAmtApplied for every payment * 100Dollar total of debit entries in the file.
Total Credit	44	12	Numeric. Fill with zeros to left	Sum of positive DerDomAmtApplied for every payment * 100. This is the dollar total of credit entries within the file.
Reserved	56	39	Blanks	Leave this reserved field blank.
Return				vbNewLine or vbCLf

SEPA EFT Output Format

With SEPA, citizens and companies can make and receive payments in euros, within all EU member states.

The SEPA output file is formatted as an XML file that includes the following structure. Only the elements set by SyteLine are shown here.

Group Header

Message Item	XML Tag	Mapping	Notes
Message Identification	<MsgId>	`appmt_mst.vend_num + "/" + appmt_mst.check_num`	Point-to-point reference assigned by the instructing party and sent to the next party in the chain in order to unambiguously identify the message. The instructing party must ensure that this is unique per instructed party for an agreed-upon period.
Creation Date-Time	<CreDtTm>	`appmt_mst.CreateDateTime`	Date/time the payment transaction was created.
Number of Transactions	<NbOfTxs>	1	
Control Sum	<CtrlSum>	Sum of all appmt.for_check_amt included in that payment	Total of all individual amounts included in this message, irrespective of currencies.
Initiating Party	<InitgPty>		The party that is initiating the payment. This can be either the debtor or a party initiating payment on behalf of the debtor.
Name	<Nm>	`parms_mst.company`	Name is limited to 70 characters
ID	<Id>		
Organization Identification	<OrgId>		
BIC	<BICorBIE>	`bank_hdr_mst.BIC`	An 8- or 11-character ISO code assigned by SWIFT and used to identify a financial institution in financial transactions.

Payment Information

There can be multiple Payment Information sections following the Group Header section.

Message Item	XML Tag	Payment Information Identification	Payment Method
Payment Information Identification	<PmtInfId>	BATCH	Assigned by the initiating party. Unambiguously reference the overall content of the payment information component. The ID is only relevant between the initiating party and the receiving party. It can be included in related messages, such as Payment Status Report of Bank-to-Customer Account Reporting messages, that are sent back by the initiating party's agent to the initiating party.
Payment Method	<PmtMtd>	TRF	Only TRF is allowed.
Batch Booking	<BtchBookg>	TRUE	Specifies that multiple entries per transaction are possible.
Payment Type Identification	<PmtTpInf>		Use only at Payment Information level and not at Credit Transfer Transaction Information level. When Instruction Priority is used, Payment Type Information must be present at Payment Information level.
Service Level	<SvcLvl>		Usage is recommended.
Code	<Cd>	SEPA	Only SEPA is allowed.
Requested Execution Date	<ReqdExctnDt>	`appmt_mst.check_date` (iso)	YYYY-MM-DD
Debtor	<Dbtr>:		
Name	<Nm>	`parms_mst.company`	Mandatory (AT-02 Name of the Originator). Limited to 70 characters.
Debtor Account	<DbtrAcct>		The account of the debtor to which a debit entry will be made as a result of the transaction. In SEPA credit transfers, only IBAN should be used.
ID	<Id>		

Message Item	XML Tag	Payment Information Identification	Payment Method
IBAN	<IBAN>	`bank_hdr_mst.IBAN`	The account number (only the IBAN) of the Originator to be debited for the Credit Transfer Instruction. IBAN is the international bank account number, an expanded version of the Basic Bank Account Number (BBAN) used internationally to uniquely identify the account of a customer at a financial institution.
Debtor Agent	<DbtrAgt>		The financial institution servicing an account for the debtor. Only BIC is allowed for the identifier.
Financial Institution Identification	<FinInstnId>		
BIC	<BIC>	`bank_hdr_mst.BIC`	
Credit Transfer Transaction Information	<CdtTrfTxInf>		Multiple sections are are allowed here (see below).

Credit Transfer Transaction Information

There can be multiple transaction sections within the Payment Information section.

Message Item	XML Tag	Mapping	Notes
payment identification	<PmtId>		

Message Item	XML Tag	Mapping	Notes
End-to-End Identification	<EndToEndId>	`appmt_mst.vendor+"/" + appmt_mst.check_num + "/" + appmt_mst.check_date`	(AT-41 Originator's Reference to the Credit Transfer) Provides an end-to-end identifier throughout the processing, inter-bank and settlement chain. It is assigned by the Initiating Party and is carried from message to message throughout the inter-bank payment chain, up to the creditor. It can form the basis for a creditor who wants to investigate the payment transaction. It can be included in related messages sent back by the initiating party's agent to the initiating party. Example: 1235678/3245623/12-30-2015
Amount	<Amt>		Contains either <EqvtAmt> (domestic currency) or <InstdAmt> (foreign currency)
Equivalent Amount	<EqvtAmt>		Example: `<EqvtAmt>   <Amt Ccy="GBP">300.00</Amt>    <CcyOfTrf>GBP</CcyOfTrf> </EqvAmt>` where • <Amt Ccy> shows the bank's currency code (bank_hdr_mst.curr_code) and the amount (appmt_mst.for_check_amt) • <CcyOfTrf> is the vendor's currency code used in the transfer (vendor_mst.curr_code)

Message Item	XML Tag	Mapping	Notes
Instructed Amount	<InstdAmt>		AT-04 Amount of the Credit Transfer in Euro Example: `<InstdAmt Ccy="EUR">535.25</InstdAmt>` where Ccy (currency) must be "EUR". The amount (appmt_mst.dom_check_amt) must be 0.01 or more and 999999999.99 or less. The fractional part has a maximum of two digits.
Creditor Agent	<CdtrAgt>		
Financial Institution Identification	<FinInstnId>		
Vendor BIC	<BIC>		
Creditor	<Cdtr>		
Name	<Nm>	Name OR VadRName = vendaddr_mst.name	Mandatory (AT-21 Name of the Beneficiary).Limited to 70 characters.
Postal Address	<PstlAdr>		(AT-22 Address of the Beneficiary)
Address Type	<AdrTp>		
Address Line	<AdrLine>	VadRAddr_1 or VadAddr_1 (vendaddr_mst.addr##1)	
Address Line	<AdrLine>	VadRAddr_2 or VadAddr_2 (`vendaddr_mst.addr##2`)	
Postal Code	<PstCd>	VadRZip or VadZip (`vendaddr_mst.zip`)	
Town Name (city)	<TwnNm>	VadRCity or VadCity (`vendaddr_mst.city`)	
Country Subdivision	<CtrySubDvsn>	VadRState or VadState (`vendaddr_mst.state`)	state/province/region or other subentity
Country	<Ctry>	VadRCountry or VadCountry (`vendaddr_mst.country`)	Two digit ISO country code

Message Item	XML Tag	Mapping	Notes
Address Line	<AdrLine>	VadRAddr_1 or VadAddr_1 (`vendaddr.addr##1`)	
Address Line	<AdrLine>	VadRAddr_2 or VadAddr_2 (`vendaddr.addr##2`)	
Creditor Account	<CdtrAcct>		Account of the creditor to which a credit entry will be made as a result of the transaction. In the case of SEPA credit transfers, only IBAN should be used.
ID	<Id>		
IBAN	<IBAN>	`vendor_mst.IBAN`	
	<RmtInf>		
	<Usrtrd>	`appmtd.inv_num`	Lists the vendor invoice number, remittance advice or “Open Payment.”

Generating DAS2 Declaration Forms

To generate DAS2 declaration forms for applicable vendors:

1. Open the**Fiscal Reporting System Form Printing Report**form.
2. Specify this information:

   Display Report Header
   To display report headers on the report, select this check box. Report headers display on the first page of the report and list the parameters by which you generated the report.

   Current Year/Previous Year
   Select whether to print the report for the current or previous fiscal year.

   Fiscal Reporting System
   Select DAS2 for the starting and ending reporting systems.

   Vendor
   Specify the starting and ending vendors for which to run the report.

3. To preview the report before printing, click **Preview**. Previews are processed as background tasks.
4. To print the report, click **Print**.

DAS2 Declaration Form - Report Content

This topic describes the derived fields on the DAS2 Declaration Form, which is generated from the **Fiscal Reporting System Form Printing Report** form.

- **NP: Nom** and **Prenom** (Last name and First name)

  The value in the Contact field on the Vendors form is split based on the placement of the first " " (space) character. Everything before the space is considered the first name and placed in the Prenom field. Everything after the space is considered the last name and placed in the Nom field.

- **No** and **Voie** (Street number and Street name)

  The value in the Address [1] field on the Vendors form is split based on the placement of the first " " (space) character. Everything before the space is considered the street number and placed in the No field. Everything after the space is considered the street name and placed in the Voie field.

- **Nat** (Payment type),**4 - Montant** (Amount), Nat (Payment type), and **5 - Montant** (Amount)

  The payment types and amounts for boxes 4 and 5 come from invoices where the **Fiscal Reporting System Type** values of H, C, CO, R, JP, DA, DI, or AR have been specified. The transactions are summed by type.

- **6 - Avantages en nature** (Fringe benefits), **V** (Amount), and **N** (Code for the amount)

  Box 6 shows the summed amount for all payments where the**Fiscal Reporting System Type** values of N - A, N -L, N - N, N - T, or N - V have been specified.

- **7 - Indemnitès et remboursements** (Reimbursements),**I** (Amount), and **M** (Code for the amount)

  Box 7 shows the summed amount for all payments where the**Fiscal Reporting System Type** values of M - F, M - P, or M - R are specified.

- **8 - TVA nette sur droits d'auteur** (VAT on copyrights)

  Box 8 shows the sum of the tax amount on payments where the **Fiscal Reporting System Type** value of DI (box 4 or 5 amount type) is specified.

- **9 - Retenue à la source (domicile hors de France)** (Withholding tax (place of residence outside of France)), **M** (Amount), and **O** (Code for the amount)

  Box 9 shows the sum of the tax amount on payments where the **Fiscal Reporting System Type** value of O - R or O - D is specified.

Paying for Purchases with a Credit Card

When you use a credit card to pay for a purchase from a vendor, you need to show the purchase under the Purchase Vendor. You also need to remit the payment to the Credit Card Vendor.

To set up a credit card for this purpose, create a bank code for the credit card on the **Bank Reconciliations** form. On this form, the Cash Account for the credit card's bank code should be some type of clearing account. To activate the new bank code, add a bank reconciliation transaction Type for "Check."

After you create the new bank code for the credit card, you can then do the following:

1. Receive and create a voucher for the purchase order as you would for a regular purchase.
2. Create a payment using the credit card's bank code for the vendors and vouchers.
3. Print and post the checks.
4. Add a manual voucher to the Credit Card vendor for the total amount. Use the same clearing account used by the credit card bank code for the distribution on this manual voucher. This way, the vendor's purchases YTD remain intact, and the payment is actually remitted to the Credit Card vendor.

Using A/P Tax Reports

This topic describes using A/P tax reports.

Use this information with these reports:

- Tax Payable Report
- Tax Vouchered (Parametric) Report
- Goods and Services Taxes (GST) Tax Credit Report
- Provincial Sales Taxes (PST) Tax Credit Report

Report Output

The tax reports list detailed information from the tax records for a range of tax periods. The records are grouped and subtotaled by tax code, and the records are sorted by distribution date within the group. A negative value identifies a reduction adjustment made to a voucher.

Caution: The tax records are extracted from voucher history. If you purge this information before printing this report, any tax records prior to the report's date range are lost and do not appear on the report. The history information does not include postings you performed manually from the G/L journal to the tax G/L accounts.

Also, if you generated tax account distributions from Purchasing before posting them in A/P, and then adjusted the distributions manually, the history information does not include the adjustments. Therefore, the report does not reflect these secondary changes to the account balance.

Verifying the Report

Compare the contents of the report to the tax account balances for the period reported from the G/L. If you find discrepancies, first verify that the A/P module does not contain unposted vouchers posted from Purchasing.

Then, make sure the A/P Distribution journal has been posted to the ledger. You may have additional discrepancies if you adjusted the tax account balances manually with journal entries, or adjusted the A/P Voucher G/L tax account distribution records manually. Only these discrepancies are acceptable.

A/P Voucher Information

In Purchasing, the tax records are created at the same time as the A/P voucher is generated. The system does not alter these records, regardless of changes to the transaction in A/P or G/L.

If you enter vouchers or adjustments directly in A/P (not from Purchasing), the tax records are created, based on the values in the special tax fields in the G/L distributions. When you post the manual vouchers, the tax records are created.

On the GST and PST reports, The GST or PST Taxable column shows only the value of goods that apply to the tax code being reported. The value in the Voucher Total column includes all lines, charges, freight, and taxes on the document.

Because of the method by which the voucher history is maintained on the GST and PST reports, when you make adjustments to pre-vouchered amounts, the records are stored under the same voucher number, and the original voucher total is updated. In this situation, independent tax records are maintained under the separate Taxable, but the Voucher Total shows the same amount. Therefore, because the column would double count, the Voucher Total column does not contain a subtotal.

The GST or PST Taxable column is less accurate for vouchers than for invoices, because the vendor calculates the tax with the tax basis as estimated from the tax codes stored with the PO.

A/P Payments

Creating a Manual Check

1. On the **A/P Payments** form, select **Actions > New**.
2. Specify information in these fields:
   - **Vendor**: Select the number of the vendor you are entering the manual check for.
   - **Payment Type**: To create a manual check, select **`Manual Check`**.
   - **Reapplication**: If the manual check payment is for a reapplication, select this check box.
   - **Check Number**: Enter the check number for the manual check you are issuing.
   - **Check Seq**: Enter the check sequence number, or accept the default of the next incremental number. The system uses this number to keep the distributions in numerical order.
   - **Check Date**: Enter the check date, or accept the default of today's date.
   - **Bank Code**: This field displays the vendor's default bank code, but you can change it to the code of the bank from which the payment is being made (if applicable).
   - **Notes**: (Optional) Enter notes about the payment.
   - **Reference**: Enter the description that is to appear in the journals for this transaction, or accept the default, which is the APP followed by the vendor number.
   - **Payment Amount**: Enter the amount of the check.
3. To save the payment, select **Actions > Save**.
4. Select **Distributions**.

5 Select **Actions > New**, and distribute the payment. See Distributing Vendor Payments Manually on page 69 for more information.

6 Print and post the check.

Creating a Standard Draft

1 On the **A/P Payments** form, select **Actions > New**.

2 Specify information in these fields:

- **Vendor**: Select the number of the vendor you are entering the standard draft for.
- **Payment Type**: Select **`Standard Draft`**.
- **Check Seq**: Accept the sequence number that displays. The system uses this number to keep the distributions in numerical order.
- **Check Date**: Enter the draft date, or accept the default, which is today's date.
- **Draft Due**: The default payment due date displays, but you can change it to a different date on which the draft is to be due.
- **Bank Code**: The vendor's default bank code displays, but you can change it to the code of the bank from which the payment is being made (if applicable).
- **Notes**: (Optional) Enter notes about the payment.
- **Reference**: Enter a description which is to appear in the journals for this transaction, or accept the default, which is APP followed by the vendor number.

3 To save the payment, select **Actions > Save**.

4 Select **Distributions**.

5 To distribute the payment, select **Actions > New**.

6 On the **General** tab, in the **Type** field, select one of these options:

- **`Voucher`**: Applies the payment to a particular voucher. Enter the voucher number in the **Vch/Seq** field.
- **`Open`**: Applies the payment to the vendor, not to a specific voucher.

7 Finish distributing the payment. See Distributing Vendor Payments Manually on page 69 for more information.

8 Print and post the draft.

Distributing Vendor Payments Manually

To distribute vendor payments manually:

1 On the **A/P Payment Distributions** form, select **Actions > New**.

2 In the **Vendor** field, select the vendor from the list of those with payments on file.

The payment header information displays in the upper part of the form, and you cannot change it.

3 On the **General** tab, fill in the required data:

- **Type**: Select the distribution type: Voucher, Non A/P, Commission or Open.

Note: When adding multiple AP payment distributions, you can specify only one **Open** type distribution per site for each **Open** type payment.

- **Vch/Seq**: If you are adding a voucher distribution, enter the number of the voucher referenced from the distribution. If you are entering any other type of distribution, enter its sequence number. The sequence number is used only to keep the distributions in numerical order.
- **Site**: If the distribution type is Non A/P, Commission, or Open, select the site where the transaction resides. If the distribution type is Voucher, the site that contains the posted transaction against which the payment distribution is being applied displays for reference.
- **Invoice**: If the distribution type is Non A/P, Commission, or Open, enter the number of the invoice you are applying the distribution against. For a Commission distribution type, you must enter an order entry invoice number with a commission type of Distribution; the sum of the commissions for that invoice and vendor displays in the **Amount Paid** field on the **Accounts** tab.
- **PO**: If the distribution type is Non A/P, Commission, or Open, enter the PO number to which you want to record the payment.
- **1099 Reportable**: If the payment distribution is 1099 taxable and should be included on the vendor's 1099 form, this check box should be selected. If the payment is not 1099 taxable, clear the check box.

4 Select the **Accounts** tab, and then fill in data in the following fields:

- **Amount Paid**: Enter the amount to apply to this payment.
- **Disc Taken**: If the payment type is Voucher, enter the amount to be discounted from this payment.
- **[Tax Adjustment (1)]**: If the payment type is Voucher, this field displays any Tax System 1 adjustment for discounts. You can change this amount.
- **[Tax Adjustment (2)]**: If the payment type is Voucher and a second tax system is defined, this field displays any Tax System 2 adjustment for discounts. You can change this amount.
- **Disc Account**: If the payment type is:
  - Voucher, this field displays the discount account number from the **Accounts Payable Parameters** form. If the discount amount is not zero, you can select a different account for the discount amount, if applicable.
  - Non A/P, select the number of the General Ledger account that is to receive the distribution amount. This account offsets the cash account.
  - Commission, this field displays the number of the General Ledger commission paid account from the **Accounts Payable Parameters** form, but you can select a different account to apply the payment to.
  - Open, this field displays the number of the General Ledger deposit account from the **Accounts Payable Parameters** form, but you can select a different account to apply the payment to.

5 To save the distribution, select **Actions > Save**.

Note: Distributions of type Non-A/P or Commission are not permitted for payments where the **Payment Type** is **Standard Draft**.

Generating Automatic Payments

To automatically generate A/P payments and distributions:

1. Open the **A/P Payment Generation** form.
2. Specify information in these fields:
   - Multi-Site Group ID: To generate payments for a different multi-site group, select that group's ID.
   - Payment Date: Enter the date to print on all the checks or drafts, or accept the default, which is today's date.
   - Payment Type: Select the check box of each payment type you want to generate payment for: Standard Check, Manual Check, Wire, Standard Draft, Incoming Draft, or EFT.
   - Aging Basis: Select the method to age the payments: Invoice, Due Date, or Disc Date.
   - Include Commissions Due: To process commissions for the commissions-due records of outside salespersons whose reference numbers are also valid vendor numbers, select this check box. The system summarizes the total commission-due amount into the check total for each vendor. To exclude commissions, clear this check box.
   - Delete Payment/Distributions: To have any existing payments be deleted before generating the new payments, select this check box. To preserve the existing payments, clear this check box.
   - Starting and Ending Bank Code: Enter the range of bank codes for which to produce payments.
   - Starting and Ending Vendor: Enter the range of vendors for which to produce payments.
   - Starting and Ending Age Date: Enter the first and last aging dates of the transactions to consider for payment. These dates also set the range for which payments and distributions can be deleted using the **Delete Payment/Distributions** check box. If the Invoice Date or Due Date falls within the date range specified in these fields, the voucher is selected for payment.

   Note: If you are generating standard checks and you have entered some existing payments, the check generation process affects the existing payments. We recommend that you post the existing payments before generating new payments.
3. To generate the payments, click **Process**.

Paying Finance Charges

To apply customer payments to finance charges using the **A/R Payments** form, do the following:

1. Fill in the fields of the form and enter the total amount of the payment in the **Amount** field, although part of the money may be applied to other things than finance charges.
2. To save the **A/R Payments** record, select **Actions > Save**.
3. To open the **A/R Payment Distributions** form, click the **Distributions** button.
4. On the **General** tab, in the **Type** field, select **`Finance Charge`**.
5. In the **Dist Amount** field, enter the amount of the payment to be applied to finance charge.

   You can create separate distribution records for the remainder of the payment.
6. To save the **A/R Payment Distributions** record, select **Actions > Save**.
7. Open the **A/R Payment Posting** form.

8 To post all customers, accept the default values.

9 Click **Process**.

Posting A/P Wire Transactions

To post wire transactions, use the **A/P Wire Posting** form:

1 Select field values that filter the transactions to post. You can specify a range of vendor numbers, names and pay dates, the type of payment, and the bank code.

2 Specify the sort method.

3 Before posting, select the **A/P Wire Posting Report** option. Click **Process** to print and review this report, which lists the wire payments to be posted.

The grid at the bottom of the form also displays the list of items that will be posted.

4 After you review the report, select **Final Register and Post** and click **Process**.

5 Optionally, print the remittance advice:

- select **Print Remittance Advice.**
- To process the remittance advice output for print, fax, or email on a vendor-by-vendor basis, select **Use Profile**.
- Click **Process**.

Note: If the **`Wire`** option for **Remittance Advice** is selected on the **Accounts Payable Parameters** form, you must select **Print Remittance Advice**.

When you post a wire payment and distribution, a **Bank Reconciliations** record stores the payment. The system marks the record as Not Voided.

Reversing a Posted Wire Payment

Note: If the voucher for the wire payment is generated but not processed, delete the wire payment record in the **A/P Payments** form instead of reversing it.

To reverse a wire payment:

1 Create a new wire payment on the **A/P Wire Posting** form and enter a negative value for the payment.

2 Distribute the payment to the same wire number, bank code, vendor number, and voucher number.

3 Perform the wire posting.

During the posting process, the system marks the corresponding bank reconciliation as Voided.

Posting A/P Cash Payments

If a vendor accepts cash payments, you can pay with cash and post the cash payment to the ledger:

1. Create a voucher for the vendor in the **A/P Vouchers and Adjustments** form.
2. Generate the distribution and post the voucher in the A/P Voucher Posting form.
3. Create a payment with a Payment Type of Cash and match the payment to the voucher with A/P Quick Payment Application.
4. Use the **A/P Check Printing/Posting** form to post the payment:
   - Specify the vendor number.
   - Select **Preliminary Check Register** and click **Process**.
   - Click **OK** to confirm the Preliminary Check Register report.
   - Select **Final Register and Post** and click **Process**. (Skip the other steps.)
   - Verify that the payment was posted and click **OK**.

Posting A/P Direct Debit Payments

Automatic direct debit A/P payments are generated when a new BankStatement BOD is received into SyteLine from ION.

Note: This topic does not apply if certain country packs (for example, Sweden) are enabled. See the appropriate SyteLine country guide for more information.

1. When an A/P Payment record is created and not yet posted, the **A/P** button on the **Bank Statements** form is enabled for the record.
2. Select the record and click **A/P** to open the **A/P Payments** form and review the payment information. The **Payment Type** should be set to **`Direct Debit`**.
3. Save any changes.
4. Create a voucher against the payment and handle it as you would handle any other A/P payment.
5. In the **A/P Wire Posting** form, specify the **Vendor** range and a **Pay Type** of **`Direct Debit`**.
6. Follow the steps in Posting A/P Wire Transactions on page 72.

After the payment is posted, the appropriate journals are updated.

Posting to the A/P Distribution Journal

The A/P Distribution Journal records purchase orders you have received and vouchered. Eventually, you need to post this journal to the General Ledger.

Caution: After transactions are posted to the journal, you can no longer update them. You can add text to the line entries, but to adjust them you must use the **A/P Vouchers and Adjustments** form.

You can view posted transactions in the A/P Distribution journal on the **A/P Posted Transactions Detail** form. Use the grid pane to select the transaction you want to view. The **Type** field identifies the type of transaction you are viewing: payment, voucher or adjustment.

To view summary information about the displayed transaction, select **Summary**. The system displays the **A/P Posted Transactions Summary** form.

Reconciling Bank Statements for Accounts Payable

Prerequisites:

- Ensure that SyteLine is able to receive BankStatement BODs from ION. See the *Infor SyteLine Integration Guide for Infor Local.ly*.
- On the **Accounts Payable Parameters** form, set the **EFT Format** to the appropriate format (**`SEPA`** for EU countries, or other formats as noted in the specific country guides). .
- On the **Vendors** or **Multi-Site Vendors** forms, set the **Payment Type** to **`EFT`** (or **`Wire Transfer`** for certain countries) for vendors that can receive automatic A/P payments. Specify the banking information for the vendor.
- In the **Chart of Accounts** form, set up an account for every vendor whose bank account uses a currency other than your domestic currency. Transactions to/from this account will be in the currency of the vendor bank account. This prevents currency exchange fluctuations from affecting automatic payments.
- On the **Bank Reconciliations** form, set up information for the banks from which you will receive statements. The currency, BIC and IBAN codes must match the information in the messages that you receive from the banks.

To view and reconcile a bank statement:

1 View and filter bank transactions.

Bank statement records are display-only. You cannot make changes on this form; however, you can filter the records to view specific types of information.

a In the **Bank Statement** form, click the Filter-in-Place tool bar button to see the available bank statement records.

Each bank statement record shows information relating to one customer or vendor bank identifier code (BIC) or to one employee account used for payments.

b Select a record.

The bank statement record header can contain information such as this:

- The starting and ending balance for the account for the period
- The period starting and ending dates
- The currency that is used for all transactions in the statement

The statement line detail shows debit and credit transactions and amounts, listed with the appropriate domain and family codes that describe the type of transaction. (Chinese transactions show positive and negative numbers rather than debit and credit.)

The information is formatted dynamically. The grid column headings and content are set based on the format that is used by a particular bank.

2 View and process automatic A/P payments.

Note: This information about automatic payments does not apply if certain country packs (for example, Sweden) are enabled. See the appropriate SyteLine country guide for more information.

When a BankStatement BOD is received into SyteLine, automatic payments are generated for any A/P transactions in the statement that have a domain code of PMNT and a domain family code of IDDT or ICDT.

a On the **Bank Statements** form, select a transaction line with the domain family code IDDT or ICDT.

b Click **A/P** to view the A/P payment transactions that were created for the current statement record.

c Process the A/P payments and then post them on the **A/P Wire Posting** form.

3 Reconcile the bank statement:

a Manually reconcile the account statement records on the **Bank Statement** form with the transactions on the **Bank Reconciliations** form for this account.

See Preparing a Bank Reconciliation on page 75.

b When the statement is completely reconciled, select the **Process** check box on the **Bank Statements** form. You can then use the **Bank Statement Purge** utility to purge the processed records.

Preparing a Bank Reconciliation

The system maintains a transaction history of all activity against the bank checking accounts your company uses. You can view this information using the **Bank Reconciliations** form, and also prepare bank reconciliations by tracking what has been recorded by the bank.

Summary bank reconciliation records are automatically created when you process entries on these forms:

- **A/R Payment Posting** for payment types: Check, Wire, and Adjustment only
- **A/R Adjustment Posting**
- **A/R Wire Posting**
- **Returned Checks**

Checks that are printed through Payroll and Accounts Payable are automatically recorded, along with checks that have been voided due to a reprint, enabling you to view and reconcile each check. To reflect miscellaneous charges, you must either manually add them through the grid on this form, or record them in the General Journal or a user-defined journal.

Note: You cannot enter post-dated checks until they have been deposited.

One of these sources is shown in the **Ref Type** field for automated bank reconciliation records:

- A/P: The transaction is posted from A/P check or draft printing.
- A/R: The transaction is posted from A/R check, adjustment, wire, or draft posting.
- PR: The transaction is posted from payroll check printing.
- BAL: The transaction is created during the bank reconciliation compression process.

To reconcile and then compress transactions:

1. To reflect deposits and miscellaneous charges that are not automatically added (see above), you must either manually add them through the grid on the **Bank Reconciliations** form, or record them in the General Journal or a user-defined journal.
2. When you receive a statement from the bank, for each reconciled transaction, select **Reconciled** on the **Bank Reconciliations** form.
3. To process all transactions against the current General Ledger cash account, click **Balance Compute**.
4. To delete transactions that have been reconciled, run the **Bank Reconciliation - Compression** utility:
   - (Optional) By default, the system compresses transactions through the current system date, but you can enter a different date that is earlier than the date of the last check record you want to compress. This sets the system to know what check number is next in the sequence.
   - In the **Bank Code** field, select the bank code of the bank account you want to compress.
   - If you want the system to automatically increment date ranges and re-run reports and utilities, select the **Increment Date** check box.
   - To compress the selected bank code's reconciliation transactions, select **Process**.

Note:

- For A/R transactions, after a payment by check is received for an invoice, you must manually enter the payment in the **Bank Reconciliations** form. You must enter and post customer checks individually. When each payment is reconciled with the bank statement, the system credits the VAT A/R Received account.
- For A/P transactions, after a processed check is reconciled with the bank, the system debits the VAT A/P Paid account.

Preparing a Bank Reconciliation Using Transfer VAT

This topic describes how to reconcile invoice and voucher payments when the **Transfer VAT** option is selected on the **General** tab of the **Tax Systems** form.

Transfer VAT enables VAT recognition upon bank reconciliation.

For more information on performing a bank reconciliation, see Preparing a Bank Reconciliation on page 75.

To reconcile A/P checks with Transfer VAT selected:

1. Open the **Bank Reconciliations** form.
2. Select the appropriate **Bank Code**.
3. Specify these values in these fields:
   - **Type**: Must be Check.
   - **Transaction**: Enter the individual check number.
   - **Ref Type**: Must be A/P.
   - **Ref Num**: Select the appropriate vendor number.
4. After you are finished entering or updating transactions, click **Balance Compute**.

5 When finished reconciling, select **Actions > Save**.

To reconcile A/R deposits with Transfer VAT selected:

1 Open the **Bank Reconciliations** form.
2 Select the appropriate **Bank Code**.
3 Specify these values in these fields:

- **Type**: Must be Deposits.
- **Transaction**: Enter the deposit number.
- **Ref Type**: Must be A/R.
- **Ref Num**: Select the appropriate customer number. For summary bank reconciliation entries, this value is set to 0 by default.
- After you are finished entering or updating transactions, click **Balance Compute**.
- When finished reconciling, select **Actions > Save**.

Printing and Posting Checks

Caution: The **A/P Payment Generation** utility resets most of the fields of the existing payment records. To avoid this, always post your manual checks using the **A/P Check Printing/Posting** form before running the **A/P Payment Generation** utility.

Caution: You can void checks using the **A/P Check Printing/Posting** form only before you print the final register. Once you print the final register and post the checks, you cannot void checks using this form. For more information, see Voiding Posted Checks on page 89.

To print and post checks:

On the **A/P Check Printing/Posting** form, select the process to use:

- **Preliminary Check Register**: Sets up a preliminary check register. If no checks need to be printed, a message to that effect displays. When you select this option, the system validates the check information, prints the register, and then returns you to the **A/P Check Printing/Posting** form so that you can continue with or exit from the process.
  Note: You must print the preliminary register before you can print the checks.
- **Print A/P Checks**: Prints the A/P checks from the preliminary register.
- **Void Check(s)**: Activates the options in the To Void group box so that you can void checks and then post them. Use this option if your checks printed incorrectly or were damaged. When you choose this option, the **To Void** group box is updated with information about the checks that are to be voided. When prompted, click **OK** to void the listed checks.
- **Print A/P Check Stubs**: (Optional) Reprints the APCheckLaserStubs, APCheckSTD006Stubs, or APCheckANZStubs report for the checks in the collection, but leaves the check portion at the bottom blank. This option can only be selected after a **Print A/P Checks** or **Void Checks** option has been performed. Once the Final Register and Post has been performed, check stubs can no longer be printed.
  Note: Check stubs print only for standard checks. Manual checks do not print checks; therefore, they do not print check stubs.
- **Final Register and Post**: Prints a check register, posts the checks to the A/P Distribution Journal, creates posted transactions, and updates the vendor records. General Ledger journal records are

created for the payment records, and the posted transaction vouchers are created for the amount paid and discount taken.

- **Print Remittance Advice**: If the Manual option for **Remittance Advice** is selected on the **Accounts Payable Parameters** form, you must also select this option. To have the remittance advice statement processed for print, fax, or email on a vendor-by-vendor basis, also select the **Use Profile** check box. If you select this option but no manual checks exist in the check batch, the remittance advice will be blank.
- Fill in the fields indicating the associated bank, check numbers, vendors, pay dates, and other information for the process.
- Click **Process**.

Note:

- If you exit from this form after printing or voiding checks but without running the **Final Register and Post** option, the system will void any records that are not already voided, and then automatically run the **Final Register And Post** option.
- Checks that you post from A/P contain the reference type A/P and a reference number corresponding to the vendor number of the A/P check. During posting, multi-currency gains and losses are recorded to the A/P ledger distribution journal (if applicable).
- If a discount is taken, the **Discount** field prints by itself on the line immediately following its corresponding voucher information. This line will also print the side label Discount whenever the line prints.
- When you print and post checks, three fields on the Vendors form are updated for the vendor:
  - **Last Paid Date**: Date of the last posted payment for that vendor
  - **Discounts YTD**: YTD amount of a discount taken for a voucher for a vendor
  - **Payments YTD**: YTD payments made to the vendor in the current year
- It is possible to modify the system so that you can print checks in a language other than your domestic language. To do so, you must modify the Source Code for the two stored procedures that handle A/P Check Translation: WordNumSp() and WordNumISp(), which are included with all SyteLine distributions.
- Check amounts print as both words and numeric amounts. Two lines are available to display the amount in words. Check amounts are limited to print billions or less. If the currency code is MXN or MXV, the check amount prints in Spanish, regardless of the specified language code, and billions are represented as "thousands of millions."
-

Printing and Posting A/P Drafts

Caution: The **A/P Payment Generation** utility resets most of the fields of the existing payment records. To avoid this situation, always post your manual drafts using the **A/P Draft Printing/Posting** form before running the **A/P Payment Generation** utility.

To print and post drafts:

1. Open the **A/P Draft Printing/Posting** form.
2. Enter information in these fields:
   - **Bank Code**: Select the bank code for the drafts you want to post.

- **Starting Draft Number**: Select the starting draft number.
- **Sort by**: Indicate how you want to sort the report.
- **Display Distribution Detail**: Indicate whether you want distribution information on the report
- **Vendor**: Select the first and last vendor numbers you want to include in the printing or posting.
- **Due Date**: Select the first and last due dates you want to include
- **Starting Name/Ending Name**: Enter the first and last name you want to include.

3 To print and review the report (before posting the drafts), select **Print** and then click **Process**.

Note: If you are using preprinted forms, we suggest that you use a non-postscript printer driver; otherwise, the drafts may not print with the correct alignment.

To ensure that the drafts are correctly aligned, select the **Align Draft Form** option to print an alignment before actually printing the drafts.

After printing the drafts, you should immediately post them.

4 When you are ready to post the drafts, select **Commit** and then click **Process**.

Posting Remitted Drafts

To post remitted drafts and print a remittance statement:

1 Open the **A/P Posting Draft Remittance** form.

2 Enter the following information:

- **Starting and Ending Vendor Number**: Select the first and last vendor numbers whose draft remittances you to post, or, to post draft remittances for all vendors, leave both fields blank.
- **Starting and Ending Draft Number**: Select the first and last draft numbers you want to include.
- **Starting and Ending Due Date**: Select the first and last due dates you want to include.
- **Bank Code**: Select the bank code for the draft remittances you want to post.
- **Display Report Header**: If you want to include report headers in the report, select this check box.

The report header displays on the first page of the report, and lists the parameters by which you generated the report.

3 To print and review the **A/P Posting Draft Remittance Report**, select **Print** and then click **Process**. To have the remittance advice statement processed for print, fax, or email on a vendor-by-vendor basis, also select the **Use Profile** check box.

4 When you are ready to post the draft remittances, select **Commit** and then click **Process**.

Example: Multi-Site AP Check Printing/Posting

In this example, three sites exist for Entity XYZ. Site A is designated as the centralized payment site where all sites' vouchers are paid. If site A makes a $300 payment to a vendor to pay 3 vouchers, each from a different site, the following journal entries must occur.

- Create vouchers to pay vendor - $100 from each site, as shown in this table:

		Debit	Credit
Site A transactions:	Purchases	$100	
	A/P		$100
Site B transactions:	Purchases	$100	
	A/P		$100
Site C transactions:	Purchases	$100	
	A/P		$100

- Post Payment from corporate to vendor of $300 - $100 from each site, as shown in this table.

		Debit	Credit
Site A transactions:	Cash		$300
	A/P	$100	
	Inter-Site Liab (Site B)	$100	
	Inter-Site Liab (Site C)	$100	
Site B transactions:	Inter-Site Liab		$100
	A/P	$100	
Site C transactions:	Inter-Site Liab		$100
	A/P	$100	

Using A/P Quick Payment Application to Reapply Open Payments

You can use the **A/P Quick Payment Application** form to reapply open payments in two ways:

- Option 1: Reapplying Open Payments
- Option 2: Reapplying Open Payments

Option 1: Reapplying Open Payments

1 Enter the payment you want to reapply, and select its **Reapplication** check box.

All the vendor's transactions display in the grid at the bottom of the form. Select the applicable transaction(s). If an open type distribution already exists for a payment, it displays as Open (Dist) to distinguish it from open transactions from **A/P Posted Transactions**.

Open payments from other sites (that is, sites other than the site of the payment) do not display in the grid.

Open payments do not display in the grid for any payment that does not have a check number or draft number (Standard Checks and Standard Drafts). A check number or draft number is required for these payment types to automatically reapply an open payment for them when you click **Apply**.

2 Select the vouchers to which you want to reapply the payment.

Transactions in the grid at the bottom of the form do not become available for selection until you save the payment in the upper part of the form. After selecting items in the grid, you must then click **Apply** to process them. Selecting a different payment without first selecting **Apply** will cancel any changes you made in the grid.

3 Select **Apply**.

The system automatically generates payment distributions for the selected vouchers. If you selected any open payments, they will first be applied to the selected vouchers and posted with the proper journal entries. In this case, journal entries will have the reference of APPR (payment reapplication). Otherwise, you must post the payment distributions as usual.

See Posting Payments on page 162.

Option 2: Reapplying Open Payments

1 Enter and save a payment. In the grid at the bottom of the form, both a voucher and an open payment display.

2 To trigger the reapplication process, select the open payment and then click **Apply**.

Note: If you select multiple vouchers and multiple open payments, the system automatically applies the open payments by type and due date. You cannot update the voucher number.

3 Click **Apply**.

The same process occurs for the reapplication as described in Option 1 above. The system then creates a payment distribution for any remaining items, and if an amount remains for the payment in the upper part of the form, creates an open payment distribution for it.

Examples: A/P Quick Payment Application

Use these examples to understand the A/P Quick Payment Application.

Scenario #1

You enter a payment for $150, and then select three $50 vouchers in the grid to apply against that payment.

The grid shows:

Type	Voucher	Site	PO	Check	Inv Date	Due Date	Amt to Pay	Discount
Voucher	101	01	P000001		5/15	6/15	50.00	0.00

Type	Voucher	Site	PO	Check	Inv Date	Due Date	Amt to Pay	Discount
Voucher	150	01	P000007		6/15	7/15	50.00	0.00
Voucher	156	01	P0000010		6/22	7/22	50.00	0.00

Selecting **Apply** creates three distribution records, one for each voucher.

Scenario #2

You enter a payment for $100, and select no transactions in the grid. The payment date is 06/15/2002. You save the payment, and then select **Apply** to apply it. A payment distribution for an open amount of $100 is created. The grid shows:

Type	Voucher	Site	PO	Check	Invoice Date	Due Date	Amt to Pay	Discount
Open		01			6/15	6/15	100.00	0.00

Scenario #3

You enter a payment for $100, select a voucher with an amount less than $100 so that some of the payment amount is left to apply. You save the payment. You then select a voucher for $60 and select **Apply**. Two payment distributions are created, one with the type Voucher in the amount of $60, and the other with the type Open in the amount of $40. Both the voucher and the open payment are shown as selected in the grid.

Type	Voucher	Site	PO	Check	Invoice Date	Due Date	Amt to Pay	Discount
Open (dist)		01			6/15	6/15	40.00	0.00
Voucher	102	01	P000001		5/15	6/15	60.00	0.00

Scenario #4

You enter a payment for $0, and then select a voucher and an open payment.

Type	Voucher	Site	PO	Check	Invoice Date	Due Date	Amt to Pay	Discount
Open		01	P000001		6/15	6/15	50.00	0.00
Voucher	101	01	P000001		5/15	6/15	50.00	0.00
Voucher	156	01	P0000010		6/22	7/22	50.00	0.00

Selecting **Apply** automatically posts the open payment. The voucher number in A/P Posted Transactions now says 101. The A/P account in the original A/P Posted Transactions record for the open payment is 11600. The A/P account in the parameters is 20000. Journal entries created are:

Journal Seq	Date/Acct Description	Account	Amount	Ref/Currency	Exchange Rate
29	6/15	20000	50.00	APPR	1
	Accounts Payable		50.00	USD	1.000
30	6/15	20000	50.00	APPR	1
	AP Deposit		50.00	USD	1.000

Scenario #5

You enter a payment for $75, and then select multiple vouchers and an open payment.

You select two vouchers: voucher 101 with a due date of 06/15/2002 for $50, and voucher 150 with a due date of 07/15/2002, for $75. You then select a $50 open payment with a due date of 06/15/2002. Selecting **Apply** applies the open payment of $50 to voucher 101 and posts it. A/P Posted Transactions will show the payment with a voucher number of 101. The new payment of $75 is applied to voucher 150, and a payment distribution is created. When the grid in A/P Quick Payment Application is refreshed, it will look like this:

Type	Voucher	Site	PO	Check	Invoice Date	Due Date	Amt to Pay	Discount
Voucher		01	P000007		6/15	7/15	75.00	0.00

No transaction line for voucher payment 101 displays in the grid, because voucher 101 becomes fully paid after you select **Apply**.

Scenario #6

Reapplication of an open payment.

You enter an open payment for reapplication with an amount of $1000. The grid shows a voucher selected for $1000. The system creates the payment distribution when you select **Apply**. The A/P account in the original A/P Posted Transaction record for the open payment is 11600 (Deposit account). When you apply the open payment, payment application occurs within the due date, so the system automatically enters a discount for $50 in the Discount column. When the payments post through payment posting, the posted journal entries are as follows:

Journal Seq	Date/Acct Description	Account	Amount	Ref/Currency	Exchange Rate
55	1/18	11600	1,000.00	APPR	656
	AP Deposit		1,000.00	USD	1.000
56	1/18	12100	50.00	APPR	656
	Open A/P Account		50.00	USD	1.000

Journal Seq	Date/Acct Description	Account	Amount	Ref/Currency	Exchange Rate
57	1/18	20000	1,000.00	APPR	656
	Accounts Payable		1,000.00	USD	1.000
58	1/18	50400	50.00	APPR	656
	Purchase Discount and Allowance		50.00	USD	1.000

Applying the open payment to the voucher within A/P Quick Payment Application would yield the journal entries shown below. Note that the system creates an Open payment distribution for the remaining $50 of the open payment that was not applied (due to the applied discount). This payment distribution is then posted normally through payment posting.

Journal Seq	Date/Acct Description	Account	Amount	Ref/Currency	Exchange Rate
55	1/18	20000	1,000.00	APPR	656
	Accounts Payable		1,000.00	USD	1.000
56	1/18	50400	50.00	APPR	656
	Discount and Allowance		50.00	USD	1.000
57	1/18	11600	950.00	APPR	656
	AP Deposit		950.00	USD	1.000

Scenario #7

Reapplying an open payment to a voucher from another site.

You select a voucher from the OH site. The open payment was entered in the MI site, and is being applied in the MI site. When you select **Apply**, the entries look like the following:

MI Site

Journal Seq	Date/Acct Description	Account	Amount	Ref/Currency	Exchange Rate
35	* 1/17	11600	100.00	APPR	23
	AP Deposit		100.00	USD	1.000
	* 1/17	49010	100.00	APPR	23
	A/P Inter-Site Asset		100.00	USD	1.000

OH Site

Journal Seq	Date/Acct Description	Account	Amount	Ref/Currency	Exchange Rate
47	1/17	20000	100.00	APPR	23
	Accounts Payable		100.00	USD	1.000
	1/17	49030	100.00	APPR	23
	A/P Inter-Site Liability		100.00	APPR	1.000

Scenario #8

Reapplying an open payment to a voucher with a different exchange rate.

You apply an open payment for $310 Canadian Dollars (CND, at an exchange rate of 1.55) to a voucher with an exchange rate of 1.60. The following entries display in the journal when you select **Apply**:

Journal Seq	Date/Acct Description	Account	Amount	Ref/Currency	Exchange Rate
66	* 1/14	11600	200.00	APPR	5651
	Currency Loss		10.90	USD	1.550
67	* 1/14	50600	7.03	APX	
	Currency Loss		10.90	CND	1.550
68	* 1/14	20000	7.03	APX	
	Accounts Payable		10.90	CND	1.550
69	1/14	20000	200.00	APPR	5651
	Accounts Payable		310.00	CND	1.550

Scenario #9

You enter a payment for $75 with a non-A/P distribution of $5. You open the **A/P Quick Payment Application** form, and select the Open and Voucher records. The transactions now display as follows:

Type	Voucher	Site	PO	Check	Invoice Date	Due Date	Amt to Pay	Discount
Non-AP		01			5/15		5.00	0.00
Open		01		1	5/15		20.00	0.00
Voucher	100	01			5/15	6/15	90.00	0.00

You first apply the $20 open payment to the voucher. The system then creates distributions for $5.00 for Non-A/P cash, and a $70.00 voucher. The Non-A/P cash should already exist in the distributions, so the system will delete and recreate it.

Using A/P Quick Payment Application to Enter and Apply Full and Partial Payments

You can use the **A/P Quick Payment Application** form to enter full and partial payments, and automatically distribute them to open vouchers. You can also apply payments that were entered on the **A/P Payments** form.

Note: Transactions in the grid are not available for selection until you enter and save a payment in the upper part of the form. After selecting the transactions, you must then click **Apply** to process them. Selecting a different payment without first clicking **Apply** will cancel any changes you made in the grid. Selecting **Apply** generates the appropriate payment distributions, and refreshes the grid display with the current data.

1. Open the **A/P Quick Payment Application** form.
2. Select **Actions > New**.
3. Enter the payment data:
   - **Vendor**: Enter the vendor who is to receive the payment.
   - **Type**: This field displays the vendor's default payment type from the **Vendors** form, but you can select a different one from among the following:
     - Standard Check
     - Manual Check
     - Wire Payment
     - Standard Draft
     - Incoming Draft
   - **Number**: The check, wire, or draft number displays, depending on the payment type:
     - For a manual check, enter the check number.
     - For an incoming draft, enter the draft number.
     - For a wired payment, enter the wire number.

     Note that for standard checks and drafts, the system automatically updates this field when the check or draft is printed.
   - **Seq**: Enter the sequence number for this payment.

     The system uses this number only to keep the payments in numerical order.
   - **Date**: Enter the check, draft or wire date, or accept the default, which is today's date.
   - **Bank Code**: This field displays the vendor's default bank code, but you can change it to the bank code of the bank account from which the vendor is to be paid.
   - **Payment Amount**: Enter the check, wire, or draft amount for the current payment. The payment amount displays in terms of the bank code's currency.

     For standard checks and drafts, you cannot update this field. Instead, the system displays the sum of all the payment distributions for the vendor. To change this amount, you must change the distributions using the **A/P Payment Distributions** form.

- **Exchange Rate**: If you are using multiple currencies, this form displays the exchange rate between the domestic currency and the payment currency, but you can change it. For open payments, you must book a gain/loss transaction if the exchange rate on the payment is different than the exchange rate on the voucher or adjustment. The payment goes to **A/P Posted Transactions** with the same exchange rate as the open payment. The system does not revalue the voucher.
- **A/P Notes**: Enter a description of the payment (up to 40 characters).
- G/L Reference: Enter a description of the payment for reference. This description is posted to the General Ledger as part of the transaction posting. The default reference is APP, followed by the vendor number.

  The reference code must begin with AP; otherwise, the void utility cannot function.

4 To save the payment, select **Actions > Save**.

  The system creates the payment record and then displays all open vouchers and payments for the vendor in the grid at the bottom of the form.

5 In the grid at the bottom of the form, do one of the following:
- Select the check box in the Select column for each voucher and payment (transaction line) that you want to apply the payment to.
- To apply the action to all the displayed items, click **Select All**.

6 To change an item's payment amount, click the grid scroll bar to display the Amt To Pay column, and then enter the amount to be applied.

7 (Optional) For vouchers, you can enter a discount amount in the Discount column.

8 To distribute the payment, click **Apply**.

  The **Applied** and **Remaining** fields in the upper part of the form show the updated amounts. You can then apply the payment when these amounts are equal.

Note: If the payment is not standard check or a standard draft, and the applied amount is less than the remaining amount, the difference creates a new open payment distribution. If the applied amount is more that the remaining amount, an error message displays, and you will not be able to continue until you correct this error.

Using A/P Quick Payment Application to Enter and Distribute an Open Payment

To enter a payment and distribute it as open, use the **A/P Quick Payment Application** form. You can also distribute open payments that have been entered using the **A/P Payments** form.

Caution: Transactions in the grid at the bottom of the form do not become available for selection until you save the payment in the upper part of the form. After selecting items in the grid, you must then click **Apply** to process them. Selecting a different payment without first click **Apply** will cancel any changes you made in the grid.

1 Open the **A/P Quick Payment Application** form.

2 Select **Actions > New**.

3 Enter the payment data:

- **Vendor**: Enter or select the vendor who is to receive the payment.
- **Type**: This field displays the vendor's default payment type from the **Vendors** form, but you can select a different one from the following options:
  - **`Manual Check`**
  - **`Wire Payment`**
  - **`Incoming Draft`**
  - **`EFT`**

  Note: Because you must enter a check number in the **Number** field to distribute an open payment, do not select the **`Standard Check`** or **`Standard Draft`** option.
- **Number**: To distribute an open payment, enter the check number.

  If the check number is blank, any open payments from **A/P Posted Transactions** do not display in the grid at the bottom of the form.
- **Seq**: Enter the sequence number for this payment. This number is used only to keep the payments in numerical order.
- **Date**: Enter the check, draft or wire date, or accept the default, which is today's date.
- **Bank Code**: This field displays the vendor's default bank code, but you can change it to the bank code of the bank account from which the vendor is to be paid.
- **Payment Amount**: Enter the amount of this open payment. The payment amount cannot be negative, or an error message displays when you click **Apply**.
- **Exchange Rate**: If you are using multiple currencies, this field displays the exchange rate between the domestic currency and the payment currency, but you can change it.

  For open payments, you must book a gain/loss transaction if the exchange rate on the payment is different than the exchange rate on the voucher or adjustment. The payment goes to **A/P Posted Transactions** with the same exchange rate as the open payment. The system does not revalue the voucher.
- **A/P Notes**: Enter a description of the payment (up to 40 characters).
- **G/L Reference**: Enter a description of the payment for reference. It is then posted to the General Ledger as part of the transaction posting. The default reference is APP, followed by the vendor number.
  Note: The reference code must begin with AP. Otherwise, the void utility does not function.

4 To save the payment, select **Actions > Save**. The system creates the payment record, and then displays all open vouchers and payments for the vendor in the grid at the bottom of the form, but none are automatically selected.

5 Select the items you want to process, or, to distribute the entire payment amount as an open payment, leave them all unselected.

6 Click **Apply**. The system creates the open payment distribution record and generates distributions records for any vouchers that are selected in the grid. Any remainder of the payment amount is applied as an Open type payment distribution.

Note: Open type payment distributions display in the grid with a type of Open (Dist) to distinguish them from open payments displayed from the **A/P Posted Transactions** form.

Voiding Checks Before They Are Posted

Use the **A/P Check Printing/Posting** form to void checks before they are posted, that is, before you print the final register.
Note: If you exit from the **A/P Check Printing/Posting** form after printing or voiding checks but without running the **Final Register and Post** option, the system will void any records that are not already voided, and then automatically run the **Final Register and Post** option.

Voiding Posted Checks

After checks have been posted, use one of the methods listed here if you need to void them:

- Voiding Posted Checks Using the A/P Payments Form
- Voiding a Posted Check Using the Void A/P Posted Payments Utility

After voiding the checks, you can reprint them.

Voiding Posted Checks Using the A/P Payments Form

To void posted checks using the **A/P Payments** form:

1. Select **Actions > New**.
2. Enter data in the following fields:
   - Vendor: Select the number of the vendor whose check you want to void.
   - Bank Code: Enter a valid bank code for the bank against whom the original check was issued.
   - Payment Type: Select **`Manual Check`**.
   - Check Number: Enter the number of the check you want to void.
   - Check Date: Enter the date of the manual check.
   - Seq: Accept the default, which is the next incremental number. The system uses this number only to keep the distributions in numerical order.
   - Check Amt: Enter the negative value of the check you are voiding. For example, to void a $250.00 check, specify **`-250.00`**.
3. In the **G/L Reference** field, enter the description for this transaction that is to appear in the journals. The default is APP, followed by the vendor number.
4. Select **Distributions**.
5. Select **Actions > New**.
6. Distribute to the vouchers as negative amounts.
7. Print the final register and post the negative check.

   Note: The check number that defaults on the **A/P Check Printing and Posting** form during this process is strictly for standard checks. You do not need to update this number when posting the negative manual check.

Voiding a Posted Check Using the Void A/P Posted Payments Utility

Note: If the A/P payments are manual checks, are compressed, or are multi-site, you cannot void them using this utility.

To void a payment using the **Void A/P Posted Payments** utility:

1. Enter data in the following fields:
   - Bank Code: Select the bank code of the bank account associated with the payments you want to void.
   - Starting and Ending Check Num: Enter the range of check numbers you want to void.

     For a single check, use the same starting and ending check number.
2. Select **Process**.

Voiding Unposted Drafts

You can use the **A/P Draft Printing/Posting** form to void drafts only if they have not yet been posted.

1. Choose the **Void Drafts** option. The To Void group box is updated with information about the drafts that will be voided.
2. When prompted, click **OK** to void the listed drafts.

If you want to void a draft after it has been posted, you must use the **Void Posted Draft Payments** form.

Voiding Posted Drafts

After posting drafts, you can void them, using the **Void Posted Draft Payments** form.

After voiding the drafts, you may reprint them.

Note: If the A/P payments are standard drafts, are compressed, or are multi-site, you cannot void them using this utility.

To void drafts using the **Void Posted Draft Payments** form:

1. Enter data in the following fields:
   - Bank Code: Select the bank code of the drafts you want to void.
   - Starting and Ending Draft Number: Enter the draft number range of the drafts you want to void.
2. Perform one of the following actions:
   - To view the results of running the utility without saving the results in the database, select **Preview**.
   - To save the results in the database, select **Commit**.
3. Click **Process**.

Vouchers

Activating Voucher Authorization

You can turn the Voucher Authorization feature on or off using the **Purchasing Parameters** form. Once you activate voucher authorization, you can also set up voucher tolerance criteria to allow flexibility in authorizing vouchers.

1 On the **General** tab, select the **Voucher Authorization** check box.
2 In the **Voucher Tolerance Over** field, enter the upper tolerance factor percentage.
3 In the **Voucher Tolerance Under** field, enter the lower tolerance factor percentage.
Note: The tolerance factor cannot be greater than 100 percent or a negative number.
4 To save your selection, select **Actions > Save**.

You need special authorization to update purchasing parameters. See your system administrator for assistance.

When you activate Voucher Authorization, you can update the **Auth Status** and **Authorizer** fields on the **A/P Vouchers and Adjustments** form. The system determines the vouchers to post, depending on the value in the **Auth Status** field.

The **Auth Status** field has three possible values: Authorized, Failed, and/or Matched. If the purchase order's unit material cost equals the voucher's cost or is within the acceptable tolerance limit, the system assigns the voucher a status of Matched; otherwise, the voucher is assigned a status of Failed. If the vouchers can be posted, the system updates the **Auth Status** field to Authorized when you start the **Voucher Authorization** utility.

Note: PO Line/Release Unit Material Cost (not Unit Plan Cost) is compared to Generate A/P Transactions Unit Cost.

When you create vouchers automatically from Purchasing, the system follows these rules:

- The **Authorizer** field default value comes from the purchase order's **Buyer** field.
- The system assigns all returns or adjustments an authorization status of Failed.
- Variances between expected freight, miscellaneous charges, etc., do not cause the system to set the authorization status to Failed.

When you create vouchers manually from Accounts Payable, the system follows these rules:

- The system always assigns to vouchers an authorization status of Failed.
- Any time a voucher is updated, the system assigns it an authorization status of Failed.
- The **Authorizer** field is required if the **Auth Status** field is set to Authorized.

Authorizing Vouchers

You can control which vouchers to post. However, this process is optional.

To authorize vouchers:

1 On the **Purchasing Parameters** form, activate voucher authorization.

See Activating Voucher Authorization on page 91.

2 Create vouchers.

See Creating Vouchers or Adjustments on page 95.

3 To select the vouchers to post, run the **Voucher Authorization** utility. This utility examines vouchers and determines whether they can be posted. The default selection processes all vouchers and adjustments. None of the selection criteria fields is required, but you can use them to limit the number and type of vouchers the system processes.

4 Specify this information, as appropriate:

Starting and Ending Authorizer
Specify the range of authorizers. All vouchers authorized by people whose names fall alphabetically between the starting and ending names are affected by this utility.

Starting and Ending Voucher
Specify the range of vouchers you are authorizing.

Starting and Ending Invoice Date
Specify the range of invoice dates for the vouchers you are authorizing.

Starting and Ending Vendor
Specify the range of vendors whose vouchers you are authorizing.

Authorization Status
Select the status of the vouchers you are authorizing: **Failed** and/or **Matched**.

5 Perform one of these actions:

- To view the results of running the activity or utility without saving the results in the database, select **Preview**.
- To save the results in the database, select **Commit**.

6 Click **Process**.

Note: The system does not post vouchers that have an authorization status of Failed.

7 Post the vouchers you selected in the **Voucher Authorization** utility.

If Voucher Authorization is not activated, follow your usual posting procedure to post vouchers.

Creating Recurring Vouchers

You can create recurring vouchers for payments you make to the same vendor every month. These recurring payments include such things as rent, lease payments, and insurance bills. You should generate recurring vouchers each month.

Caution: Your company must develop procedures to prevent multiple generations for the same month.

1 Open the **Recurring Vouchers** form.
2 Select **Actions > New**.
3 Specify the required information listed below.

For more information, see the field descriptions for the relevant fields.

- Vendor
- Voucher
- Distribution Date
- A/P Acct
- Reference
- Invoice Date
- Due Date
- Disc Date

Note: This field displays the default terms from the vendor's terms code.

If you are using Advanced Terms, the European algorithm is used to calculate the due date, based on all the elements of the terms. This algorithm is also used to recalculate the due date if any element of the terms has changed or if the invoice date has changed.

4 (Optional) Enter information in the other fields.
5 Save the record.
6 To distribute the recurring voucher on page 102, click **Distribution**.

After you enter the recurring voucher and create a distribution for it (either manually or system-generated), the distribution record remains on file. You do not need to distribute each month unless the purchase amount changes. If this amount changes, you must update the distribution record to reflect the new amount.

Examples of these two situations are rent and utility bills. Typically, the rent amount is the same each month and so it is not necessary to distribute it each month. While a utility bill is recurring, the currency amount usually is different each month, in which case it would be necessary to redistribute it.

7 After vouchers are created and distribution is set up, you can generate recurring vouchers on page 106 at each payment cycle.

Creating Vouchers or Adjustments Automatically

There are two ways to automatically generate vouchers or adjustments:

- Configure the **Auto Voucher** feature for each vendor.
- Use the **Generate A/P Transactions** form, as described here.

To automatically create vouchers or adjustments using the **Generate A/P Transactions** form:

1 Open the **Generate A/P Transactions** form.
2 To display receipts for purchase order lines:
   a Select the vendor whose invoice you are entering and then click **Filter-In-Place**.

In the grid, vendor/currency combinations are displayed, so you can select one to work with. This determines the purchase orders for which receipts will be vouchered and also filters the other activities, such as PO Selection and Additional Material Selection.

b Do one of the following:

- To create a voucher for received purchase order lines, select the **Voucher** option.
- To create an adjustment to an existing voucher for returned items, select the **Adjustment** option.

c If you selected the **Adjustment** option, in the **Voucher** field, select the existing voucher number.

d In the **G/L Dist** field, select a date or accept the default, which is the current date. The date is the record date of the accounts payable transaction.

e To link the new voucher to a voucher pre-register, select the voucher pre-register number, and then select **OK**.

f Select the **Additional Material Selection** tab.

g To voucher purchase order lines:

- Select the **Generate from PO** check box.
- Select the range of purchase orders you want to use.
- Select the lines/releases you want to use.
  Note: If the unit of measure of a purchase order line item was changed to something other than the original unit of measure listed on the Items form, the **Generate A/P Transactions** utility uses the original unit of measure to validate the data.

h To voucher GRN lines:

- Select the **Generate from GRN** check box.
- Select the range of GRNs appearing in the invoice.
- (Optional) Select the range of GRN line numbers appearing in the vendor's invoice.
- (Optional) Select the range of purchase order numbers appearing in the vendor's invoice.

i To voucher EDI invoices:

Selecting the **Generate from EDI Invoices** check box clears any values currently in the **Generate from PO** and **Generate from GRN** fields of the **Additional Material Selection** tab and disables those fields.

- Select the **Generate from EDI Invoices** check box. This field is disabled if the vendor is not set up for EDI transactions or if there are any pending transactions currently on the **Material** tab or the **Taxes** tab.
- Select an invoice.
- To include GRN lines, select the **Received via GRN** check box and select a GRN number in the **GRN** field.
- Select **Select Matching**. Receipts for purchase order lines display in the browser on the **Material** tab.

3 Edit the lines to reconcile receipts with the vendor's invoice.

When you edit receipt lines, the amount in the **Total** field on the **Material** tab is automatically recalculated.

a Delete any purchase order receipt lines or GRN lines in the **Material** tab that are not referred to in the vendor's invoice.

b In the **To Vch/Adj** field, modify (as required) the number of units of each line item to include in the voucher, or accept the default value of the quantity received minus any quantity previously vouched for the purchase order line or GRN line.

c Modify (as required) the unit cost of each line, or accept the default value.

4 Create pending tax transaction lines for the received purchase orders.

The **Taxes** tab is enabled when the **Active for Purchasing** check box is selected on the **Tax Systems** form for at least one tax system.

If the **Taxes** tab is disabled, you can enter tax amount(s) from the vendor's invoice, or other amounts as required, in the **Sales Tax** field(s) on the header.

a Select the **Taxes** tab.

b Select **Generate Tax**. The activity calculates the sales tax for each pending voucher line on the **Material** tab and creates a pending tax transaction line for each purchase order on which tax is owed. The activity displays the total of the line amounts in the **Sales Tax** field(s) on the **Taxes** tab and provides the option of copying the sum(s) to the header.

Note: The label for the **Sales Tax** field is user-defined.

c To add a tax amount that was not created in the generation process, create a new tax transaction line.

5 Enter payable amounts in the voucher header:

a In the **Material** field on the header, enter the amount displayed in the **Total** field on the **Material** tab. Amounts in the two fields must be equal. The amount should be equal to what is specified on the vendor's invoice.

b In the **Freight** and **Misc Charges** fields on the header, enter amounts from the vendor's invoice or as required.

c If you have not already entered sales tax on the header, do so now. Sales Tax amount(s) on the header must equal the total(s) on the **Taxes** tab.

d If you are creating a non-EDI voucher or adjustment, select the **General** tab and enter the required information.

6 To generate the voucher or adjustment, click **Generate**.

The new voucher number appears in a message when processing is complete.

Creating Vouchers or Adjustments Manually

You can manually create a voucher for these tasks:

- To record an amount you owe to a vendor.
- To reduce the amount of a previously entered voucher.
- To reverse the full amount of a previously entered voucher, using single entry accounting. For this task, do not follow the steps below.

  See About Cancellation Posting for Single-Entry Accounting on page 13.

Note: You can also create vouchers or adjustments automatically. After you receive the purchase order, use the **Generate A/P Transactions** utility to create the vouchers or adjustments, or configure

your vendors to allow generation of vouchers immediately after receiving a shipment by using the **Auto Voucher** field.

See Creating Vouchers or Adjustments Automatically on page 93.

To print a new voucher with adjusted amounts, you must first negate the original voucher entirely. Using the **PO Receiving** form, perform a debit return for the same quantity originally vouchered. The system generates an adjustment to offset the corresponding voucher, allowing you to begin again. Then, receive the quantity back in. The new voucher can now be generated with the corrected domestic currency amount.

1. Open the**A/P Vouchers and Adjustments** form.
2. Select**Actions > New**.
3. In the **Vendor** field, select the vendor for which you are entering the voucher or adjustment.
4. Specify this information:

   Type
   To add a voucher, select **`Voucher`**. To enter an adjustment, select **`Adjustment`**.

   Voucher
   If you are entering a Voucher transaction, specify a unique voucher number, or accept the default of the next available voucher number. If you are entering an Adjustment transaction, select the voucher number to be adjusted.

   Invoice
   Specify the vendor's invoice number.

   Invoice Date
   By default, this field displays today's date, but you can change it to the date on which the vendor invoiced you for this transaction.

   Distribution Date
   By default, today's date displays, but you can change it to the date on which you want to distribute these funds (for a voucher) or on which you want to apply the adjustment to this vendor's account.

   PO
   Select the vendor's purchase order number to apply the transaction against. When applicable, the default value comes from the voucher.

   Pre-Register
   (Voucher transactions only) If you want to voucher material before it is received, specify a pre-register number.

   GRN
   The goods receiving note number displays.

   Posted from PO
   This check box is automatically selected if the voucher was added as part of the posting process from the Purchasing module. If you are manually adding a voucher through the **A/P Vouchers and Adjustments** form, this check box is not available for selection.If this check box is selected, you cannot delete the record. In addition, you can modify only some of the fields. Note that you can still manually distribute the transaction to re-allocate the G/L account amounts.

Auto Vouchered
This check box is selected if the order was automatically vouchered during PO receipt.

5 Specify the appropriate amounts in these fields:

Purch Amt
For a Voucher transaction, enter the total amount of the vendor invoice you are recording. Do not include miscellaneous taxes, brokerage, duty, freight, insurance, and local freight in this amount. For an Adjustment transaction, enter the amount by which to adjust the voucher and the vendor's purchases YTD. A negative amount decreases the balance, while a positive amount increases it.

Freight
Specify the amount of freight payable for the transaction.

Duty
Specify the duty charges for the transaction.

Brokerage
Specify the brokerage charges for the transaction.

Insurance
Specify the insurance charges for the transaction.

Local Freight
Specify the local freight charges for the transaction.

Misc Charges
Specify the miscellaneous charges for the transaction.

Sales Tax

Specify the amount of tax for Tax System 1 payable on this transaction. This field is available only if the **Prompt for State Tax** check box is selected on the **Tax Parameters** form.

Sales Tax 2

Specify the amount of tax for Tax System 2 payable on this transaction. This field is available only if a second tax system is defined, and the **Prompt for Tax System 2** check box is selected on the **Tax Parameters** form.

Non-Disc Amt
Specify the domestic currency amount of the invoice amount that is not eligible for a discount.

Disc Amt
Specify the domestic currency amount of the discount that may be taken if the payment is made on or before the discount date.

6 Specify this information:

Prox Code

If you selected the **Advanced Terms** field on the **Billing Terms** form, enter the appropriate Prox Code. During the calculation of the due date, the "prox code" adjusts the date before the due days are added on.

Prox Day
If you specified a Prox Code value, enter the day of the month following the invoice date on which the voucher becomes due.

Disc Pct
Specify the discount percentage to be given if payment is made by the discount date. This field displays the default value from the Billing Terms record that is associated with the vendor's Terms Code, but you can change it.

Disc Days
Specify the number of days after the invoice date that payment of the invoice qualifies for a discount. This field displays the default value from the Billing Terms record that is associated with the vendor's Terms Code, but you can change it. The system uses this value to calculate the discount date.

Disc Date
Specify the date on which this voucher must be paid to qualify for a discount, or accept the default date that is calculated. If the vendor does not offer a discount, you can clear this field.

Due Days
Specify the number of days after the invoice date that the invoice payment is due, or accept the default that is displayed from the Billing Terms record that is associated with the vendor's Terms Code.

Due Date
This field displays the date on which the invoice is due. The system calculates this date using the Invoice Date and the Due Days or Prox Day value, but you can change it.

Fixed Rate
(For non-domestic currency transactions only) Select this check box only if you want to use a fixed rate. Selecting this check box fixes the rate for the life of the document.
If you have set up multiple currencies for the vendor, then based on the selected currency, this field uses the same value (selected or cleared) as on the **Vendor Currency Codes** form or **Currency Codes** area on the **Vendors** form. You can update the value here if necessary, unless the selected currency is the domestic currency.

Currency
(For non-domestic currency transactions only and only voucher transactions) If you have set up multiple currencies for the vendor, if no distributions exist, and if **Posted from PO** is not selected, you can specify a currency for the voucher.

Exchange Rate

(For non-domestic currency transactions only and only voucher transactions) For a non-domestic currency transaction that has no receipts against it, you can enter an exchange rate if currency exchange rate overrides are allowed for the selected currency code. The rate applies to the entire order and can be changed until a receiving transaction is made against the order.

A/P Acct
(Voucher transactions only) By default, this field displays the General Ledger A/P account number from the **Accounts Payable Parameters** form, but you can select a different account.

(Unit Code 1-4)
(Voucher transactions only) For each unit code that you use, you can select the applicable code for journal and reporting purposes.

Reference
The default value for this field is **APRV** (for Voucher transactions) or **APA** (for Adjustment transactions) plus the voucher number, but you can specify a different reference to appear in the journals for this transaction.

Builder PO Originating Site
The ID of the site where the **Purchase Order Builder** form was run to create this purchase order is displayed.

Builder PO
If a Builder Purchase Order number is displayed in this field, the purchase order was created with the **Purchase Order Builder** form. There may be purchase orders at different sites that are included under this "umbrella" order. The ordered items may be included as part of a Master Buy Agreement; if the quantities in the original PO are altered, the Master Buy Agreement may no longer be applicable for this PO.

Builder Voucher Originating Site
The ID of the site where the **Voucher Builder** or **Manual Voucher Builder** forms were run to create this voucher is displayed.

Builder Voucher
If a value is displayed in this field, this voucher was generated using the **Voucher Builder** or **Manual Voucher Builder** forms.

Auth Status
Select the authorization status of the transaction. Options include Matched, Authorized or Failed.

(Authorizor)

Specify the name of the person authorizing the transaction. Note that you must enter a name if the **Auth Status** field is set to Authorized.

Notes
Optionally, you can add notes about the transaction.

Fiscal Reporting System Type
If this voucher is for a DAS2 vendor, specify a type to classify the transaction.

7 Select**Actions > Save**.

Creating Vouchers with the Manual Voucher Builder

The **Manual Voucher Builder** form allows you to quickly create a voucher in one or more sites for a single vendor's invoice. On any site, you can specify the portion of the vendor invoice amounts to

allocate. You can enter all or some subset of the vendor invoice amounts. You may use the originating site as the To Site.

1 Set up Replication Rules for the Voucher Builder category. This is a one-time setup.
- From the Manual Voucher Builder site to the remote site(s) into which pending voucher transactions will be created. This allows the setup of how the system will process pending voucher transactions.
- From the remote site(s) into which pending voucher transactions will be created to the Manual Voucher Builder site. This will replicate the necessary _all table data for validations performed on the Manual Voucher Builder form.

2 Open the **Manual Voucher Builder** form.

3 Enter this information in the header:
- **Vendor**: Select the vendor for which you are entering the voucher. The vendor's name displays.
- **Invoice**: Enter the vendor's invoice number for tracking purposes.
- **Invoice Date**: By default, this field displays today's date, but you can change it to the date on which the vendor invoiced you for this transaction.
- **Distribution Date**: By default, today's date displays, but you can change it to the date on which you want to distribute these funds.
- **Notes**: (Optional) Enter any notes about the transaction.
- **Generate Distribution**: Select this check box to have the system automatically distribute the voucher once you process it.
- **Fixed Rate**: (For non-domestic currency vendors only) Select this check box only if you want to use a fixed rate. Selecting this check box fixes the rate for the life of the document.
- **Currency**: The currency rate displays.
- **Exchange Rate**: (For non-domestic currency vendors only) Enter the exchange rate.
- **Purchase Amt**: Enter the total amount of the vendor invoice you are recording.
- **Freight**: Enter the freight charges.
- **Duty**: Enter the duty charges.
- **Brokerage**: Enter the brokerage charges.
- **Insurance**: Enter the insurance charges.
- **Local Freight**: Enter the local freight charges.
- **Misc Charges**: Enter the miscellaneous charges.
- **Sales Tax**: Enter the amount of tax for Tax System 1.
- **Sales Tax 2**: Enter the amount of tax for Tax System 2.
- **Invoice Amt**: The invoice amount displays.

4 In the grid for each site, enter this information. Allocation totals display at the bottom of the form.
- **To Site**: Select the target site.
- **Purchase Amt**: Enter the purchase amount for the site.
- **Freight**: Enter the freight charges.
- **Duty**: Enter the duty charges.
- **Brokerage**: Enter the brokerage charges.
- **Insurance**: Enter the insurance charges.
- **Local Freight**: Enter the local freight charges.
- **Misc Charges**: Enter any miscellaneous charges.
- **Sales Tax**: Enter the sales tax.

- **Sales Tax 2**: If this field is available, enter the sales tax for Tax System2.
- **Invoice Amt**: The invoice amount displays.

5 To generate the vouchers for each site, click **Process**.

If validation is successful, the system creates the pending voucher transactions in the site(s) specified. It generates a new Builder Voucher number based on the originating sites Purchasing Parameters and the last Builder Voucher number. The **Builder Voucher Orig Site** is set as the site specified on the **General Parameters** form where you are creating the manual voucher.

If validation fails, the system handles the failure in one of the following ways:

- If the To Site is equal to the Manual Voucher Builder site, or if replication is transactional, from the Manual Voucher Builder site to the remote site, then the system returns the error and does not process the transactions.
- If the To Site is not equal to the Manual Voucher Builder site and replication is non-transactional, the system handles the failure only at the remote site via the error-handling process that has been defined for non-transactional replication.

The new Builder Voucher number is displayed in a message when processing is complete.

When you close the form, the system removes any unprocessed rows.

About Consolidated Vouchers

The **Generate A/P Transactions** activity supports consolidated vouchers. A consolidated voucher covers multiple purchase orders referred to in a vendor's invoice. The voucher can also cover goods receiving notes (GRNs) for shipments invoiced by a vendor.

A consolidated voucher has one Terms Code, though the purchase orders covered in the voucher may have various codes. You can set the Terms Code for the voucher on the **General** tab. Otherwise, when the activity creates material distribution lines, the Terms Code of the first purchase order is used as the code for the voucher.

If any purchase order referred to in the vendor's invoice has a Fixed Rate, that rate determines what purchase orders can be included in the voucher. Only purchase order lines with the same fixed exchange rate can be included in the voucher. The activity selects such lines when it creates pending material distribution lines. A voucher can include multiple variable-rate purchase orders.

A consolidated voucher has one Authorizer, though the purchase orders covered in the voucher may be associated with more than one. You can specify the Authorizer to associate with the voucher on the **General** tab. Otherwise, when the activity creates material distribution lines, the Buyer for the first purchase order is used as the Authorizer for the voucher.

During generation of a voucher, the activity assigns any amounts entered in the **Freight** field and the **Misc Charges** field to the first purchase order in the voucher.

Only purchase orders with the status Ordered and GRNs with the status Approved are considered when the activity generates pending material transaction lines.

Landed costs must be vouched with the **Generate Landed Cost Vouchers** activity.

If you are generating vouchers or adjustments for a vendor with a Vendor Category defined, the A/P account number defaults from the **Vendor Categories** form. If you are using Advanced Terms, the European algorithm is used to calculate the due date bucket for purchase orders and customer orders.

Distributing Recurring Vouchers

You can distribute the amount of each recurring voucher across multiple accounts in the General Ledger. You can distribute these recurring vouchers either manually or automatically:

- To automatically create a voucher distribution in the **Recurring Vouchers** form, select the desired voucher and then select **Actions > Distribution Generation**.

  When you do this, the distribution uses the default purchases account from the Vendor record. If there is not a default purchases account on the Vendor record, then it uses the default purchases account from **Accounts Payable Parameters**.
- To manually create a voucher distribution, use the steps in this topic.

You only need to create the General Ledger (G/L) distributions once for each recurring voucher, unless the payment amount changes.

After the recurring vouchers and their distributions are set up, then each time you run the **A/P Recurring Voucher Generation** utility, it creates a recurring voucher and posts the voucher and its G/L distributions to the **A/P Vouchers and Adjustments** form.

Note: The system saves the recurring voucher's G/L distribution records until you delete the recurring voucher.

To manually create a voucher distribution:

1. Open the **Recurring Vouchers** form.
2. Select the desired voucher.
3. To display the voucher in the **Recurring Voucher Distribution** form, click **Distributions**.
4. On the **Recurring Voucher Distribution** form:
   a. Select the vendor.
   b. To add a distribution, select **Actions > New**.
   c. Specify this required information:

      Amount
      Specify the amount for this distribution sequence number.

      Account
      Specify the account number for this distribution sequence number.

5. Continue adding distributions until the **Distribution Total** field equals the**Invoice Amt** field.
6. Optionally, to associate a distribution with a project on the **Recurring Voucher Distribution** form:
   a. In the **Dist Seq** field, accept the default of the next available sequence number.
   b. In the **Project** field, select the project number for the recurring voucher.
   c. Select the task number.
   d. Select the project cost code.

7 You might have to enter tax information on the **Recurring Voucher Distribution** form, depending on how the tax parameters were set up for this vendor. To add tax information:
   a Select the tax system number to be used with this tax distribution.
   b Select the tax code rate.
   c Select the exempt tax code, if necessary.
   d In the **Tax Basis** field, enter the taxable monetary amount on which the tax amount is based.

Distributing Vouchers and Adjustments

You can create distributions for vouchers and adjustments in either of these ways:

- To automatically distribute vouchers and adjustments, use the **A/P Vouchers and Adjustments** form or the **Voucher Adjustment Distribution** form. Select the transaction you want to distribute and then select **Actions > Distribution Generation**.
- To manually distribute vouchers and adjustments, use the steps in this topic.

You can also have the system distribute the amounts for you during the posting process.

To distribute vouchers and adjustments manually:

1 Open the **Voucher Adjustment Distribution** form.
2 To add a distribution, select **Actions > New**.
3 In the **Vendor** field, select the vendor whose voucher or adjustment you want to distribute.
4 In the **Voucher** field, select the transaction you want to distribute.
5 In the **Dist Seq** field, accept the default value of the next available sequence number.
   This number is used to order the distributions for the selected transaction.
6 On the **Allocation And Tax** tab, in the **Amount** field, enter the distribution amount.
7 In the **Account** field, select the General Ledger account to post the transaction to.
8 If you must submit DIOT and IETU reports, specify or review this information on the **Tax Parameters** tab:

   Tax Reg Number Type
   Specify the tax regulation number.

   DIOT Transaction Type
   Specify the DIOT transaction type.

   Tax Reg Num Foreign
   If selected, indicates that the vendor has a foreign tax regulation number.

   Deduction Percent
   Specify the percentage deducted from the voucher distribution.

   Vendor Name
   The vendor name is displayed.

Tax Reg Num
The tax regulation number is displayed.

ISO Country Code
Select the ISO-defined country name.These fields are only displayed for users who are assigned a Mexico Localization license.

9 Select **Actions > Save**.

10 Repeat steps 1-7 to continue distributing the transaction until the value in the **Distribution Total** field on the **Amounts** tab equals that of the **Invoice Amt** field.

Generating Vouchers

Vouchers can be generated using the methods described here.

- Automatically, using the **Generate A/P Transactions** form
- Manually, using the **A/P Vouchers and Adjustments** form
- For multiple sites, using the **Voucher Builder** form

When you generate vouchers, remember this information:

- Before any transactions are created, the total distributed cost of the PO must equal the sum of all vouchered line/releases. If they are not equal, the system displays an error message.
- If you are creating an adjustment rather than a voucher, you must select the number of the voucher you are adjusting.
- When generating an adjustment, the A/P transaction record is filled with values from the A/P posted transaction record. The transaction type is **A**, and the reference begins with APA.
- As each line/release is processed, the **Unit Cost** field of the purchase order is set to the vouchered unit cost, and the purchase order detail costs are set to the vouchered detail costs.
- While transactions and distributions are set, messages display if the corresponding account number has not been set up on the **Accounts Payable Parameters** form (the message is only a warning, and processing continues).
- If the cost method is Actual or Standard, the system displays a message if the corresponding account numbers are not set for the line item.
- The following A/P distribution transaction records are created when you generate vouchers:
  - If any miscellaneous charges were entered, an A/P transaction distribution record is created, using the Misc Charges account from the **Accounts Payable Parameters** form. The distribution amount is set to the miscellaneous charges amount from the voucher.
  - If sales tax was entered, an A/P transaction distribution record is created, using the Sales Tax Exp account from the **Accounts Payable Parameters** form. The distribution amount is set to the sales tax amount entered for the voucher. If the **Active for Purchasing** check box is selected on the **Tax Systems** form, the system uses the A/P Tax account from the tax code.
  - If a freight amount was entered, an A/P transaction distribution record is created, using the Freight-In account from the **Accounts Payable Parameters** form. The distribution amount is set to the freight amount entered for the voucher.
  - If the cost method is None, an A/P distribution transaction record is created for the distributed amount (total of the items), using either the product code's inventory account number (if the

item has an associated product code) or the purchases account from the **Accounts Payable Parameters** form. For all other cost methods, the Vouchers Payable account is used. The distribution amount is set to the amount vouchered (the total cost of the items).

- Finally, an A/P transaction record is created for the total cost of the items (including freight, miscellaneous charges, and sales tax), using the Accounts Payable account from the **Accounts Payable Parameters** form.
- The distribution amount is set to the total of the miscellaneous charges, freight, sales tax, and cost of the items. At that time, the system creates a voucher register record with a line item for each line release being vouchered.

  After the vouchers are posted in A/P, you can view the completed transactions using the **Journal Entries** form, by selecting the A/P Dist journal option.

- The PO line/release quantity vouchered is set to the quantity received minus the quantity returned.
- The PO line/release quantity returned is set to zero.

When all transactions and distributions are created, the system displays a message indicating that the process is complete.

Generating Landed Cost Vouchers

After you receive your purchase order, you can voucher your landed costs (duty, freight, brokerage, insurance, and local freight).

1. Open the **Generate Landed Cost Vouchers** form.
2. Select the vendor number and any other pertinent information in the form's header.
3. Click the filter-in-place button to display in the **Receipts** tab a list of all receipts that meet your criteria.
4. click **Select All** to select all displayed receipts, or use the **Select** check box to select one or more individual receipts.

   Optionally, to ensure that you are selecting the correct line items and view the selected line item's details, you can click **Detail** to opens the appropriate purchase order line/release form.

   If you select multiple records, they must all have the same exchange rate.

5. To allocate any landed costs you entered in the header across all selected PO receipt records, click **Cost Allocation**.

   This determines the ratio of each individual domestic landed cost to the total domestic landed cost and then applies that ratio to the foreign translated amount. If the foreign translated amount column sum is not equal to the total of the duty, freight, brokerage, insurance, and local freight amounts in the header, the system generates a warning.

   When you generate a landed cost voucher from a purchase order that has a fixed exchange rate (the **Fixed Rate** field is selected on the **Purchase Orders** form **Amounts** tab), and the Landed Cost currency is the same as the PO currency, the system uses the purchase order's exchange rate instead of the current rate. If the Landed Cost currency is different from the PO currency, you cannot specify a fixed rate. The currency rate is then set to the Buying Exchange Rate for the vendor currency code (where the vendor currency code is either the currency of the Landed Cost

vendor (for freight, duty, etc.) or, if a Landed Cost vendor is not specified, the PO vendor currency) and where the Effective Date is the most recent date earlier than the transaction date

After you allocate costs, you can still change the landed cost on individual landed cost PO receipt lines before you post.

6 Optionally, use the **Taxes** tab to generate and modify the tax distributions. Tax distributions should be specified after all landed cost records have been selected.

Note:

- The **Taxes** tab is enabled when the **Active for Purchasing** check box is selected on the **Tax Systems** form for at least one tax system. If the **Taxes** tab is enabled, you can enter tax amount(s) from the vendor's invoice, or other amounts as required, in the **Sales Tax** field(s) on the header.
- The label for the **Sales Tax** field is user-defined.
- For area-based taxes, to calculate the sales tax for each selected voucher line on the **Receipts** tab and create a pending tax transaction line, on the **Taxes** tab, click **Generate Tax**. The activity displays the total of the line amounts in the **Sales Tax** field(s) on the **Taxes** tab and provides the option of copying the sum(s) to the header.

  To add a tax amount that was not created in the generation process, create a new tax transaction line.
- Tax distributions for an item-based tax system, where no area-based system is defined, should be entered manually. If you enter the tax distribution manually, do not click the **Generate Tax** button.

7 To generate the voucher for the selected receipts, click **Generate Voucher**. When this process complete, the system displays a message showing the number of vouchers created successfully.

After you generate the voucher, the system updates the actual landed cost amounts to the respective POs in order by type.

When you run the **Generate Landed Cost Vouchers** activity for POs, variances are written to the PO Distribution Journal:

- For non-inventory items, the variances are calculated between the vouchered amount and the PO line item amount.
- For inventory items, the variances are calculated between the vouchered amount and received amount.

Note: After you generate landed cost vouchers, you cannot update them in A/P.

8 Post the landed cost vouchers just as you would post vouchers for material.

9 Optionally, run the **Landed Cost Variance Report**.

Generating Recurring Vouchers

To create the vouchers and distributions for the current payment cycle, use the **A/P Recurring Voucher Generation** utility. Use the existing recurring vouchers and distributions as the templates to create the current vouchers and distributions.

Note: If you have not posted the previously created voucher, you cannot create a new voucher from a recurring voucher for a vendor.

To generate recurring vouchers:

1 Enter information in the following fields:
   - Starting and Ending Vendor: Enter the range of vendors for which you want to generate vouchers from their recurring vouchers.
   - New Voucher Month: The current month number displays by default, but you can change it to a different number of the month for which you want to generate recurring vouchers.
   - New Voucher Year: The current year displays by default, but you can change it to a different year for which you want to generate recurring vouchers.
   - Distribution Date: The current system date displays by default, but you can change it to the date you want to assign to the generated voucher.
     Note: If the date you enter is outside of the current period and you have not activated **Enter Out of Date Range** authorization, the system stops processing the vouchers and displays an error message.

2 Click **Process**.

You can view the generated vouchers using the **A/P Vouchers and Adjustments** form.

Printing and Posting Vouchers

To print and post vouchers:

1 If your company uses the Voucher Authorization feature, run the **Voucher Authorization** utility before posting the approved transactions.

   Note: Running the **Voucher Authorization** utility is not required before posting transactions. The posting process allows you to post vouchers with authorization statuses of Approved and/or Matched.

2 On the **A/P Voucher Posting** form, provide information in the following fields:
   - **Authorization Status**: Select from the drop-down list the authorization status of the vouchers you want to post.
   - **Sort By**: Select from the drop-down list the order in which you want records to be created in the posting table, and listed in the report and grid.
   - **Display Voucher Totals**: If you want to include voucher totals in the report, select this check box.
   - **Starting and Ending Vendor Number**: Select the range of vendor numbers whose vouchers you want to post or, to process vouchers for all vendors, leave both fields blank.
   - **Starting and Ending Voucher**: Select the range of vouchers or, to process all vouchers, leave both fields blank.
   - **Starting and Ending Due Date**: Select the first and last due dates for vouchers you want to include or, to process vouchers for all due dates, leave both fields blank.
   - **Starting and Ending Distribution Date**: Enter the first and last distribution dates to include or, to process vouchers for all distribution dates, leave both fields blank.

3 To print and review the **A/P Voucher Posting** report, select **Print**.

4 When you are ready to post the vouchers, select **Commit** and then click **Process**.

You can view the posted vouchers using the **A/P Posted Transactions Detail** and **A/P Posted Transactions Summary** forms.

Note: If you use the External Financial Interface, additional processing may occur during voucher posting. For more information, see "Setting Up an External Financial Interface on page 183."

Posting Vouchers - Detail

Posting does the following:

- Updates vendor records
- Creates posted transactions
- Updates the voucher register
- Updates the G/L journal

During posting, the system performs these steps:

- Adds the invoice amount to the **Purchases YTD** field on the **Vendors** or **Multi-Site Vendors** form for each posted transaction. For a voucher, the **Last Purchase Date** field on the **Vendors** or **Multi-Site Vendors** form is updated with the distribution date, provided that the distribution date is after the Last Purchase Date.
- Creates a posted transaction record, using the transaction currency, for each voucher transaction, and updates the corresponding posted transaction record for each adjustment transaction.
- Creates a voucher register record for each transaction that is not posted from PO. For each transaction, one voucher register distribution record is created for the A/P account, and one is created for each posted distribution record.
- Creates G/L journal entries for all A/P transactions, whether generated in PO or created in A/P.

Purging Voucher History

To delete records associated with posted transactions from voucher history and free up space in your database, use the **Purge Voucher History** utility.

1. Open the **Purge Voucher History** form.
2. In the **Ending Voucher** field, select the last voucher you want to purge, or, to delete all vouchers, leave this field blank.
3. In the **Ending Invoice Date** field, select the most recent date of the invoices you want to purge, or, to delete invoices of any date, leave this field blank.
4. If you want to delete only the line items of the vouchers and not the header information, select the **Delete Line Items Only** check box.
5. The system does not purge voucher headers associated with unposted A/P transactions or POs with a status of Planned or Ordered. If you want the system to display an error message every time it finds a voucher that cannot be purged, select the **Show Unpurgable Vouchers** check box.
6. To purge voucher history, click **Process**.

Note:

- To deactivate A/P posted transactions before purging, you must use the **Activate/Deactivate Posted Transactions - A/P** utility.
- Also, purging the voucher history does not remove the voucher and payment from the **A/P Posted Transactions Detail** form. To do that, you must run the **Delete A/P Posted Transactions** utility before purging the vouchers.

Using Cancellation Posting for a Voucher Adjustment

You can cancel a posted voucher one time. The entire amount of the original voucher is canceled; partial adjustments cannot be made.

1 Open the General Parameters form and make sure **Enable Cancellation Posting** is selected.
2 Open the **A/P Vouchers and Adjustments** form and click the filter-in-place button.
3 Select **Actions > New**.
4 Specify this information:

Vendor
Specify the vendor for which a voucher must be canceled.

Type
Specify **`Adjustment`**.

Cancellation
Select this check box.

Voucher
Specify the voucher to which to apply the cancellation. The list of posted vouchers to which you can apply cancellation posting does not include those that are referenced by posted adjustments or payments.

5 Complete the voucher and save the record.

Voucher Pre-Register Overview

The VAT (Value Added Tax) captures information about the value of intra-community sales and purchases. Voucher Pre-Register allows the VAT to be recognized as soon as the supplier ships the material.

The information on the **Voucher Pre-Register** form does not require a specific purchase order. Once the voucher pre-register has been created, the system posts the pre-register and creates journal entries using a new suspense account. When you are ready to voucher the material (after receiving it), you can associate the voucher with one of the pre-registers. When you post the voucher, the system changes the voucher pre-register to a status of **`Closed`** and creates the appropriate journal entries.

If the **Recognize VAT** check box is selected on the **Accounts Payable Parameters** form (**Misc** tab), the pre-register date becomes the journal entry date, and the following journal entries occur:

Planned to Posted

Field	Debit	Credit
Suspense Acct	###	Material portion from pre-register.
Freight	###	
Misc. Charges	###	
Tax 1	###	There will be a debit for each Tax Distribution.
Tax 2	###	
A/P Unmatched		###

If the **Recognize VAT** check box is not selected, the following journal entries occur:

Field	Debit	Credit
Suspense Acct	###	Material + Tax portion from pre-register.
Freight	###	
Misc. Charges	###	
A/P Unmatched		###

If a voucher is associated with a pre-register and the voucher is posted, the status of the pre-register changes from Posted to Closed, and new journal entries are created to back out the original entries. You can also manually change the pre-register status to Closed to create the offsetting journal entries.

If the **Recognize VAT** check box is selected on the **Accounts Payable Parameters** form, the voucher date becomes the journal entry date, and the following journal entries occur:

Posted or Matched to Closed

Field	Debit	Credit
Suspense Acct		###
Freight		###
Misc. Charges		###
Tax 1		###
Tax 2		###
A/P Unmatched	###	

If the **Recognize VAT** check box is not selected, the following journal entries occur:

Field	Debit	Credit
Suspense Acct		### (Material + Tax)
Freight		###
Misc. Charges		###
A/P Unmatched	###	

Pre-register can hold one of four different status types:

- Planned: If the pre-register status is Planned, the pre-register is in the process of being created, or it has been created but is not yet posted.
- Posted: If the pre-register status is Posted, the pre-register has been posted. The only way to get a status of Posted is to manually change the status from Planned to Posted. Journal entries are created upon saving the status.
- Matched: If the pre-register status is Matched, the pre-register has been entered and saved either on the **Generate AP Transactions** form or the **A/P Vouchers and Adjustments** form.
- Closed: If the pre-register status is Closed, the status of the pre-register number has been changed manually to Closed or changed to Closed by the system. The system changes the status of a voucher pre-register to Closed when a voucher is posted that has a pre-register number. When the status is changed to Closed, journal entries are created to back out the original journal entries. Once the status of the pre-register is Closed, it cannot be updated. The pre-register can be deleted by clicking the **Delete** button on the toolbar or by using the **Delete Voucher Pre-registers** utility.

Deleting a Voucher Pre-register

The **Delete Voucher Pre-Registers** utility deletes all voucher pre-registers within a specified range. The voucher pre-register must have a status of Closed before it can be deleted. All voucher pre-register distributions for the range of voucher pre-registers are also deleted. Deleting voucher pre-registers removes all information about the voucher pre-registers, and affects tax reporting.

Processing External Expense Reports

Expense reports can be sent as BODs to SyteLine from another application such as Infor Expense Management.

SyteLine can process these BODs either through the Accounts Payable system or through the Payroll system. This is determined by the setting of the **Process External Expense Report in A/P** field on the **Accounts Payable Parameters** form:

- If **Process External Expense Report in A/P** is selected, the expenses are paid through a vendor record that is linked to the employee record.
- If **Process External Expense Report in A/P** is not selected, the expenses are paid through payroll payments to the employee.

Before you begin processing expense reports, you must set up employee information and certain codes in SyteLine. If you are processing expenses through A/P, you must also perform these tasks:

- Use the **External Expense Types** form to specify information that will be used to generate the appropriate transactions and voucher distributions. A typical expense type might be something like Airfare, Meals, or Hotel. In an Infor Expense Management expense report, this expense type is tied to an Infor Expense Management project. The Infor Expense Management project has a prefix (SRO_ for service orders, PRJ_ for projects, JOB_ for job orders, or any other prefix for miscellaneous cost centers). For example, an expense type of **`Hotel`** might be tied to SRO_SO0000000002/1, which transforms to a specific service order line in SyteLine.

  The transaction type (prefix) determines how the fields on this form are used during SyteLine processing of the specified expense type:

  - For cost centers, that is, instances where the expense is not tied to an SyteLine order, the **Voucher Expense Account** is used for A/P voucher distributions.
  - For job orders, the **Order Offset Account** is used for A/P voucher distributions. That account is also credited when a job material transaction is posted. The **U/M** field is needed for a material transaction and generally is set to **`EA`**.
  - For service orders, the **Order Offset Account** is used for A/P voucher distributions. The SRO **Misc Code** is used for "miscellaneous"service transactions to obtain the Misc Code's account. That account is credited when the service order transaction is posted.
  - For project orders, the **Cost Code** on this form is set as the cost code for the A/P voucher distribution. The cost code and the project are used to get the account data to use for that distribution. When the A/P voucher is posted, a project transaction is created and posted for the project order/task.
- Set up vendor records and associate them with each employee who will receive expense reimbursement

For detailed steps, see the *Infor SyteLine Integration Guide for Infor Expense Management.*

Chapter 3: Accounts Receivable (A/R)

Accounts Receivable Steps

Accounts Receivable (A/R) is the process you use to invoice customers for services you rendered or goods you provided to them. You also use A/R to process customer payments and track discrepancies. A/R is closely linked to Customer Service, where you enter orders and track customer interaction.

The basic steps for A/R are listed here. See the linked topics for more information.

1. Create an invoice, debit, or credit memo in A/R (Eliminate residual balances by generating debit or credit memos).

   Note: You should create most invoices through Customer Service. Use A/R to enter only those invoices, debit memos, and credit memos that do not result from the sale or return of inventory items.
2. Distribute invoices on page 129.
3. Post invoices, debits, and credit memos on page 129.
4. Enter customer payments on page 135 (Enter customer payments using Quick Payments on page 154).
5. Distribute customer payments on page 137.
6. Post payments on page 162.
7. Run the A/R Aging Report on page 167.
8. Generate and post finance charges on page 146.
9. Rebalance customer balances.
10. Close the year for Accounts Receivable on page 119.

About A/R Posting

During posting, the system updates three types of records:

- Customer Master records
- Open Item records
- G/L Journal records

Following is a summary of the posting process:

- The system updates two fields of the Customers file for each transaction posted.

- If the receipt date for the payment transaction is later than the last payment date in the Customers file, the receipt date becomes the new last payment date.
- The system reduces the Customer Posted Balance amount by the payment amount and any discount or allowance you give to the customer.
- The system creates an Open Item record for each transaction being posted.
- The system creates A/R Ledger Distribution Journal records.
- For each transaction, there is one journal record for the cash amount and one transaction for each distribution record you enter.
- While posting payments, the system recalculates the **Customer's Days Outstanding** fields for customers with an Open Item Balance Method. The values change if the payments being posted fully pay an invoice.
- The system enters multi-currency gains and losses in the A/R journal (if applicable).
- When posting multiple checks, wires, and adjustments, a summary entry is created on the **Bank Reconciliations** form. You can also post checks, wires, and adjustments individually to create individual bank reconciliation entries.

About Credit for Returns

In some cases, you will need to issue credit for a return.

Determining How Much Credit to Issue

The decision about how much credit to issue is made when the customer is authorized to reject material on the **RMA Line Items** form. Factors that enter into the calculation of the credit include:

- Quantity to Return: You enter the number of items for which return is authorized. If the material is referenced to a customer order and line item, then the quantity returned cannot be greater than the quantity invoiced. If the item is serial-tracked, then the quantity returned must be a whole number.
- Unit Credit: You can enter the credit which you authorize for each unit returned. The default is the cost associated with the item on the original customer order, if known, or the cost taken from current pricing routines if the item is inventoried.
- Restocking Fee: Your company can elect to charge customers a small fee for the staff time it takes you to process the returned material. This fee is often called a restocking fee, but you can call it something else on your credit memos simply by changing the name in the **Description** field of the **RMA Parameters** form. The system calculates the restocking fee based on the **Restocking Fee %** stored on the **RMA Parameters** form to provide a **Restocking Fee** amount. This percent and amount can be overwritten. Overwriting either one will cause the other to be recalculated.

Note:

- If an RMA line item references a valid customer order and line, then an attempt is made to back out the commission given on the original order by the RMA amount. In the calculation of the commission to reverse, the restocking fee is not included.
- All invoicing (and crediting) must be done at the shipping site. All accounts receivable and inventory transactions also occur at this site.

Printing and Posting the Credit

To preview all RMA line items that are ready to be credited, run the **RMA Status Report**. RMA line items appear on the **RMA Status Report** when:

- The **Return** check box is selected and the quantity returned is greater than the quantity credited thus far, OR the **Return** check box is cleared and an amount remains to be credited.
- RMA line items have a status of Open or Filled. (RMA line items with a status of Closed or History cannot be printed or posted.)
- The RMA associated with the RMA line item has a status of Open. (Items associated with headers which have a status of Stopped, Closed, or History cannot be printed or posted.)

After reviewing the records pulled by the report, you might want to modify the range of RMA numbers or of RMA dates, to eliminate records that should not be receiving credit memos at this time.

Then, to print RMA credit memos and to post the credits to Accounts Receivable, perform the **RMA Credit Memo** activity.

The RMA credit memo is printed on the same special form as the standard invoice. The words RMA CREDIT will print beneath the header information to differentiate the two documents.

- Form alignment: You can print a sample credit memo using Xs and 9s to represent data fields.
- Restocking Fee: The restocking fee will print on the RMA credit memo with the label defined by you on the **RMA Parameters** form. If you do not charge your customers a fee to return merchandise, do not enter any label in the **Description** field on the **RMA Parameters** form. That way, no label prints on the credit memo.
- Multi-lingual credits: If the customer is flagged for multi-lingual invoices, the credit memo will automatically be printed using the same language for labels.
- Non-domestic currency: The amount posted is always credited in the customer's currency, even if the amount printed on the credit memo was translated to the domestic currency.
- Preprinted forms: Be sure to specify whether you use new Moore forms (the default) or the previously available (old) Moore forms.
- Pre-numbered forms: If your company uses preprinted and pre-numbered forms, the maximum number of lines allowed per credit memo is defined on the **Accounts Receivable Parameters** form. The invoice headers are the same but the credit memo number changes. Also, the total amount prints in words on the footer.

As part of the posting process, the status of all RMA line items that have been fully credited is automatically changed to Closed. If all RMA line items associated with an RMA header have a status of Closed, then the RMA header status is also changed to Closed.

The account numbers which will be debited and credited when you post credits are pulled as follows:

- If the item exists in the**Items** form, from the End User Type (if specified) or the Distribution Account record
- If the item does not exist in the **Items** form, from the End User Type (if specified) or **Accounts Receivable Parameters** (sales discount account and unit codes) form.

Adjustments Calculated by the System

When customers reject material for which they received a discount, or for which a sales representative received commission, then the system adjusts those calculations where possible.

Both the order level and line item level sales discounts (if any) given on the original customer order will be backed out if:

- The original customer order and line are known.
- The item on all RMA line items matches the item on the associated customer order line items.

Note: The amount of sales discount to back out is adjusted to reflect any differences in the unit price on the original order and the unit credit on the RMA line.

The amount on which the sales commission is figured is adjusted by the amount of the credit (prior to the application of the restocking fee) if:

- The RMA line item references a valid customer order (including History orders) and line.
- The RMA line item exists in the **Items** form and is the same as the item on the original customer order.
- There were commissions associated with that particular item on the original customer order.

When you print an RMA credit memo, the document is assigned a number which prints in the Invoice No space. However, the RMA credit appears in Accounts Receivable as an open credit, with an invoice number of 0.

About Rebate Programs

SyteLine provides functionality for setting up and maintaining rebate programs to give your customers incentives for buying. These rebate programs allow your customers to earn payment credits to use in the future.

For more information about SyteLine rebate programs, refer to these topics:

- Promotion Pricing and Rebate Programs Overview
- Setting Up Promotion Pricing and Rebate Programs
- Maintaining Earned Rebates
- Processing Earned Rebates
- Closing Rebate Programs

Setting up A/R Direct Debits

With direct debit, you can automatically collect payments from a customer using an electronic funds transfer (EFT) file.

After a direct debit A/R payment is posted, the DebitTransfer BOD is populated. The BOD is processed by Infor Local.ly, which then uses the data to create an EFT file for bank collection. This file is sent to the bank, informing the bank to move the funds from the customer's bank and account to your company's bank and account. Your company's bank then initiates an EFT to the customer’s bank to have the funds transferred by a bank-to-bank EFT. When you receive a bank statement from your company's bank, you must manually enter direct debit deposits on the **Bank Reconciliations** form.

The support for structured and unstructured fields that include reference information such as the invoice number is dependent on the bank, or in case of bank-to-bank transfer, it is dependent on both banks.

Prerequisites

You must perform these tasks outside the application before you set up direct debit in the application:

- Obtain a signed mandate from the customer. The reference number on the mandate is entered into the system and included in BODs and electronic messages.
- Obtain the IBAN numbers for your company and your customers.
- Obtain the BIC numbers for your company and your customers, if applicable.
- Obtain the Bank Authority Party IDs for your company and your customers, if applicable.

Direct Debit Setup

1. On the **Chart of Accounts** form, add any new accounts and unit codes for direct debit receivables. This account is used when an A/R payment is posted whose type is direct debit. The account is credited when the corresponding bank reconciliation deposit is entered.
2. On the **General Parameters** form, specify your company's **Bank Authority Party ID**, if your company does business in countries that require it.
3. On the **Countries** form, you should already have set up country codes that map to ISO country codes. You must also set up the **Bank Transit Number Mask** in this form for each country where you will transmit electronic banking data. See the help for this field for some examples of the masking format.
4. On the **Accounts Receivable Parameters** form, Electronic Banking section, specify the **Direct Debit Receivable Account** to use as the default account for direct debits. This can be overridden for End User Types or for specific customers.
5. Optionally, on the **End User Types** form, specify the direct debit receivables account information. This account is used as the default Direct Debit Receivable Account for customers if either of these statements is true:
   - The customer does not have an end user type.
   - The customer has an end user type, but the end user type does not have a Direct Debit Receivable Account.
6. On the **Customers** or **Multi-Site Customers** form, specify the customer's banking information. The information that you must supply depends on the requirements of the banking authority. It can include these fields:

   Bank Code
   Specify the bank code that describes your company's bank account that you use to receive direct debit A/R transactions from this customer.

   Payment Type
   Specify **`Direct Debit`**.

   Customer Bank
   Specify the bank code that describes the customer's bank account that will be debited when the A/R payment is sent to your bank account.

   IBAN
   Specify the customer's international bank account number.

BIC or Bank Authority Party ID
Specify the customer BIC or Bank Authority Party ID, as applicable.

Mandate Reference
Specify the reference number of the agreement with this customer to allow direct debit from this account.

End User Type
Optionally, specify a user type to use the default Direct Debit Receivable account from the **End Users** form instead of from the **A/R Parameters** form.

7 On the **Bank Reconcilations** form, specify information about the banks that you will use for EFT transactions. This includes your company's bank as well as customer banks.

- Create a bank code and specify the appropriate information to describe the banks where your company has accounts. This can include your company's IBAN number and the currency in which the bank deals, your company's BIC number or Bank Authority Party ID, as appropriate.

  Your company might have accounts at banks in different regions or in different currencies, to simplify dealing with customers in those regions or currencies.
- Create a bank code and specify information to describe each of the banks where your customers have accounts. Specify the currency in which each bank deals.

  For customer's banks, also specify the appropriate EFT information, which can include the IBAN number, BIC number or Bank Authority Party ID, as appropriate.
- If your customers use an Optical Character Recognition (OCR) number in banking, select the appropriate settings in the OCR Reference Control fields.

Chargebacks Overview

The chargebacks functionality allows you to approve or disapprove a non-full payment from customers who may take a chargeback for reasons that include but are not limited to damage, lateness, or improper packaging.

Use these forms with this functionality:

- **Accounts Receivable Parameters**
- **Chargeback Types** (and the associated **Chargeback Types Query** form)
- **Chargebacks**
- **A/R Payment Distributions**
- **A/R Quick Payment Application**

Clearing Offsetting Open Items in Accounts Receivable

In order to get open items off of the **A/R Aging Report**, they need to be applied to an invoice.

If an invoice does not already exist that would be appropriate for applying the open items, then you need to create an invoice for zero dollars, and do reapplications of the open debit item(s), open credit item(s), or open payment(s) to that invoice.

If one or more of the items are open credits or debits, use this procedure.

1 Open the **A/R Posted Transactions Detail** form.

2 To reapply an open debit or credit to one invoice:
   a Filter for both Customer and Open Credit.
   b In the **Invoice** field, either enter or select the invoice to apply the open debit or credit.
   c Click **Save**.

3 To reapply an open credit to multiple invoices:
   a Determine the check/reference number of the credit memo you want to reapply.
   b Add the customer number and check/reference number of your open credit.

   Note: The receipt date normally would not be changed. Credits are already against Accounts Receivable and no journal entries will be created as a result of this reapplication.

   c Click **Save**.
   d Open the **A/R Payment Distributions** form.
   e Add as many invoices as required to distribute the credit amount.
   f Perform **A/R Payment Posting** to post the reapplication.
   g If one of the items is an open payment transaction, then you will need to do the following:
      - Determine the customer number and check number from **A/R Posted Transaction Detail** form.
      - Open the **A/R Payments** form.
      - Enter Customer Number and Check Number. You should see RE-APPLICATION OF OPEN PAYMENT beside the G/L Reference. If this does not appear, stop here and re-examine the check number being entered.
      - The date of the check should be changed to the current date. A journal entry will be created as a result of the reapplication. The entry will debit the A/R Deposit Account and credit the Accounts Receivable Account.
      - Go to the **A/R Payment Distributions** form, enter the zero dollar invoice number as required to distribute the Open payment.
      - Perform A/R payment posting.

Closing the Year for Accounts Receivable

To close an accounts receivable (A/R) period or a year, use the **A/R Period/Year End Procedure** utility. This utility clears the customer period-to-date information, or both the period-to-date (PTD) and year-to-date (YTD) information. In addition, you can use it to clear the salesperson PTD or YTD information. Finally, this utility also updates customer records to reflect the change of year.

To close a period or the year for A/R:

1 Open the **A/R Period/Year End Procedure** form.

2 Enter the appropriate information in these fields:
   - **Customers**, **Salespersons**, **Both**:
     - To process only records for selected customers, select **`Customers`**.
     - To process only records for selected salespersons, select **`Salespersons`**.
     - To process both customer and salesperson records, select **`Both`**.
   - **Statement Cycles**: Select the statement cycles you want to process. Options include: Weekly, Monthly, Quarterly, or All.
   - **Zero PTD Only**: If you want to start a new period and clear only the period-to-date information, select this check box. If you want to clear all year-to-date information, clear this check box.
   - **Starting and Ending Customer**: Enter the range of customers you want to process. To process records for all customers, leave both these fields blank.
   - **Starting and Ending Salesperson**: Enter the range of salespersons you want to process. To process records for all salespersons, leave both these fields blank.

3 Click **Process**.

Deleting A/R Posted Transactions

To delete accounts receivable (A/R) transactions that have been posted:

1 Open the **Delete A/R Posted Transactions** utility form.

2 Specify this information:
   - **Through Date**: Enter the date through which to delete A/R transactions, or accept the default, which is the current system date.
   - **Statement Cycles**: Enter the statement cycles for which you want to delete A/P transactions. Options include Weekly, Monthly, Quarterly, or All.
     Note: With the exception of All, these options cause the utility to process only those records for which the statement cycles match. For example, if you select **`Weekly`**, then only the records with a statement cycle setting of Weekly are processed. Records tagged for Monthly or Quarterly cycles do not get processed.
   - **Starting Customer** and **Ending Customer**: Enter the range of customers for which you want to delete A/R transactions. To delete A/R transactions for all customers, leave these fields blank.
   - **Preview/Commit**:
     - To view the results of running the utility without saving the results in the database, select **Preview**.
     - To save the results in the database, select **Commit**.

3 Click **Process**.

Using Chargebacks Functionality

A chargeback is the amount a customer deducts from a payment for reasons including but not limited to damage, lateness, or improper packaging.

To use this functionality:

1. Establish Chargebacks and Chargebacks Deposit accounts on the **Accounts Receivable Parameters** form.
2. Define chargeback types on the **Chargeback Types** form. The types are the reasons why a customer might apply a chargeback.
3. Use the **Chargebacks** form to quickly enter chargeback data. You can specify the amount, choose the type, see invoice, credit memo, and status information, and set that status to approve, pending, or denied.
4. Choose one of these options:
   - Record a payment on the**A/R Payments** form and on the **A/R Payment Distributions** form and then, while still on the **A/R Payment Distributions** form, click the **Distribute Chargebacks** button for the appropriate customer to populate the Chargeback Amount field with the amount to be distributed, or
   - Enter the payment amount on the**A/R Quick Payment Application** form and then click the **Apply** button to apply any chargebacks from the **Chargebacks** form.
5. Use the **A/R Payment Posting** form to post like you would for any other payments or distributions. For chargebacks that were approved on the **Chargebacks** form, the process on the **A/R Payment Posting** form creates and posts credit memos tied to an invoice for each chargeback amount. If the chargeback is approved after the payment is posted, a credit memo is created and posted. The credit memo is tied to the chargeback manual invoice.

Using A/R Tax Reports

Use this information with these reports:

- Sales Tax Report
- Tax Receivable Report
- GST Invoiced Report (Canada)
- PST Invoiced Report (Canada)

Note:

The iinvoice history information does not include postings you performed manually from the G/L journal to the tax G/L accounts. Also, if you generated tax account distributions from Customer Order Entry before posting them in A/R, and then adjusted the distributions manually, the history information does not include the adjustments. Therefore, the report does not reflect these secondary changes to account balances.

Tax Records

In Customer Order Entry, the tax records are created when each invoice is printed and posted. The system does not alter these records, regardless of changes to the transaction in A/R or G/L.

If you enter invoices, credit memos, or debit memos directly in A/R (not from Customer Order Entry), the tax records are created based on the values in the special tax fields in the G/L distributions. When you post the manual transactions, the tax records are created.

Verifying the Report

Compare the contents of the report to the tax account balances for the period reported from the G/L. If you find discrepancies, first verify that A/R does not contain unposted invoices/credit memos from Customer Order Entry.

Then, make sure the A/R Distribution journal has been posted to the ledger. You may have additional discrepancies if you adjusted the GST account balances manually with journal entries, or adjusted the A/R Invoice G/L GST Account Distribution records manually. Only these discrepancies are acceptable.

Invoice Batches

About Invoice Batches

You must have the JapanCountryPack license to use the invoice batch functionality.

These forms are used with the invoice batch functionality:

- **Customers**
- **A/R Posted Transaction Detail**
- **Generate Invoice Batch**
- **Invoice Batches**
- **Invoice Batch Detail**
- **Invoice Batch Report**

The invoice batch displays all invoices, credit memos, and debit memos that have not been printed on any other invoice batch. You have the ability to verify all invoices, credit memos, and debit memos and delete individual records from the invoice batch if desired. You can then print the invoice batch. Each invoice batch is assigned a unique number. Invoice batches are generated based on a close date entered on the **Generate Invoice Batch** form. The day of the close date is used to determine which customers are included in the invoice batch by matching the day with the customer invoice batch cutoff day assigned on the **Customers** form.

The **Invoice Date** and the **Due/Paid Date** fields on the **A/R Posted Transaction Detail** form are used during the generation and print processing. For example, if the invoice date is set to `10/10/13` and for some reason it is changed to `11/10/13`, the invoice does not get picked up in the `10/20/13`

generation run unless the **Override Invoice Batch Creation Rules** field is checked on the **Generate Invoice Batch** form.

For payments, the **Due/Paid Date** is used to determine when a payment was made. If this date is changed, it affects the **Former Invoice** and **Payment** calculations on the **Invoice Batch Detail** form and the **Invoice Batch Report**. If a payment **Due/Paid Date** is set to `05/12/13` and it is changed to `11/12/13`, the payment shows in the November payments and not the May payments. If you do a reprint of May, its values would be different because the payment would not show as being paid in May.

Dummy Invoices

If you have upgraded from a prior version, you must create a dummy invoice batch so that old invoices, credit memos, and debit memos do not show up on the first invoice batch sent out to your customers. A dummy invoice batch should be created for each of the cutoff days that would be run during a normal month. You should use the prior period close date, so that invoices, credit memos, and debit memos for the current period are not included in the generation of the invoice batches. If an existing customer has been in the system but was not part of the invoice batch process and is added to the invoice batch process, you should generate a dummy invoice for that customer. This prevents older invoices, credit memos, and debit memos from showing on the current period invoice batch.

Adding an Invoice Batch

1. On the **Invoice Batches** form, create a new record. The system automatically generates the invoice batch number.
2. Provide a description.
3. Specify a close date in the **Close Date** field.
4. Save the record.

Deleting an Invoice Batch

On the **Invoice Batches** form, select a record and delete it.

You can only delete an invoice batch if it has not yet been printed. When you delete an invoice batch, all A/R posted records assigned to the invoice batch are released.

Updating an Invoice Batch

On the **Invoice Batches** form, for an existing batch, you can only update the description.

To update the information within the batch, use the **Invoice Batch Detail** form.

Generating an Invoice Batch

1. On the **Generate Invoice Batch** form, select the **Close Date**.
2. Provide a description for the invoice batch.
3. Optionally, select **Exclude Invoices on Closing Date** to exclude any records where the invoice date is equal to the closing date.
4. Optionally, select **Override Invoice Batch Creation Rules** to override both the **Close Date** and the **Exclude Invoices on Closing Date** fields. All records that are not assigned to another invoice batch are added to this invoice batch.
5. Select a range of customers for which to create the invoice batch.
6. Click **Process** to create the batch.

About Invoice Batch Detail

Use the **Invoice Batch Detail** form to add, update, and delete Customer and A/R posted records from an invoice batch. You can either open this form directly, or you can click the **Invoice Batch Detail** button on the **Invoice Batches** form.

Before using this form you must already have created an invoice batch on the **Invoice Batches** form, and you must have assigned an **Invoice Batch Cutoff Day** to a customer on the **Customers** form.

Adding a Customer to an Invoice Batch

1. On the **Invoice Batch Detail** form, select the invoice batch in the **Invoice Batch** field for which you wish to add a customer. The choices here are all invoices that have not been placed on another invoice batch.
2. Select a customer in the **Customer** field. If no customers are displayed in the **Customer** field, that means either that no customers have the same close date that is assigned to the invoice batch or all of the customers that do have that close date are already assigned to another batch.
3. Save the record. This information is shown on this form:
   - Former Amount
   - Payments
   - Carry Over
   - Invoiced This Period
   - Charges
   - Taxes
   - Invoice Amount

Adding an Invoice for a Customer to Invoice Batch Detail

1 After you add a customer, in the grid area of the **Invoice Batch Detail** form, click the **Invoice** field to specify an invoice. Add as many as you like, each one in a different row.

2 Save the record. This connection between the invoice batch and the customer's transaction is seen in the **Invoice Batch** field on the**A/R Posted Transactions Detail** form.

Updating or Deleting Invoice Batch Detail Records

On the **Invoice Batch Detail** form, only those records where the invoice batch has not been printed can be updated or deleted.

You can select and delete individual invoice records in the grid or delete the invoice batch record from this form.

Invoice, Credit or Debit Memo

About Multiple Due Dates for Invoices and Debit Memos

Creating multiple due date payment terms allows you to set up an invoice payment schedule for customers.
Note: The system does not support multiple due dates for billing terms when running the Infor SyteLine Enterprise Financials Interface package.

Multiple due dates can be set up for the following:

- Invoices generated from customer orders and manually entered on the **Invoices, Debit and Credit Memos** form.
- Debit memos generated from the **Price Adjustment Invoice** form and manually entered on the**Invoices, Debit and Credit Memos** form.

The successful use of multiple due dates depends on creating billing terms with multiple due dates and percentages, and selecting the appropriate billing terms for customers and customer orders.

Billing Terms Setup

To use multiple due dates, create a new terms code on the **Billing Terms** form. On this form, you indicate that you want to use multiple due dates by selecting the **Use Multiple Due Dates** check box. You can create more than one terms code that uses multiple due dates.

System-generated debit memos from the **Price Adjustment Invoice** form should have multiple due dates if the terms code being used is a multiple due date terms code.

You can use prox days and Advanced Terms in a multiple due date terms code. However, you cannot create billing terms with Discount Days.

A multiple due dates terms code includes the following:

- Sequence: Sequence is used internally to track the sequence of the multiple due date record and is assigned by the system. The first sequence starts with 10 and the next/subsequent sequences at increments of 10. The due date calculation takes place normally, using the due days from billing terms. You must enter more than one sequence.
- Due Days Offset: Number of days from the previous due date sequence of the billing terms. The offset day in the first sequence is always equal to zero.
- Percent: The total of all sequence records for the multiple within a billing terms code must equal 100 percent.

Customers and Customer Orders

Once a new terms code is created, it is immediately available. The default billing terms code is set up on the **Customers** form, but it can be changed on the **Customer Orders**, **Price Adjustment Invoice**, or **Invoices, Debit and Credit Memos** forms.

You should not assign a multiple due date terms code to a customer and customer order where the following options are used:

- Letter of Credit Required
- Consolidated Invoicing
- Payment Type is Draft

If these options are selected, the system displays an error message.

Invoicing

Once the customer order has been shipped, the system generates the invoice and calculates the invoice payment schedule according to the settings in the terms code. Multiple due date records are assigned to the invoice for as long as the invoice exists. If an invoice is deleted, the system deletes all due date records for that invoice. If the terms code is modified, the system recalculates the due dates and creates new due date records for the invoice.

On the **Invoices, Debit, and Credit Memos** form, you can adjust the amounts and due dates after the invoice is created, but the total due amount must still equal the total invoice due amount. On the **A/R Posted Transaction Detail** form, you can only update the due date.

Note: If the customer uses revision and pay dates for invoices, the system adjusts the invoice due dates to consider the revision and pay days. Revision and pay days are set up on the **Customers** form, **Revision/Pay** tab.

To create invoices or debit memos with multiple due dates on the **Invoices, Debit, and Credit Memos** form, use the **Generate Distributions** function to create the sequence of due dates and amounts.

The following examples show how multiple due dates are set up and invoiced. The second example uses prox days and prox codes.

EXAMPLE 1: There are four sequences defined. The invoice date is May 5. For Billing Terms, the due days offset is 30 days. The following table shows how the system calculates the due date.

Sequence	Due Days Offset	Percent	Final Due Date
10	0	25	June 5 (May 5 plus 30 days)
20	30	25	July 5 (May 5 plus 60 days)
30	30	25	August 3 (May 5 plus 90 days)
40	30	25	September 1 (May 5 plus 120 days)

EXAMPLE 2 (Advanced Terms): There are three sequences defined. The invoice date is May 5. For Billing Terms, the due days is 30, prox code is 2 (system sets the due date to the end of the month), and prox days are 15 (day of the month). The following table shows an example of how you can divide the billing and how the system calculates the amount to pay and the due date.

Sequence	Due Days Offset	Percent	Invoice Due Date	Prox Code Applied	Final Due Date with Prox Days Applied
10	0	30	June 4	June 30	July 15
20	30	30	July 3	July 30	August 15
30	30	40	August 3	August 31	September 15

Viewing Due Date Records for an Invoice

You can view the list of due dates for an invoice by clicking **Multiple Due Dates** on the following forms:

- **Invoices, Debit and Credit Memos**
- **A/R Posted Transaction Detail**
- **A/R Quick Payment Application**

Applying Payments to Invoices

When you make payments using the **A/R Payments** form, if there is more than one due date amount applied to the same invoice, the system creates one record per payment per invoice.

When you make payments using the **A/R Quick Payment Application** form, the system applies payments to each due date in chronological order regardless of when they were received. The earliest due date is always paid first.

EXAMPLE 3: For example, an invoice I101 has 3 due date records:

1. Due date = May 10 Due amount = $200
2. Due date = June 10 Due amount = $100

3 Due date = July 10 Due amount = $100

A payment of $250 is applied to this invoice and one record of type Payment is create for $250 for invoice I101. When the system needs to display the aging of the invoice that is not fully paid, it:

- Looks up all the records for invoice I101
- Takes the payment and credit memo
- Totals the amount
- Applies that amount to the earliest due date

In this example, take the payment record of $250 and apply that to the first due date record and then the second due date record. The **A/R Aging Report** shows the following due records for invoice I101:

1 Due date = June 10 Due amount = 50

2 Due date = July 10 Due amount = 100.

Applying Debit Memos to Invoices

You can also create debit memos with multiple due dates, either manually or automatically. If the debit memo is automatically generated, you can update it using the **Invoices, Debit, and Credit Memos** form before posting. After it is posted, you can view it in the **A/R Posted Transaction Detail** form, just like an invoice. When the debit memo is applied to an invoice, it is processed with the invoice for A/R payment processing and aging for reports and customer statements.

There are three ways debit memos can be applied to invoices when either or both have multiple due dates:

- For a debit memo with a single due date applied to an invoice with multiple due dates, the debit memo is applied to the first due date.
- For a debit memo with multiple due dates applied to an invoice with multiple due dates, the total debit memo is applied to the first due date record of the invoice.
- For a debit memo with multiple due dates applied to an invoice with a single due date, the total of the debit memo due amount is applied to the first due date record of the invoice.

Canceling Drafts

To cancel previously printed drafts from the print invoice credit/debit memo transaction, use the **A/R Draft Cancellation** form.

To restrict your report output, you can fill in the fields. To cancel all drafts, leave all fields blank.

1 In the **Starting and Ending Customer** fields, enter the customer ID range for the drafts to cancel.

2 In the **Starting and Ending Draft Number** fields, enter the draft number range for the drafts to cancel.

3 Do one of the following:

- To preview the results before writing them to the system, select **Preview**.
- To write the changes to the system, select **Commit**.

4 Click **Process**.

Distributing Invoices

You can distribute invoice amounts to multiple General Ledger (G/L) accounts, using any of these methods:

- Automatic Distribution: On the **Invoices, Debit and Credit Memos** or **Invoices, Debit and Credit Memos G/L Distribution** form, select the record for the invoice you want to distribute, and select **Actions > Generate Distributions**. A message displays when the process is complete.
  Note: The default G/L accounts from the **Accounts Receivable Parameters** form and the customer's tax code are used.
- Manual Distribution: Use the steps in this topic.
- Reapplication of an Open Credit: On the **A/R Posted Transactions Detail** form, locate the open credit you want to reapply. Make a note of the customer, debit or credit transaction, check/reference number, and invoice number associated with the transaction. Then follow the remaining steps in Reapplying Open Payments on page 165.

The system posts only balanced entries to the G/L Journals. It posts one side to the A/R Account set up for the invoice and the other side from the distributions entered on the **Invoices, Debit and Credit Memos** form. Therefore, the amount distributed for any transaction must equal the total amount for the invoice. If not, the system detects these errors when it posts the transactions, and cancels the posting.

To manually distribute the invoice amounts:

1. On the **Invoices, Debit and Credit Memos G/L Distribution** form, select **Actions > New**.
2. Select the customer for which you are adding a distribution.
3. Select the number of the invoice you are distributing.
4. In the **Dist Seq** field, accept the default, which is the next available sequence number.
   This number is used to order the distributions.
5. In the **Tax System** field, select the tax system for the distribution; or, for a non-tax distribution, leave this field blank.
6. In the **Dist Amount** field, enter the amount of the distribution.
7. In the **Account** field, select the account to post the distribution to.
8. Select **Actions > Save**.
9. To continue adding distributions until the **Total Remaining** field is 0 (zero), repeat these steps as necessary.

Posting Invoices, Debit Memos, and Credit Memos

To post invoices, debit memos, and credit memos:

1. Open the **Invoice Posting** form or the **Multi-Site Invoice Posting** form.
2. Indicate whether you want to post invoices, debit memos, and/or credit memos. You can select more than one.

3 Select how you want to sort and display the report data. By default, the system posts transactions for all customers, but you can further refine your posting by selecting ranges of customers, invoices, and dates. On the **Multi-Site Invoice Posting** form, you can also refine by builder invoice.

4 To print the report, click **Process**.

Note: You must first print the posting report before you can post transactions. By default, the **Print** option is automatically selected when you open this form.

5 After reviewing the report, select the **Commit** option.

6 To post the transactions, click **Process**.

7 When prompted to proceed, click **OK**.

If errors are detected in a transaction, the system displays a message indicating that not all transactions were posted.

Note: If you use the External Financial Interface, additional processing might occur during invoice, debit memo or credit memo posting. For more information, see "Setting Up an External Financial Interface on page 183."

What Happens During Invoice Posting

The updates that occur during invoice posting are described here.

- For each invoice, debit, or credit transaction posted, if the transaction is an invoice or a debit, the system increases:
  - the customer's posted balance by the sum of the total transaction amount
  - the customer's sales YTD and sales PTD values by the amount of the transaction.

    If the transaction is a credit, the system decreases the customer's posted balance, sales YTD, and sales PTD in the same manner.
- The customer's **Last Invoice Date** field is updated with the invoice date for the transactions.
- New open items are created, one for each transaction that is posted.
- Entries are created in the General Ledger A/R Distribution (AR Dist) Journal.
- For each transaction, one journal record is created for the Accounts Receivable amount, and one transaction is created for each distribution record entered.

Using Cancellation Posting for a Credit Memo

You can cancel a posted invoice one time. The entire amount of the original invoice is canceled; partial credit memos cannot be made.

1 Open the General Parameters form and make sure **Enable Cancellation Posting** is selected.

2 Open the**Invoice, Debits and Credit Memos** form and click the filter-in-place button.

3 Select **Actions > New**.

4 Specify this information:

Customer
Specify the customer for which an invoice must be canceled.

Type
Specify **`Credit Memo`**.

Cancellation
Select this check box.

Apply To Invoice
Specify the invoice to which to apply the cancellation. The list of posted invoices to which you can apply cancellation posting does not include those that are referenced by a posted credit memo, debit memo, or payment. Amounts from the original posted invoice are entered automatically and cannot be changed.

5 Complete the credit memo and save the record.

Eliminating Residual A/R Balances

Before you generate any financial statements, use the **Residual A/R Balance Eliminations** utility to eliminate any residual A/R balance amounts that were created by exchange rate fluctuation and currency rounding differences. Residual balances show up as open items in receivables. This utility eliminates the residual balance amounts by generating debit memos or credit memos to offset the balance.

In addition to currency rounding differences, this utility can be used to eliminate any residual balances. For example, if an invoice of 100.20 USD is issued and the amount paid is 100.00 USD, you can use the utility to eliminate the .20 USD balance.

Note: This utility only generates debit and credit memos for individual customers and not for corporate customers.

1 In the **Residual A/R Balance Eliminations** utility, specify the search criteria ranges for the residual balances.

2 Select **Preview** and click **Process**.

3 The lower grid displays the results based on the criteria you selected:

- For open item customers, the utility searches their open accounts receivable records and invoices net balance due. If the net amount is a positive balance, a Credit Memo will be created for each of the invoices. If the net amount is a negative balance, a Debit Memo will be created for each of the invoices.
- For balance forward customers, the utility searches their open accounts receivable records and net amount from their invoices. If the net amount is a positive balance, a Credit Memo will be created as an open credit and the invoice number will be zero. If it is a negative balance, a Debit Memo will be created and the invoice number will be zero. The words "Balance Forward" display in the Invoice column on the lower grid. The Invoice Date in the grid will be blank.

4 Select **Commit** and click **Process**.

If the open invoice amounts are positive numbers, the utility generates Credit Memos; if the amounts are negative numbers, the utility generates Debit Memos.

Note: The Debit Memos and Credit Memos generated here are similar to those entered using the **Invoice, Debit and Credit Memos** form except they will use the general ledger account number defined in this utility. You can still run the **Delete A/R Posted Transactions** utility to set the customer balance forward to zero.

5 After the utility generates the debit or credit memos, use the **Invoice, Debit and Credit Memos** form to modify the transactions and then post using the **Invoice Posting Utility**.

A/R Payments

About Customer Payments

Use the **A/R Payments** form to process customer payments for invoiced amounts, finance charges, and other amounts your customers owe you. You can enter and post non-customer payments to the General Ledger as non-A/R cash.

You can also enter post-dated checks on the **A/R Payments** form. The payment type must be check.

Note: You can apply open credits and payments from a customer only to the customer and any of its subordinate customers. You cannot apply a subordinate customer's open credits or payments to another customer that is a subordinate of the same corporate customer.

Before you post payments, you must apply or distribute the payment amount to invoices, finance charges with balance due, non-A/R cash, or an open payment. You can do so manually through the **Distributions** button, or you can select **Actions > Generate Distributions** to have the system automatically distribute it.

When you generate distributions for invoices with multiple due dates, if you apply a payment towards a due date, the system creates a partial payment record. If more than one payment for the same invoice is applied, only one record will be created for that invoice.

You can also re-apply open credits or open payments against invoices. To re-apply an open credit, enter a new payment against an existing check or draft number. The system fills in the **G/L Reference** field with the description "Re-Application of Open Payment." The system does not post the transaction to the General Ledger or to the customer's record. The transaction updates the corresponding Open Item record.

See Example: Reapplication of an Open Payment on page 167.

For credit card payments (which are available only if the Credit Card Interface is used in your system), you cannot change the payment amount and other components, in order to ensure that the payment reconciles to the credit card charge. However, it is still possible to apply the payment to multiple invoices.

When you post A/R payments, the system prompts you to print a **Payment Transaction Report**, which serves as an edit report.

A/R Payments supports multiple invoices with different transactional currencies. The payment currency does not have to be the same as that of the **Bank Code**. The payment amount is converted to the bank amount, and the bank amount is converted to the domestic amount.

If you enter a payment amount in a part of euro currency, the system performs the triangulation conversion method. See About the Euro Triangulation Conversion on page 173 for more information.

Caution: If you enter an A/R payment for a customer, bank code, and check number combination that already exists and Transfer VAT on the **Tax Systems** form is selected, an error message displays and the system stops the transaction.

Accepting Customer Payments in the Euro Currency

If your domestic currency is the euro, or if a customer has converted to the euro, you can accept customer payments in the euro currency.

You can accept payments in the customer's currency, the euro currency, or your domestic currency.

To accept payments in the euro, follow these steps:

1. Set up a bank reconciliation account for the euro currency on the **Bank Reconciliations** form. In the **Currency** field, enter the currency code for the euro that you entered on the **Currency Codes** form.

   Note: If none of your customers has converted to the euro currency, this step is optional. You use this bank account to accept payments from those customers that use the euro as their domestic currency.
2. When you are ready to process a customer payment (for example, after you have applied the payment amount to invoices), access the **A/R Payments** form.
3. In the **Customer** field, select the customer ID of the customer that is making the payment.
4. In the **Bank Code** field, select the code for the bank into which you are receiving the payment.The bank code must use the same currency code as either the customer currency or your domestic currency.
5. In the **Euro Amount** field, enter the amount of the payment in the euro currency. The system converts the amount to the customer's national currency and to your domestic currency.

   Note: The customer's balance is reduced by the amount in the **Bank Amount** field. The amount in the **Domestic Amount** field is received into the specified bank code. The system does not use the amount in the **Euro Amount** field; this field simply enables you to enter the euro payment amount to be converted.
6. Enter any additional data in the remaining fields.
7. To save the record, select **Actions > Save**.

Adjusting a Payment

To adjust a posted transaction, use the following payment adjustment process. The adjustment will show up as a payment on the **A/R Posted Transactions Detail** form.

Note: You can only adjust a draft that was manually entered and not one generated from an invoice.

1 To create the adjustment:

a Access the **A/R Payments** form.

b Select **Actions > New**.

c Select the customer.

d Select the payment type Adjust.

e Enter the check or draft number to apply the adjustment.

Note: To find the check or draft number for the adjustment, you might need to review the **A/R Posted Transactions Detail** form.

f Select the bank code, if necessary.

g Enter the amount you want to adjust.

To increase the payment amount, enter a positive number. To reduce the payment amount, enter a negative number.

The **G/L Reference** field displays either ARPA or ARPR and the check or draft number. The **Description** field displays either Payment Adj or Reapplication and the check or draft number.

h Save the transaction by selecting **Actions > Save**.

2 To distribute the adjustment:

a Access the **A/R Payment Distributions** form by clicking **Distributions** on the **A/R Payments** form.

Note: When you distribute the adjustment, you can only distribute it to either an invoice or a finance charge.

b Distribute the adjustment:

- To distribute the adjustment to an invoice, select **`Invoice`** in the **Type** field, and then select the invoice number.
- To distribute the adjustment to a finance charge, select **`Finance Charge`** in the **Type** field.
- If the customer is a corporate customer, you can assign the adjustment to a subordinate customer.

c In the **Amount** field, enter the amount of the distribution.

d Save the transaction by selecting **Actions > Save**.

3 To post the adjustment:

a Access the **A/R Adjustment Posting** form.

b Enter the customer range.

c Click **Process**.

d Run the **A/R Payment Transaction Report**.

Use this report to verify that the payments and their related distributions are accurate. The **Payment Type** field on the report displays adjustment to indicate an adjustment.

Note: The system does not post transactions containing errors. If a transaction contains errors, correct the errors and perform the posting again.

Creating Open Payments for a Customer

To enter a payment that is applied to the customer's total account balance, use the following procedure. This type of payment is the only payment type required for balance forward customers. For open item customers, these open credits need to be reapplied against invoices or finance charges at a future time.

1. On the **A/R Payments** form, select **Actions > New**.
2. Enter the appropriate information in the following fields:
   - **Customer**: Select the number of the customer the payment is for.
   - **Type**: This field displays the customer's default payment method, but you can select a different method.
   - **Number**: Enter the check or draft number of the payment.
   - **Receipt Date**: Enter the date you received the payment, or accept the default, which is today's date.
   - **Payment Due Date**: (Available only if the payment type is Draft.) Enter the date the draft is due.
   - **G/L Reference**: Enter a description to appear in the distribution journal for this transaction, or accept the default, which is ARP, followed by the check or draft number.
   - **Description**: Enter a description to appear in the distribution journal for this transaction, or accept the default description.
   - **Bank Code**: The customer's default bank code displays, but you can select a different code of the bank into which the payment will be deposited.
   - **Customer Amount**: Enter the amount of the payment.
3. Select **Actions > Save**.
4. To distribute the payment, using the **A/R Payment Distributions** form, click **Distributions**.
5. Under the **General** tab, in the **Type** field, select **`Open Credit`**.
6. In the **Order** field, enter the number of the sales order to which the payment is to be applied.
7. In the **Dist Amount** field, enter the amount to apply against the customer's sales order or the amount to post as an open payment.
8. In the **Disc/Credit 1** and **Allowance/Credit 2** fields, enter the discount and allowance, if applicable.
9. Select **Actions > Save**.

Entering Customer Payments

To enter and process payments from customers, use the **A/R Payments** form. On this form, enter payments for invoiced amounts, finance charges, and other amounts your customers owe you.

Note: You can enter and post non-customer payments to the General Ledger as non-A/R cash.

To create a payment, on the **A/R Payments** form:

1. Select **Actions > New**.
2. Enter the appropriate information in the following fields:
   - **Customer**: Select the customer ID of the customer the payment is for.
   - **Type**: This field displays the customer's default payment method, but you can select a different method.
   - **Number**: Enter the check or draft number of the payment.
   - **Receipt Date**: Enter the date you received the payment, or accept the default, which is today's date.
   - **Payment Due Date**: (Available only if the payment type is Draft.) Enter the date the draft is due.
   - **Deposit Date**: Enter the date you deposited the check. This field is available for entering post-dated checks. It is enabled only if the payment type is Check, and no credit memo is associated with the payment. Enter the date on the customer's check.
   - **G/L Reference**: Enter a reference ID to appear in the distribution journal for this transaction, or accept the default, which is ARP followed by the check or draft number.
   - **Description**: Enter a description to appear in the distribution journal for this transaction, or accept the default description.
   - **Bank Code**: This field displays the customer's default bank code, but you can select a different code for the bank into which the payment will be deposited.
   - **Customer Amount**: Enter the amount of the payment.
3. Select **Actions > Save**.

You can then distribute and post the payment.

Distributing Customer Payments Automatically

You can use the **A/R Payment Distributions** form to apply or distribute payment amounts before posting them. The distributions determine how a payment is applied to a customer's account, and how it is distributed to the General Ledger (G/L).

Caution: The system posts only balanced transactions, one side to the cash account for the payment and the other to the accounts receivable (A/R) account for the distributions. Therefore, the applied amount for any transaction must equal the check amount of the payment. If these amounts are not equal, the system detects the error and cancels the posting.

To distribute payments automatically:

1. On the **A/R Payments** or **A/R Payment Distributions** form, select the customer for which you want to create the distributions.
2. Select **Actions > Generate Distribution**.

   To review the distributions that were automatically generated, if you are using the **A/R Payments** form, you can click the **Distributions** button.

Note: Creating distributions automatically will use the G/L default account from the **Accounts Receivable Parameters** form.

Distributing Customer Payments Manually

You can use the **A/R Payment Distributions** form to apply or distribute payment amounts before posting them. The distributions determine how a payment is applied to a customer's account, and how it is distributed to the General Ledger.

Caution: The system posts only balanced transactions, one side to the cash account for the payment and the other to the accounts receivable (A/R) account for the distributions. Therefore, the applied amount for any transaction must equal the check amount of the payment. If these amounts are not equal, the system detects the error and cancels the posting.

To distribute payments manually:

1 On the **A/R Payment Distributions** form, select **Actions > New**.

2 Specify this required information:

Customer
Specify the number of the customer whose payment you are distributing.

Payment Type
This field displays the customer's default payment method, but you can select a different method.

Number
Select the number of the customer's check or draft you are distributing.

Bank Code
This field displays the customer's default bank code, but you can select a different code for the bank into which this distribution will be deposited.

Type
Select a desired distribution type.

3 Use this table to specify additional information according to the distribution type:

Distribution Type	Specify and view information in these fields:
Invoice	**Invoice**: Select the number of the customer's invoice to distribute the payment to. **Site**: This field shows the site that owns the invoice to which the payment distribution is being applied displays, but you can select a different site to which to apply the payment. **Dist Amount**: Specify the distribution amount. **Disc/Credit 1**: If the payment receipt date is less than the discount date of the invoice, this field shows the discount amount for the invoice, but you can change it to a different amount. **Allowance/Credit 2**: Specify the allowance amount or the second credit distribution amount (in the customer's currency) given to the customer.
Open Credit	**Order**: Select the customer order against which you are applying the distribution. **Site**: This field shows the site that owns the invoice to which the payment distribution is being applied, but you can select a different site to which to apply the payment. **Dist Amount**: Specify the distribution amount. **Disc/Credit 1**: If the payment receipt date is less than the discount date of the invoice, this field shows the discount amount for the invoice, but you can change it to a different amount. **Allowance/Credit 2**: Specify the allowance amount or the second credit distribution amount (in the customer's currency) given to the customer.
Finance Charge	**Site**: This field shows the site that owns the invoice to which the payment distribution is being applied, but you can select a different site to which to apply the payment. **Dist Amount**: Specify the distribution amount.
Non-A/R	**Site**: This field shows the site that owns the invoice to which the payment distribution is being applied, but you can select a different site to which to apply the payment. **Disc/Credit 1**: If the payment receipt date is less than the discount date of the invoice, this field shows the discount amount for the invoice, but you can change it to a different amount. **Allowance/Credit 2**: Specify the allowance amount or the second credit distribution amount (in the customer's currency) given to the customer.

4 In the **Accounts** tab, use this table to specify information according to the distribution type:

Distribution Type	Specify information in these fields:
Invoice and you entered amounts in the **Disc/Credit1** and **Allowance/ Credit2** fields	**Disc/Credit 1 Acct**: Select the G/L account number to post the discount/credit 1 amount to, or accept the default discount G/L account number that displays from the **Accounts Receivable Parameters** form. Then, if any of the**Unit Code 1-4** fields are available, select the applicable unit codes. **Allowance/Credit 2**: Select the G/L account number to post the allowance or credit amount to, or accept the default G/L allowance account number that displays from the **Accounts Receivable Parameters** form. Then, if any of the **Unit Code 1-4** fields are available, select the applicable unit codes. **Tax Adjustment1**: If **Tax Discount/Allowance** is selected on the **Tax Systems** form, specify this amount. **Tax Adjustment2**: If this field is displayed and if **Tax Discount/Allowance** is selected on the **Tax Systems** form, specify this amount.
Open Credit	**Disc/Credit 1 Acct**: Select the G/L account number to post the discount/credit 1 amount to, or accept the default discount G/L account number that displays from the **Accounts Receivable Parameters** form. Then, if any of the **Unit Code 1-4** fields are available, select the applicable unit codes. **Deposit Acct**: Select the G/L account number to post the open credit (deposit) amount to, or accept the default deposit G/L account number that displays from the **Accounts Receivable Parameters** form. Then, if any of the **Unit Code 1-4** fields are available, select the applicable unit codes. **Tax Adjustment1**: If **Tax Discount/Allowance** is selected on the **Tax Systems** form, specify this amount. **Tax Adjustment2**: If the field is displayed and if **Tax Discount/Allowance** is selected on the **Tax Systems** form, specify this amount.
Non-A/R and you entered amounts in the **Disc/Credit1** and **Allowance/ Credit2** fields	**Disc/Credit 1 Acct**: Select the G/L account number to post the discount/credit 1 amount to, or accept the default non-A/R cash account from the **Currency Codes** form. Then, if any of the **Unit Code 1-4** fields are available, select the applicable unit codes. **Allowance/Credit2 Acct**: Select the G/L account number to post the allowance or credit amount to, or accept the default non-A/R cash account from the **Currency Codes** form. Then, if any of the **Unit Code 1-4** fields are available, select the applicable unit codes. **Tax Adjustment1**: If **Tax Discount/Allowance** is selected on the **Tax Systems** form, specify this amount. **Tax Adjustment 2**: If **Tax Discount/Allowance** is selected on the **Tax Systems** form, enter this amount.

5 Select **Actions > Save**.

About Early Payment Discounts

If the **Tax Discount/Allowance** field is selected for Tax System 1 on the **Tax Systems** form, and an early payment discount exists, then when a regular or landed cost voucher is created, the discount and non-discount amounts must be calculated differently.

The early payment discount initially is based on the voucher total, including all charges and VAT on the voucher. At the moment of payment, if the early payment discount is applied, the discount amount is split into two parts:

- Net discount amount, calculated by applying the discount percent that is defined in the payment terms to the voucher total, exclusive of the VAT.
- VAT adjustment, calculated by applying the discount percentage that is defined in the payment terms to the total VAT amount.

This discount affects these areas of the system:

- A/P Check Printing/Posting
- A/P Payment Distributions
- A/P Payments
- A/P Posted Transactions Detail
- A/P Posted Transactions Summary
- A/P Quick Payment Application
- A/P Vouchers and Adjustments
- A/R Payment Distributions
- A/R Payments
- A/R Posted Transactions Detail
- A/R Posted Transactions Summary
- A/R Quick Payment Application
- EU VAT Report
- Generate A/P Transactions
- Generate Landed Cost Vouchers
- Purchase Order Receiving
- VAT Report

Example: A/P Voucher Distributions

The Discount Amount is calculated against the sum of the Purchase Amount and the VAT Amount, as shown in this table:

Concept	Tax Basis	VAT Percent
Purchase Amount	400.00	
Tax Basis	400.00	
Plus VAT	76.00	19%
Voucher Total	476.00	
Minus Discount	14.28	3%

Concept	Tax Basis	VAT Percent
Net Voucher Amount	461.72	

Tax Date for Early Payment Discounts

For Accounts Receivable and Accounts Payable payments made before the discount date and where the tax discount has been applied, the **EU VAT Report** shows the payment date as the **Tax Date**. If these dates fall outside the specified **Tax Period Start** and **Tax Period End** report options, these rows are not included in the report.

Processing Returned Checks

When you run the **Returned Checks** utility, the processing that takes place depends on which option is selected on the **Accounts Receivable Parameters** form.

The options are described here:

- If the **Generate Debit Memo per Invoice** check box is selected on the **Accounts Receivable Parameters** form:
  - One debit memo is created in the original transaction currency for each invoice to reverse the payment amount for that invoice.
  - Two distribution rows are created. The first is for the actual amount of the check, crediting the cash account. The second is for the discount amount, crediting the early pay discount account.
  - If the **Generate Returned Check Fee** check box is selected on the **Bank Reconciliations** form and a **Returned Check Fee Type** of **`Amount`** is selected, a second debit memo is created in the original transaction currency for the returned check fee amount.
  - If the **Generate Returned Check** fee check box is selected on the **Bank Reconciliations** form and a **Returned Check Fee Type** of **`Percent`** is selected, a debit memo is created in the original transaction currency for the fee amount associated with each invoice paid off by the check being returned. Each debit memo is for the amount of the invoice multiplied by the fee percentage.
  - You must run Invoice Posting to post the debit memo(s) generated by the **Returned Checks** utility. This creates journal entries to book the offset of the returned check and discount amounts. The fee amount is also booked.
- If the **Generate Payment Adjustment for Returned Checks** check box is selected on the **Accounts Receivable Parameters**form:
  - One negative amount adjustment is created in the bank currency, to show the invoice amount as still being due.
  - A payment adjustment distribution record is created in the bank currency to offset the payment and any associated discount amount.
  - If the **Generate Returned Check Fee** check box is selected on the **Bank Reconciliations** form and a fee type of **`Amount`** is selected, a debit memo is created in the customer currency for the returned check fee amount.
  - If the **Generate Returned Check Fee** check box is selected on the **Bank Reconciliations** form and a fee type of **`Percent`** is selected, a debit memo is created in the customer currency

for the fee amount associated with each invoice paid off by the check being returned. Each debit memo is for the amount of the invoice paid off by the check multiplied by the fee percentage.

- A/R Adjustment Posting needs to be executed to post the negative check adjustment created by the **Returned Checks** utility. This creates journal entries to book the offset of the returned check and discount amounts.
- You must run Invoice Posting to post any debit memo(s) created for the returned check fee. This creates journal entries to book the fee amount.

See the appropriate topic to handle returned checks:

- Returning a Single Check on page 142
- Returning Part of a Summarized Check Deposit on page 142
- Redepositing a Check on page 143

Returning a Single Check

1. Contact the customer and determine a course of action. A new check may be collected or the returned checks re-deposited.
2. Open the **Bank Reconciliations** form.
3. Filter by the bank that failed to accept the check.
4. Using your bank records, search for the deposit date that matches the rejected check's deposit date.
5. Select the **Returned Check** check box in the grid.
6. If applicable, select the **Generate Returned Check Fee** check box, and add information for the **Returned Check Fee Type** and **Returned Check Fee Value** fields.
7. Open the **Returned Checks** form and process the appropriate bank code. A message will display indicating that the utility was successful.

   For more information about what happens on this form, see Processing Returned Checks on page 141.

Returning Part of a Summarized Check Deposit

To return a check that was part of a summarized check deposit:

1. Using your bank records, search the **Bank Reconciliations** form for the deposit date that matches the rejected check's deposit date.

   Note: The **Bank Reconciliations** form includes summarized transaction records. Therefore, it may not be possible to match the exact check amount on your bank record with the exact check amount on the **Bank Reconciliations** form. If the **Bank Reconciliations** form displays multiple deposits on the day in question, use your best judgment in determining the proper row to modify. As long as you enter the correct amount, modifying the wrong row will not cause any problems.
2. Modify the number in the **Bank Amount** field to reflect the actual amount deposited in the bank. The difference between the two numbers should equal the amount of the returned check.

3 Add a new **Bank Reconciliations** record, with this information:

Type
Specify **`Deposit`**

Amount
Specify the [returned check amount.

Bank Amount
Specify `0`.

Ref Number
Specify the customer number.

Customer Check Number
Specify the check number.

Returned Check?
Specify Selected.

Returned Check Fee?
Accept the default from the **A/R Parameters** form or clear the check box.

Returned Check Fee Type
Accept the default from the **A/R Parameters** form or select a type.

Returned Check Fee Amount
Accept the default from the **A/R Parameters** form or specify an amount.

4 Open the **Returned Checks** form and post invoices or payment adjustments.

For more information about what happens on this form, see Processing Returned Checks on page 141.

Redepositing a Check

1 On the **Bank Reconciliations** form, clear the **Returned Check** field for the check being redeposited, and select the **Bank Reconciled** field.

2 On the **Returned Checks** utility form, select the **Process Returned Check Deposit** check box for the appropriate bank code and click **Process**. A credit memo is created to show the check has been redeposited.

3 On the **Invoice Posting** form, post the credit memo. Journal entries are created to book the redeposited check.

Finance Charges

Calculating A/R Finance Charges

For each customer whom the **Finance Charge** check box is selected on the **Customers** form, the system looks at all open invoices, debits, credits, finance charges and payments.

If the system finds an invoice or debit, it performs the following:

TA * APR/365 * (BD - (LFCD or TDD)) = CFC

where:

- CFC = Calculated Finance Charge
- TA = Transaction Amount
- APR = Annual Percentage Rate (from the Accounts Receivable Parameters form)
- 365 = days in a year
- BD = Base Date (first choose Generate Charges)
- LFCD = Last Fin Chg Date (from the Customers form)
- TDD = Transaction Due Date

If the **Last Fin Chg Date** is more recent than the **Transaction Due Date**, the system uses the **Last Fin Chg Date**; otherwise, it uses the **Due Date**. The calculated amount is a positive finance charge. If a transaction is a credit or payment, the system calculates the transaction the same way, except the amount is a negative finance charge.

If a transaction is a finance charge transaction, the system calculates the finance charge only on this amount if the **Compound Charges** check box is selected on the **Accounts Receivable Parameters** form. In this case, the system calculates the amount the same way as invoices and debits.

After the system calculates all finance charge amounts, it sums them to arrive at the final finance charge amount for the customer.

Multi-Site A/R Finance Charge Calculations

Although the finance charge activity does run across sites, when run from the entity, they are not split to see where all the charges came from. The site that generated the finance charge is the only one with the finance charge transactions. See these examples:

- Example 1 on page 145
- Example 2 on page 145
- Example 3 on page 145

Given these three examples, you will need to determine whether you want to have "centralized" or "decentralized" finance charge collections. the system automatically provides you with decentralized finance charge generation and posting. If you want to have only one of your sites be the collection point for finance charges, you must have defined customers in that one site for all customers that exist in all sites (as shown in Example 3). Once that is done, finance charge generation and posting should not be run at sites other than the collection site.

Example 1: Multi-Site A/R Finance Charge Generation

In this example, if Site 1 generated the finance charges, nothing would happen for customer C-1 since C-1 is not local.

Site 1	Site 2	Site 3
C-1 not local	C-1	C-1
$0.00	$400.00	$300.00 (past due balances)
$0.00	4.00	3.00 (individual finance charges)

Example 2: Multi-Site A/R Finance Charge Generation

In this example, Customer C-1 exists in all three sites and finance charges are run individually at each site. When run individually, the finance charges stay in the site where they were run.

Site 1	Site 2	Site 3
C-1	C-1	C-1
$0.00	$400.00	$300.00 (past due balances)
$0.00	4.00	3.00 (individual finance charges)

Example 3: Multi-Site A/R Finance Charge Generation

In this example, Site 1 is responsible for accepting payments (which can be distributed to the proper site) and running the finance charges. In this case, only Site 1 generates the finance charges and becomes the actual location of the finance charge transactions before and after finance charge posting.

Site 1	Site 2	Site 3
C-1	C-1	C-1
$0.00	$400.00	$300.00 (past due balances)
$7.00	0.00	0.00 (centralized finance charges)

Entering Finance Charges Manually

On the **Finance Charges** form, you can enter the finance charges manually by entering the finance charge for the selected customer in the **Finance Charge** field.

Generating and Posting Finance Charges

To calculate finance charges for customers who have a past-due balance and for whom the **Finance Charge** check box on the **Customers** form is selected, use the **A/R Finance Charge Generation** utility.

To post the finance charges, use the **Finance Charge Posting** form.

1. On the **A/R Finance Charge Generation** form, enter information in these fields:
   - Site Group: Enter the multi-site group ID for which you want to generate finance charges.
   - Start and End Customer: Enter the range of customers you want to generate finance charges for.
   - Statement Cycle: Select from the drop-down list the statement cycles you want to generate finance charges.
   - Cutoff Date: Enter the cutoff date of the transactions you want to include in the calculation.
   - Include Fully Paid Invoices: If you want to include invoices that are fully paid, but which are late, select this check box.
   - Delete All Records First: If you want to delete all finance charge records before generating the new amounts, select this check box.
   - Increment Date: If you want the system to automatically increment date ranges and re-run reports and utilities, select this check box.
2. To generate finance charges for the selected customers, click **Process**.

After you generate the finance charges and review them for accuracy, you must post the charges. To post the charges, use the **Finance Charge Posting** form and:

1. Select the range of customers whose finance charges you want to post, or, to post finance charges for all customers, leave these fields blank.
2. To print the **Finance Charge Transaction Report** and verify that the finance charges are correct, click **Process**.
   Note: You must print this report before you can post the charges. The **Commit** option is inactive until you perform this step.
3. After verifying the report, to post the finance charges, select **Commit** and then click **Process**.

After the finance charges are posted, they display on the **A/R Posted Transactions Detail** form with Finance Charge as the type and -1 as the invoice number. The posted finance charges display as **Finance Charge** on this form.

The system does not post transactions that contain incorrect information. In this case, the system displays an error message stating that the posting process is partially complete. You must correct the errors, and then post the finance charges again.

Importing Electronic A/R Payments

Importing A/R Payment and Distribution Data from Bank Files

You can import and process electronic customer payments from a bank or electronic lock box and apply them to A/R invoices. Different banks use different file formats. Set up a Map ID for each type of file format that will be imported.

To prepare for the import:

- The file to be imported into the **A/R Payment Import Workbench** must be based on Microsoft Windows format, where end-of-line is indicated by Carriage Return (CR - CHAR(13) - \r - 0x0D) and Line Feed (LF - CHAR(10) - \n - 0x0A) control characters. Using this format allows SyteLine to import each line into a separate row in the table.
- Use these forms to set up mapping of the imported values to fields:
  - **A/R Payment Import Field Mappings**: Use this form to define a map ID that, together with the description, clearly defines the bank and the type of file to be used for an import. Also specify the default logical folders where you will place the files to be imported. Archived files are stored in the **A/R Payment Import Archive Logical Folder** that is defined on the **Accounts Receivable Parameters** form after import.
  - **A/R Payment Import Conversions**

  Because it is a standard format already defined in SyteLine, you only need to specify a **Map ID** and the **Type** when you set up mapping for the NACHA CCD bank file format. For other delimited or non-delimited bank file formats, you must specify additional information about the file format and how the contents are mapped to the import workbench tables.

1 After customers' payments are deposited in your bank, use the **A/R Payment Import** utility to import electronic files from your bank that provide a record of the EFT payments:

a Select a map ID.

b Verify that the appropriate import and archive logical folders are defined. These values are linked to the map ID definition on the **A/R Payment Import Field Mappings** form. The **A/R Payment Import Archive Logical Folder** is defined on the **Accounts Receivable Parameters** form.

c Click the **Files** button next to **Import Logical Folder** to display the contents of the logical folder.

d In the **A/R Payment Imports** form, click **Process** to import the files that are in the logical folder.

2 Then process the data with the **A/R Payment Import Workbench**:

a To access the utility from the workbench form, click **AR Payment Import**. You can also open the utility standalone.

b Select a valid import map ID.

c When the map ID is specified, the Import Logical Folder for that ID is displayed. You can change the logical folder.

d Click **Process**.

The utility reads each file in the import path and imports each file based on the mappings defined for the map ID. The data from successfully imported files are loaded into the workbench

tables, and the files are moved to the **A/R Payment Import Archive Logical Folder** specified in the **Accounts Receivable Parameters** form.

If an error occurs while importing a file, the error is captured and no more files are processed. You can view the error in the **Background Task History** form.

3 Open the **A/R Payment Import Workbench** form to view and manipulate the values and then post the data to the A/R payment tables.

See Processing Imported A/R Payment and Distribution Data on page 151.

Note: Bank reconciliation records are not imported with this utility. Only A/R payments and distributions are imported and processed using the import utility and workbench. Bank reconciliations are created when the A/R payments are posted in SyteLine.

Mapping Bank Files to A/R Payments and Distributions

Use the information in this topic to set up the mapping between an electronic A/R payment file from a bank and SyteLine tables, so that the import works for specific bank file formats.

Follow these steps:

1 Use the **A/R Customer Bank Account** to link customers with their bank routing and account numbers.

2 Use the **A/R Payment Import Conversions** form to specify conversions of values from incoming payment files into acceptable SyteLine values.

3 Use the **A/R Payment Import Field Mappings** form to set up the needed format types.

4 Use the **A/R Payment Import Mappings** form to define the import logical folder, contents, and formatting of an incoming A/R payment file from a specific bank:

a Specify this information:

Map ID and Description
Specify an ID and description that clearly define the bank and the type of file to be used for this import.

Import Logical Folder
Specify the import logical folder where files to be imported with this format are placed for processing. The logical folder must already exist, and you must belong to the same authorization group as the logical folder.

Type
Specify one of these options:

- **`Delimited`**: There is a delimiter character between each field in the imported file.
- **`Non-Delimited`**: There are no delimiters in the imported file.
- **`NACHA CCD`**: This Map ID is used when you import fixed format files that use the NACHA format. In this case, you cannot further define the mapping. The **Electronic File Transfer Imports** form will process incoming files based on the standard NACHA CCD fixed format.

b If **Type** is set to Delimited, specify the delimiter character and specify whether the fields are enclosed in quotation marks. If so, the quotation marks are stripped off.

c If amounts in the imported file do not contain an actual decimal point, but have an implied decimal point, select **Amounts Contain Implied Decimal** and then specify the number of digits that are included to the right of the decimal.

d Specify the **Date Format** used in the file.

e Specify whether Record Identifiers Are Used in the file. If yes, then specify this information:

Record Identifier Field Number
If Type is set to Delimited, specify the field position of the **Record ID** field.

Starting and Ending Position
If Type is set to Non-Delimited, specify the characters in the row that are the start and end of the Record ID value.

f In the Mapping Groups section, specify this information:

Group
Specify the name of the mapping group, which identifies the purpose of field mappings in the group. Currently the options are Payment or Distribution.

Sequence

Specify the sequence number.

5 Use the **A/R Payment Import Field Mappings** form to determine how imported data is viewed.

6 On the **A/R Payment Import Form** form, import a bank file:

a Specify the **Map ID** and the **Import Logical Folder** fields.

b Click **Process**.

c Ensure everything came in as expected.

Example: Bank Import File Mapping

This example shows the information you would specify in the various forms to import an A/R payment file for a particular bank.

A/R Payment Import Mapping

Field	Value
Map ID	AR00000001
Type	Delimited
Delimiter	| (pipe)
Amounts contain implied decimal	Yes
Digits following implied decimals	2
Date format	YYMMDD
Record IDs are used	Yes

Field	Value
Record ID field number	1

A/R Payment Import Mapping

Group name	First record ID of group
Payment	PR
Distribution	IV

A/R Payment Import Conversions

Define this information in the **A/R Payment Import Field Mappings** form:

Value conversion ID	Source value	Converted value
PaymentType	ACH	C
PaymentType	BKW	C
PaymentType	FWT	C
PaymentType	LBX	C
PaymentType	SWT	C
PaymentType	WIR	W

A/R Payment Import Field Mappings

Table group	Table name	Column name	Field number	Record ID	Field is amount	Field is date	Value conversion ID
Payment	arpmt_import_payment	account_num	8	PR			
Payment	arpmt_import_payment	check_amt	4	PR	Yes		
Payment	arpmt_import_payment	deposit_date	9	PR		Yes	
Payment	arpmt_import_payment	payment_type	2	PR			PaymentType
Payment	arpmt_import_payment	routing_num	7	PR			
Payment	arpmt_import_payment	check_num	16	SP			

Distribution	arpmt_import_distribution	amt_paid_amt	5	IV	Yes
Distribution	arpmt_import_distribution	disc_amt	7	IV	Yes
Distribution	arpmt_import_distribution	inv_num	3	IV	

Processing Imported A/R Payment and Distribution Data

Use the **A/R Payment Import Workbench** form to view, modify, and validate the payment and distribution information so that it is ready to post. All batches that were successfully imported are listed in this form.

Note: For AR import files in NACHA CCD format, the import assumes that positions 40-54 (Company's ID Number) of record type 6 in the AR import file contain the check number. The import places this value in the **Check Number** field of the workbench form. If the import finds any non-numeric characters in those positions of the file, it places a zero in this field. If this field is not populated with the check number, please contact the bank to determine if the bank can place the check number in positions 40-54.

1. Select a batch ID to view its status:
   - If the status is **`Processed`**, every payment record in the batch has been processed; you can click **Delete** to remove the batch from the form. The original file is stored in the Archive folder in case it needs to be reviewed later.
   - If the status is **`Unprocessed`**, at least one payment is not processed; that record has a status of Unprocessed, Error, or Hold.
2. Click **Validate** to validate all payments and distributions for batches where the payment status is **`Unprocessed`** or **`Error`**. During validation, if the customer field is blank for a payment or distribution record, the system:
   - Tries to find the customer number based on the invoice number.
   - If that fails, leaves the customer number blank.

   Other validations are performed. Any resulting validation error messages are displayed in the grid.
3. Correct any validation errors and fill in any blank customer numbers.
4. In the Payment grid, select the payment records that you want to process. If you do not want to process a record, you can change its status to Hold.
5. The Distribution grid lists all distributions associated with a selected payment in the Payment grid. You cannot add or delete records in this grid. If you do not want a distribution to be processed, set the **Apply Amount** and **Discount Amount** to zero. Distribution records are disabled for a payment whose status is Processed or Hold.
6. Click **Process**.

   All payments and distributions in the batch ID that have a payment status of Unprocessed or Error are validated, even if they are not selected.

   All selected payments that are unprocessed with no errors will be processed. A/R Payment and A/R Payment Distribution records are created. When an A/R Payment record is created, the

customer, routing number and bank account are checked against the A/R Customer Bank Account records. If a matching customer bank account record is not found, one is created.

Note: Discount amounts are not calculated on the distribution records. They are either included in the values from the import file, or they must be manually updated.

Quick Payment Application

Using the A/R Quick Payment Application

Use the **A/R Quick Payment Application** form to:

- Enter full or partial payments.
- Distribute full or partial invoices.
- Create open payments.
- Pay finance charges.
- Distribute finance charges.
- Reapply open payments.
- Reapply open credits.

To use the **A/R Quick Payment Application** utility:

1. To access the **A/R Quick Payment Application** utility from the **A/R Payments** or **A/R Payment Distributions** form, click **Quick**.
2. If you have not done so on a previous form, enter all the A/R payment information (customer, type, number, receipt date, due date, and so on).
3. Enter the payment amount.
4. Specify a G/L Reference and a Description, or accept the default values that display.
5. Select **Actions > Save**.

   When you save a payment, all the customer's open invoices, credit memos, finance charges, and open payments display in the grid at the bottom of the form.
6. Select the invoice, payment, credit, or finance charge to which you want to distribute the payment.
   - To select all displayed transactions, click **Select All**.
   - To remove the selection flag from all displayed transactions, click **Deselect All**.
7. Click **Apply**.

Notes:

- Debit memos are not included on this form because you cannot enter the invoice number (required with debit memos). You must apply debit memos through the **A/R Posted Transactions** form.
- You can apply open credits and payments from a customer only to the customer and any of its subordinate customers. You cannot apply a subordinate customer's open credits or payments to another customer that is a subordinate of the same corporate customer.
- Non-A/R payment distributions must be entered in the **A/R Payment Distributions** form.

- You can enter post-dated checks on the **A/R Quick Payment Application** form. The payment type must be check.
- You can enter full or partial payment amounts. When you close the form or the work with a different payment, the system creates distributions for the selected invoices in the **A/R Payment Distributions** form.
- If you delete a payment through the **A/R Quick Payment Application** form, the payment is also deleted from the **A/R Payments** and **A/R Payment Distributions** forms.
- In a multi-site environment, if you are making a quick payment where the Type is Draft, the system only displays invoices from the current site because you cannot select invoices from another site. There is a one-to-one relationship (site specific) with an invoice and a draft.

  The system does not support applying payments to invoices of sites where they do not have the same domestic currency as the site entering the payment to apply.
- The system does not accept changes until you leave the form or work with a different payment.

Creating Open Payments Using A/R Quick Payment Application

To create an open payment using the **A/R Quick Payment Application** form:

1 Select **Actions > New**.

2 Specify information in these fields:
   - **Customer**: Enter the customer ID of the customer for whom you are entering the payment.
   - **Type**: This field displays the customer's payment method by default, but you can select a different method.
   - **Number**: Enter the check or draft number for this payment.
   - **Receipt Date**: Enter the date you received the payment, or accept the default, which is today's date.
   - **Payment Due Date**: (Available only if the payment type is Draft.) Enter the date the draft is due.
   - **G/L Reference**: Enter a description to appear in the distribution journal for this transaction, or accept the default, which is ARP followed by the check or draft number.
   - **Description**: Enter a description to appear in the distribution journal for this transaction, or accept the default description.
   - **Bank Code**: Enter the bank code of the bank from which the payment will be made, or accept the customer's default bank code.
   - **Amount**: Enter the amount of the payment.

3 Do one of the following:
   - To apply the entire payment to an open payment, select **Actions > Save**, and then select **Apply**. The entire amount is then distributed to an open payment.
   - To apply part of the payment to an open payment, select the **Selected** check box for each invoice and/or finance charge you want to apply the payment to. Then select **Apply**. The remaining amount is then distributed to an open payment.

Note: If you select multiple invoices, open payments, and/or open credits, the oldest open transaction is applied to the oldest invoice. You cannot enter the invoice number of the open payment to apply the payment to.

Entering Customer Payments Using A/R Quick Payment Application

To process payments from customers, you can use the **A/R Quick Payment Application** form. You can select open invoices, finance charges, payments, and credit memos.

To process payments using the **A/R Quick Payment Application** form:

1 Select **Actions > New**.

2 Enter the appropriate information in the following fields:

- **Customer**: Enter the customer ID of the customer you're entering the payment for.
- **Type**: This field displays the customer's payment method by default, but you can select a different method.
- **Number**: Enter the check or draft number for this payment.
- **Receipt Date**: Enter the date you received the payment, or accept the default, which is today's date.
- **Payment Due Date**: (Available only if the payment type is Draft.) Enter the date the draft is due.
- **Deposit Date**: Enter the date you deposited the check. This field is available for entering post-dated checks. It is enabled only if the payment type is Check, and no credit memo is associated with the payment. Enter the date on the customer's check.
- **G/L Reference**: Enter a description to appear in the distribution journal for this transaction, or accept the default, which is ARP followed by the check or draft number.
- **Description**: Enter a description to appear in the distribution journal for this transaction, or accept the default description.
- **Bank Code**: Enter the bank code of the bank from which the payment will be made, or accept the customer's default bank code.
- **Amount**: Enter the amount of the payment.

3 Select **Actions > Save**.

Note: You must perform this step before you can select any transactions in the grid.

All open invoices, finance charges, payments, and credit memos for this customer display in the grid at the bottom of the form. If any of these transactions have been distributed, the **Selected** check box is selected for each.

Note: On the **A/R Quick Payment Application** form, non-A/R payment distributions display as selected in the grid. The amounts display in the Discount and Allowance columns. In the Discount column, you enter **`Credit Amount 1`**, and in the Allowance column you enter **`Credit Amount 2`**.

4 For each transaction you want to make a payment against, select the **Selected** check box, or, to select all the displayed transactions, click **Select All**.

5 Select **Apply**. The system displays a message informing you of the actions that were taken.

Reapplying Open Payments and Credits Using A/R Quick Payment Application

If you add a customer payment and also add a payment distribution type of Open Credit, and then post the payment, you can reapply the posted payment using the **A/R Quick Payment Application** form.

You can reapply an open payment and credit on this form using either of these methods:

- Entering an Open Payment to Reapply.

  You do this without selecting transactions against which to apply the payment.
- Selecting an Open Payment to Reapply.

  You do this in the grid at the bottom of the form.

Entering an Open Payment to Reapply

In this case, you enter and save a payment in the **A/R Quick Payment Application** form without selecting transactions against which to apply the payment:

1. Open the **A/R Quick Payment Application** form.
2. Select **Actions > New**.
3. Select the customer number, and enter the check number that matches the open payment you want to reapply.

   The system fills the **G/L Reference** field with the description Re-Application of Open Payment/Credit.
4. Change the **G/L Reference** and **Description** fields, if necessary.

   Note: When reapplying open credits, do not change the **Receipt Date**. The journal entries created will be a debit and credit to the A/R account. When reapplying open payment, and a separate A/R Deposit account is used, change the **Receipt Date** to current date. The journal entries created will be a debit to the A/R Deposit account and a credit to the A/R account. If the deposit account is the same as the A/R account, then the receipt date should not be changed.
5. Select **Actions > Save**.

   Note: You must perform this step before you can select transactions in the grid at the bottom of the form.
6. Select the Selected column of each transaction you want to apply the payment to.
7. Click **Apply**. The system updates the payment with the new invoice number, and journal entries are posted for the reapplication. The journal entries will have a reference of ARPR (payment or credit reapplication).

Selecting an Open Payment to Reapply

In this case, you use the grid at the bottom of the **A/R Quick Payment Application** form to specify the information.

1. Open the **A/R Quick Payment Application** form.
2. Make sure that you have entered all the payment information.
3. Select **Actions > Save**.

   Note: You must perform this step before you can select transactions in the grid at the bottom of the form.
4. Select an invoice in the grid.

5 Select an open credit or payment in the grid. The selection of both the invoice and the open credit/payment triggers the reapplication process.

6 Click **Apply**. The system creates a payment distribution for the invoice for the value in the **Bank Amount** field. To verify that the system has reapplied the open payment, you can view it in the **A/R Posted Transactions Detail** form.

Note: If you select multiple invoices, open payments and/or open credits, the oldest open transaction is applied to the oldest invoice. You cannot enter the invoice number to apply the open payment to.

Examples: Using A/R Quick Payment Application

Use these examples to understand the A/R Quick Payment Application.

Scenario 1

You enter a payment for $150, and select three $50 invoices in the grid against which to apply the payment.

The grid shows:

Customer	Type	Inv	Site	Order	Delivery Order	Chk/Ref	Inv Date	Due Date	Amt to apply	Disc
1	I	101	01	C00001			5/15	6/15	50.00	0.00
1	I	150	01	C00007			6/15	7/15	50.00	0.00
1	I	156	01	C00010			6/22	7/22	60.00	0.00

When you select **Apply**, the system creates three distribution records for each one of these invoices.

Scenario 2

You enter a payment, and do not select any transactions in the grid.

You enter a payment for $100 on the **A/R Quick Payment Application** form with a payment date of 06/15/02, and save it. Then, you select **Apply**. A payment distribution is created as an Open credit for $100.

The grid shows:

Customer	Type	Inv	Site	Order	Delivery Order	Chk/Ref	Inv Date	Due Date	Amt to apply	Disc
1	P	Open	01				6/15	6/15	50.00	0.00

Scenario 3

You enter a payment, select an invoice, and some payment amount is left to be applied.

You enter a payment for $100 on the **A/R Quick Payment Application** form, and save it. Then you select an invoice for $60, and click **Apply**. Two payment distributions are created, one as an invoice for $60, and the other as an open credit for $40. Both the invoice and the open credit display as selected in the grid.

Customer	Type	Inv	Site	Order	Delivery Order	Chk/Ref	Inv Date	Due Date	Amt to apply	Disc
1	C	Open	01				6/15	6/15	40.00	0.00
1	I	102	01	C00001			5/15	6/15	60.00	0.00

Scenario 4

You enter a payment for $0, and select an invoice and an open credit.

Customer	Type	Invoice	Site	Order	Delivery Order	Chk/Ref	Invoice Date	Due Date	Amt To Apply	Discount
1	C	Open	01	C000001			06/15/15	06/15/15	50.00	0.00
1	I	101	01	C000001			05/15/15	06/15/15	50.00	0.00

The open credit is automatically when you click **Apply**. The invoice number in the A/R Transaction table (artran) now shows 101. The A/R account in the original artran record for the open credit is 11000. The A/R account in the parameters is 11000. The journal entries created will be:

Journal Seq	Date/Account Description	Acount	Amount	Ref/Currency	Exchange Rate
29 *	06/15/15	11000	50.00	ARPR	1
	Accounts Receivable		50.00	USD	1.000
30 *	06/15/15	11000	50.00	ARPR	1
	Accounts Receivable		50.00	USD	1.000

Scenario 5

You enter a payment for $50, and select multiple invoices, open payments, and credits: two invoices, 101 with a due date of 06/15/02 and 150 with a due date of 07/15/02 for $50 each; and the open credit has a due date of 06/15/02. The payment is for $50 on 07/20/02.

When you click **Apply**, the open credit of $50 is applied to invoice 101 and then posted. A/R Posted Transactions will show the credit with an invoice number of 101. The new payment of $50 is applied to invoice 150, and a payment distribution is created.

The grid shows the following:

Customer	Type	Inv	Site	Order	Delivery Order	Chk/Ref	Inv Date	Due Date	Amt to apply	Disc
1	I	150	01	000007			6/15	7/15	50.00	0.00

Scenario 6

You enter a payment, and select a Finance Charge transaction.

Three finance charges exist in posted transactions: one for $20 with a due date of 05/15/02, one for $20 with a due date of 06/15/02, and one for $20 with a due date of 07/15/02.

You enter a payment for $40. The finance charges display in the grid as follows:

Customer	Type	Inv	Site	Order	Delivery Order	Chk/Ref	Inv Date	Due Date	Amt to apply	Disc
1	F	Fin chg	01				5/15	5/15	50.00	0.00

You must update the **Amt To Apply** (in the grid) to $40.00. When you click **Apply**, a distribution is created for the finance charge. Upon posting the payment, the amount will automatically be applied to the oldest finance charges.

Scenario 7

Reapplication of an Open payment/Open credit.

You enter an open payment/open credit to reapply for $1000. The grid shows an invoice selected for $1000. When you click **Apply**, a payment distribution is created. The A/R account in the original A/R transaction (artran) record for the open credit is 11000, and the A/R account in the original record for the open payment is 26000 (Deposit account). The open credit journal entries are the same as in scenario #4 above. When the open payment is applied, payment application occurs within the due date, so a discount for $50 is automatically created by the system in the Discount column.

When the payments are posted, the open payment entries are:

Journal Seq	Date/Account Description	Account	Amount	Ref/Currency	Customer/Exchange Rate
55 *	01/18/15	26000	1,000.00	ARPR	656
	AR Deposit		1,000.00	USD	1.000
56 *	01/18/15	40450	50.00	ARPR	656
	Sales Discount		50.00	USD	1.000
57 *	01/18/15	11000	1,050.00	ARPR	656

Journal Seq	Date/Account Description	Account	Amount	Ref/Currency	Customer/Exchange Rate
	Accounts Receivable		1,050.00	USD	1.000

Scenario 8

Reapply an Open payment to an invoice from another site.

An invoice is selected from Site 2. The open payment was entered in Site 1, and is being applied in Site 1. When you click **Apply**, you are prompted to transfer cash. If you select **`Yes`**, journal entries in Site 2 will transfer the amount from Accounts Receivable to cash. In Site 1, the amount will be transferred from the deposit account to cash. The entries appear:

Site 2:

Journal Seq	Date/Account Description	Account	Amount	Ref/Currency	Customer/Exchange Rate
32 *	01/17/15	11000	100.00	ARPR	25
	Accounts Receivable		100.00	USD	1.000
33 *	01/17/15	10000	100.00	ARPR	25
	Cash		100.00	USD	1.000

Site 1:

Journal Seq	Date/Account Description	Account	Amount	Ref/Currency	Customer/Exchange Rate
43 *	01/17/15	26000	100.00	ARPR	25
	AR Deposit		100.00	USD	1.000
44 *	01/17/15	10000	100.00	ARPR	25
	Cash		100.00	USD	1.000

If transfer cash is not selected, the A/R Inter-Site Liability and Asset accounts will be used instead of Cash. The entries are:

Site 2:

Journal Seq	Date/Account Description	Account	Amount	Ref/Currency	Customer/Exchange Rate
35 *	01/17/15	11000	100.00	ARPR	23
	Accounts Receivable		100.00	USD	1.000
36 *	01/17/15	49020	100.00	ARPR	23
	A/R Inter-Site Asset		100.00	USD	1.000

Site 1

Journal Seq	Date/Account Description	Account	Amount	Ref/Currency	Customer/Exchange Rate
47 *	01/17/15	26000	100.00	ARPR	23
	AR Deposit		100.00	USD	1.000
48 *	01/17/15	49000	100.00	ARPR	23
	A/R Inter-Site Liability		100.00	USD	1.000

Scenario 9

Reapply an open payment to an invoice with a different exchange rate. An open payment for $310 Canadian Dollars (CND) at an exchange rate of 1.55 is applied to an invoice with an exchange rate of 1.60. The following entries happen in the journal when the **Apply** button is selected:

Journal Seq	Date/Account Description	Account	Amount	Ref/Currency	Customer/Exchange Rate
66 *	01/14/15	26000	200.00	ARPR	5651
	AR Deposit		310.00	US$	1.550
67 *	3000	40200	7.03	ARX	
	Currency Gains		10.90	CND	1.550
68 *	01/14/15	11000	7.03	ARX	
	Accounts Receivable		10.90	CND	1.550
69 *	01/14/15	11000	200.00	ARPR	5651
	Accounts Receivable		310.00	CND	1.550

Scenario 10

You enter a payment for $95. You also enter a non-A/R cash distribution for $5.00 in A/R Payment Distributions. When you access the **A/R Quick Payment Application** form, the following transactions display:

Customer	Type	Inv	Site	Order	Delivery Order	Chk/Ref	Inv Date	Due Date	Amt to apply	Disc
1	F	Fin chg	01	C000007		-1	5/15	5	100.00	0.00
	Non A/R	Non A/R	01				5/15			5.00
	Open credit	Open	01			-1	5/15		20.00	0.00

Customer	Type	Inv	Site	Order	Delivery Order	Chk/ Ref	Inv Date	Due Date	Amt to apply	Disc
1	I	100	01				5/15	6/15	10.00	0.00

When you click **Apply**, the $20 open credit is applied to the finance charge. It is automatically posted and shows on the **A/R Posted Transactions** form.

The $95.00 payment is then applied. Distributions for an $80 finance charge, $5.00 non-A/R cash, and $10.00 invoice will then be created. The non-A/R cash already exists in the distributions.

Posting A/R Draft Payments

Draft payments cannot be directly posted to a cash account like you would post a check or a wire payment. When you first post the draft payment, the draft status is changed to Posted and the usual journal transactions are created. However, the transaction does not yet impact the Cash account in the General Ledger, but instead it impacts the Draft Receivable account found in the **Accounts Receivable Parameters** form.

Next, based on the due date of the draft and when you wish to receive the cash (at due date or before the due date), perform a draft remittance using the **A/R Posting Draft Remittance** form.

Note: The bank charges an additional discount fee when you want to receive the cash before the due date.

After the draft remittance, post the draft. Posting the draft changes the status of the draft to Remitted and creates a journal entry from the Draft Receivable account to either the Draft Remitted account or the Draft Discounted account identified in the **Bank Address** form.

Posting prepares entries for the AR DIST journal as shown here.

These journal entries are created with the **A/R Posting Draft Remittance** form:

- Debit: Drafts Remitted
- Credit: Drafts Receivable

For discounted drafts, these journal entries are created:

- Debit: Drafts Remitted
- Credit: Draft Discounted Receivable

When the bank tells you it has given you the money, use the **Bank Reconciliations** form to perform a draft deposit. The deposit updates the draft status to its final value of Paid and creates the new journal entry that finally impacts the Cash account.

These journal entries are created when you reconcile draft payment deposits in the **Bank Reconciliations** form:

- Debit: Cash
- Credit: Drafts Remitted

Posting Payments

Note: The Accounts Receivable account must be assigned on the **Accounts** tab on the **Accounts Receivable Parameters** form; otherwise, an error message displays and the posting process stops.

1 Open the **A/R Payment Posting** form.

2 (Optional) By default, payments for all customers will be posted, but you can further refine the posting by selecting a range of customers, bank codes, receipt dates, and check numbers. You also can select a single payment for posting.

The **Print** option is automatically selected. You must first print the **A/R Payment Transaction Report** to review and verify the transactions that will be posted.

3 To produce the report, click **Process**. After reviewing the report, you can post the transaction(s) and create Bank Reconciliation record(s). Notice that the **Commit** option is now enabled.

4 Select the **Commit** option.

5 To post the payment(s) and create the Bank Reconciliation record(s), click **Process**.

The system does not post transactions containing errors. If a transaction contains errors, correct them, and then try again to post.

6 When you post an A/R open payment that is tied to a customer order,you are asked if you want to apply it as a prepaid amount on the customer order. You have three options:

- To post the payment and not update the customer order, select **No**.
- To post the payment and update the customer order, select **Yes**.
- To cancel the action and not update the order or post payments, select **Cancel**.

Example: Multi-Site Payment Posting

Use this example to understand multi-site payment posting.

Three sites exist for Entity XYZ. Site A is designated as the centralized collection site where all customer payments are collected. If Site A receives a $300 payment from a customer to pay 3 invoices, each from a different site, these journal entries must occur:

- Invoice customer - $100 from each entity, as shown in this table:

		Debit	Credit
Site A transactions:	A/R	$100	
	Sales		$100
Site B transactions:	A/R	$100	
	Sales		$100
Site C transactions:	A/R	$100	
	Sales		$100

- Post payment of $300 - distribute $100 to each entity, as shown in this table:

		Debit	Credit
Site A Transactions:	Cash	$300	
	A/R		$100
	Inter-Site Liab (Entity B)		$100
	InterEntity Liab (Entity C)		$100
Site B transactions:	InterEntity Asset	$100	
	A/R		$100
Site C transactions:	InterEntity Asset	$100	
	A/R		$100

Note: To reverse the inter-site transactions; each site will create a manual entry when corporate pays cash to the sites.

Posting to the A/R Distribution Journal

The **A/R Distribution Journal** records invoice, credit memo, debit memo, finance charge, and payment transactions. Eventually, you need to post this journal to the General Ledger.
Note: After transactions are posted to the journal, you can no longer update them. You can add text to the line entries, but to adjust them you must use the **A/R Payments** and **A/R Payment Distributions** forms.

You can view a summary of the distributions on the **Journal Account Summary** form. Select the AR Dist Journal in the grid to view the account totals.

You view posted transactions to the A/R Distribution journal on the **A/R Posted Transaction Detail** form. Use the grid pane to select the transaction you want to view. The Type field identifies the type of transaction you are viewing: invoice, credit memo, debit memo, finance charge, or payment.

To view summary information about the displayed transaction, select **Summary**. The **A/R Posted Transaction Summary** form displays.

Reversing a Posted Payment

To reverse a posted A/R payment:

1. Enter a negative A/R payment for the customer with the same check number. You must add a one or zero to the end of the original check number, as the system will see that this check has already been used for this customer.
2. Distribute the negative amount to the invoices that were originally paid. If the original payment was distributed as an open payment to the customer's A/R journal, then distribute the negative amount the same way.

3 Create a zero-amount invoice (for example, 0.00) and post it to the customer's A/R journal.
4 Reapply the open positive payment to the zero-amount invoice.
5 Reapply the open negative payment to the zero-amount invoice.
6 Post the payments to zero them out on the customer's A/R journal.

Posting A/R Direct Debit Payments

1 Open the **A/R Direct Debit Posting** form.
2 Select **Display Report Header** if you want to include a header on each page of the payment report.
3 Select the ranges of customers, bank codes, due dates, and direct debit numbers that you want to include in the payment post.
4 To populate the grid and print the payment report, select **Print** and click **Process**.
5 In the grid, select **Process** for the records that you want to include.
6 To post the payments, select **Commit** and click **Process**.

After posting A/R direct debit payments, these actions are performed:

- The appropriate journals are posted to:
  - Debit: Direct Debit Receivable
  - Credit: Accounts Receivable
- The corresponding direct debit status is set to Generated.
- A DebitTransfer BOD is triggered containing the A/R payment data.
- The customer's mandate **Last Used Date** is updated to the current date.

Purging A/R Direct Debits

1 Open the **A/R Direct Debit Purge** form.
2 Select the range of direct debit records you want to purge.
3 Select the statuses of the direct debits that you want to purge:
  - Canceled
  - Paid
  - Voided
4 To review the list of direct debits that will be purged before actually deleting them, select **Preview** and then click **Process**. The grid at the bottom of the form is updated with the list of records that match your selection criteria.
5 After reviewing the list and optionally making changes to the selection criteria, to purge the records, select **Commit** and then click **Process**.

Purging Drafts

The **A/R Draft Purge** utility deletes draft records, based on status. Only Canceled, Paid, and Voided drafts can be purged. A register of the purged drafts is produced as an audit trail.

To purge A/R drafts:

1. Open the **A/R Draft Purge** form.
2. (Optional) By default, all drafts are purged, but you can select a range of drafts to purge instead.
3. Select the status check boxes for the drafts you want to purge: **`Canceled`**, **`Paid`** and/or **`Voided`**.
4. To review the list of drafts that will be purged before actually deleting them, select **Preview** and then click **Process**. The grid at the bottom of the form is updated with the list of drafts that match your selection criteria.
5. After reviewing the list and optionally making changes to the selection criteria, to purge the drafts, select **Commit** and then click **Process**.

Purging Invoice History

To purge the invoice history:

1. Open the **Purge Invoice History** form.
2. In the **Ending Invoice** field, select the last invoice whose associated history information you want to delete.
3. In the **Ending Invoice Date** field, select the date of the last invoice you want to delete.
4. To delete only transaction list items and not their associated header information, select the **Delete Line Items Only** check box.
5. Select the source of the transactions you want to delete: Order Entry, A/R or Both.
6. Click **Process**.

Caution: Running this utility may impact the use of invoice sequencing by adding gaps to invoice series. Run this utility after deleting an invoice/credit memo/debit memo sequence. (Deleting a sequence automatically voids any unused numbers in the sequence.)

Note:

- You must use the **Activate/Deactivate Posted Transactions - A/R** utility to deactivate A/R posted transactions before purging.
- Purging the invoice history does not remove the invoice and payment from the **A/R Posted Transactions Detail** form. In order to do that, you must run the **Delete A/R Posted Transactions** utility before purging the invoices.

Reapplying Open Payments and Credits for Customers

If you add a customer payment and a payment distribution type of Open Credit for it, and then post the payment, you can reapply the posted payment.

1. Open the **A/R Payments** form.
2. To add a payment, select **Actions > New**.
3. Select the customer number, and enter the check number that matches the open payment you want to reapply. The system fills in the **G/L Reference** field with the description Re-Application of Open Payment.
4. (Optional) Change the **G/L Reference**, **Description**, and **Notes** fields.

   Note: When reapplying open credits, do not change the **Receipt Date**. The journal entries created will be a debit and credit to the A/R account. When reapplying an open payment, and a separate A/R Deposit account is used, change the **Receipt Date** to current date. The journal entries created will be a debit to the A/R Deposit account and a credit to the A/R account. If the deposit account is the same as the A/R account, then the receipt date should not be changed.
5. Click **Distributions**.
6. To add the new distribution(s), select **Actions > New**.
7. Post the reapplication and distribution(s).
8. To verify that the system has reapplied the open payment, you can view it using the **A/R Posted Transactions Detail** and **A/R Posted Transactions Summary** forms.

Reapplying Open Payments or Credits Against Multiple Invoices

To reapply an open payment or credit against multiple invoices you will need to create a payment distribution for each invoice.

1. On the **A/R Payment** form, add the customer.
2. If you are reapplying a payment, enter the check number. If you are reapplying an open credit, find the chk/ref number on the **A/R Posted Transaction** form. Use this chk/ref number in the check number field.

   After the check number is populated, the date and the amount of open payment/credit will appear on the form and the reference will identify this as a reapplication. If this does not happen, either the check number is incorrect, or your chk/ref number is incorrect.
3. After the system recognizes this transaction as a reapplication, save the payment record and click the **Distribution** button.
4. On the **A/R Payment Distribution** form, click **New** to create a new distribution. Usually the Type will be Invoice and you will enter the invoice number. If the reapplication does not pay the invoice in full, change the amount of the distribution to be the amount to be paid against this invoice.
5. If the open payment is for more than the total amount you are applying (for example, you have check for 1=$100.00 and you want to only apply $75.00 at this time), create a distribution for the remaining amount. Change the type from Invoice to Open and put in the remaining amount. If the balance will be a non-A/R transaction, change the type from Invoice to Non-A/R Payment and enter the amount and the account number.
6. After all distributions have been created and amount remaining equals zero, save the distributions.
7. Post the check.

Example: Reapplication of an Open Payment

The example below shows the reapplication of an open payment.

- Post an open payment. This table shows sample amounts:

Transaction	Debit	Credit
Cash	$100	
Deposit		$100

- Post an invoice. This table shows the amounts.

Transaction	Debit	Credit
A/R	$100	
Sales		$100

- Reapply the open payment to the invoice. This table shows the amounts:

Transaction	Debit	Credit
Deposit	$100	
A/R		$100

Running the A/R Aging Report

To view the current status of all customer account balances, use the **Accounts Receivable Aging Report** form.

Normally, you print this report at the end of the period, before you print statements. This report is helpful in identifying customers with past-due invoices.

To print the **Accounts Receivable Aging Report**:

1. Select the field values and check boxes to define the parameters of the report you want.
   The default selections print a report for all customers.
2. (Optional) To view the report before printing the final version, click **Preview**.
3. To print the final report, click **Print**.

Running the AR Balance History Utility

To update the average balance outstanding, the largest balance outstanding, and the last amount outstanding for selected customers, use the **A/R Balance History** utility.

1. Specify the range of customers and the date through which this utility should update customer balances.
2. To reset the selected customers' balance history information, select the **Reset Period Count To 1** check box.
3. Click **Process**.

Chapter 4: Bank Statements

About Bank Statement Reconciliations

The **Bank Statement** form displays information relating to one customer or vendor bank identifier code (BIC) or to one employee account used for payment. Bank statement files are received in the proprietary format of specific banks. The files are transformed by an ION workflow that uses Infor Local.ly GEMS components with Infor standard BODs. The BODs are then sent by the workflow to SyteLine. For more information, see the *SyteLine Integration Guide for Infor Local.ly*.

Automatic A/P Payments

When a BankStatement BOD is received into SyteLine, automatic payments are generated for any A/P transactions in the statement that have a domain family code of Issued Direct Debits (IDDT) or Issued Credit Transfers (ICDT). Use the **A/P** button on the **Bank Statement** form to view the A/P payment transactions that were created automatically. The **A/P** button is enabled only for IDDT or ICDT transactions.

An agreement could exist between the provider and the customer for automatic transfer of funds as payment for a product or service. Control methods for this transfer of funds are considered separately; there is a general tolerance on the voucher and the payment that results in a variance that must be monitored.

Generally, you can expect that the bank statement is correct and can be reconciled with your general ledger. If the billing is incorrect and must be adjusted, perform the adjustment as a reversal, because it requires all parties to apply the adjustment. There is no reason to deny an automatic transaction that may be in error, because the other parties will still show an incorrect transaction until all parties agree on a resolution.

Note: This information about automatic payments does not apply if certain country packs (for example, Sweden) are enabled. See the appropriate SyteLine country guide for more information.

A/R and A/P Transactions in the Bank Statement

In order to balance your books, you must be able to view all relevant bank statement transactions (records and charges). Some records show transactions that require subsequent action; other records indicate a completed and accepted transaction:

- A/R records usually require confirmation of an existing transaction that has already been initiated and performed.
- A/P records usually require the execution of an A/P payment transaction. Ideally the payment is associated with a Vouchers Payable transaction and can be reconciled. The final reconciliation of

the voucher must be done manually, because the process is variable. Not all A/P transactions require an A/P payment; for example, the transaction could be a result of a check, wire posting or other transaction type that is only being reported in the bank statement.

All bank statement line records are available for review. You must determine which records require manual action on your part.

Transaction Types

The bank statement can include many transaction types. The transaction type codes follow ISO standards, and are divided into domain codes, domain family codes, and domain sub family codes. For example, the Account Management (ACMT) family code is subdivided into domain family codes such as Miscellaneous Credit Operations (MCOP) and Miscellaneous Debit Operations (MDOP), which are further subdivided into domain sub family codes, for example Commission (COMM), Fees (FEES), Interest (INTR) and so on. These transaction codes are predefined on these forms:

- **ISO Bank Transaction Domain Codes**
- **ISO Bank Transaction Domain Family Codes**
- **ISO Bank Transaction Domain Sub Family Codes**

Currency Exchange

The source currency for the bank transactions is always the account owner's currency. A/P transactions are converted to domestic currency using the specified exchange rate. Fluctuations in the exchange rate are reflected in the currency gains and losses. For more information, see About Realized and Unrealized Gains and Losses on page 175.

For example, a vendor bank account is established using the Philippine Peso (PHP). The bank statement reports all transactions using PHP. To apply an A/P voucher, the target currency for the voucher must also be PHP.

If a fixed exchange rate is applied (by agreement between all parties), no variance occurs due to currency fluctuations. If a variable exchange rate is used, all vouchers will have fluctuations based on currency rate fluctuations. Thus, to have the vendor's currency in balance with your domestic currency, there must be a redistribution if the exchange rate has changed since the voucher was created. This causes offsetting transactions for currency gains and losses, because the change in exchange rate changes the value of the PHP account in domestic currency. The voucher value would also be adjusted up or down in relation to domestic currency.

To protect against currency fluctuations, you can set up an account in the vendor's currency, and pay the vendor from that account. That way, the currency is never actually exchanged into your company's domestic currency, even though it is represented in SyteLine in the domestic currency amounts. Offsetting gains and losses cancel each other out.

If your payment account is in a different currency from the vendor's currency, then the exchange rate is determined at the time of payment, and you do not have offsetting currency adjustments. (If the payment is not in the vendor's currency or your domestic currency, no provision is made in the system for an exchange rate that requires manual translation.)

For A/R accounts in SyteLine, the currency used in the account must be either the domestic currency or the customer's currency. For A/P accounts, we recommend that you use either the vendor's currency or the domestic currency.

Purging Bank Statements

Use the **Bank Statement Purge Utility** to purge bank statement records that are marked as **Processed**. You can set up this utility to process individual statements or batches of records on a regular schedule.

To purge individual statements:

1. On the **Bank Statement Purge Utility** form, select the range of dates for which you want to delete records.
2. If your selection criteria include dates and you are scheduling the process to run periodically, select **Increment Date**.
3. Specify the range of reference types (**`Bank`**, **`Customer`**, **`Vendor`**, or **`Employee`**) for which you want to delete records.
4. Specify the range of reference numbers. For example, if you specified **`Customer`** as the **Reference Type**, specify the range of processed customer bank statement records to purge.
5. Click **Process**.

Alternaltively, to purge a batch of processed bank statements on a regular basis, specify your selections in the **Bank Statement Purge Utility** form and select **Actions > Background Queue**.

Generating a Positive Pay File

A positive pay file is a file you send to your bank that provides a list of the checks issued, their dollar amounts, and your bank account number in a text file.

To set this up:

1. Create the format:
   a. Open the **Positive Pay Format Sections** form.
   b. Select the desired bank code.
   c. Provide the format.

      You must get this format from the bank.

   d. Select section 1, 2, or 3.
   e. Provide a description of the section if desired.
   f. Save.
2. Define the fields for the file:
   a. Open the **Positive Pay Format Fields** form.
   b. Select the bank code, format name, and section.

The format name and section choices for each bank code were created on the **Positive Pay Format Sections** form.

c Provide a sequence number.

d In the **Type** field, specify **`Constant`**, **`Database`**, or **`Function`**.

Other fields on this form are either active or inactive depending on the choice you choose here.

e Provide the length.

f Save.

3 Generate the file.

a Open the **Positive Pay File Generator** form.

b Select the bank code and the format name.

c Select a check date range.

d Specify the logical folder and file name where the data is stored after it has been processed.

This logical folder must already exist, and you must belong to the same authorization group as the logical folder. You can use the **Files** button to delete old files or download them to save in another area.

e Click **Process**.

Chapter 5: Currency

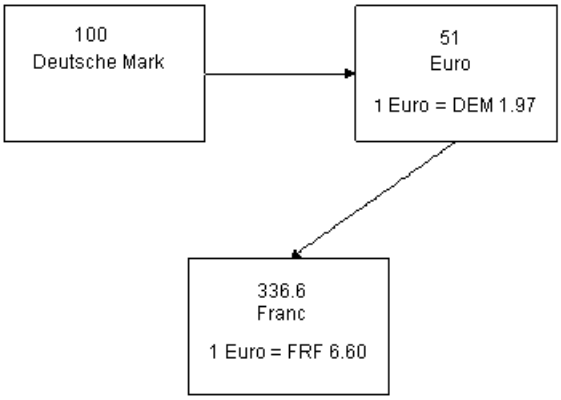
About the Euro Triangulation Conversion

During a euro conversion interim period (when one or both of the currencies involved is a part-of-euro currency and neither currency is the euro), euro regulations prohibit direct currency conversions between participating countries.

Therefore, to convert a monetary amount from one national currency to another, the system currency conversion process performs these tasks:

- Converts the amount from the national currency to the euro.
- Converts the resulting amount, which is expressed in euros, to the other national currency.

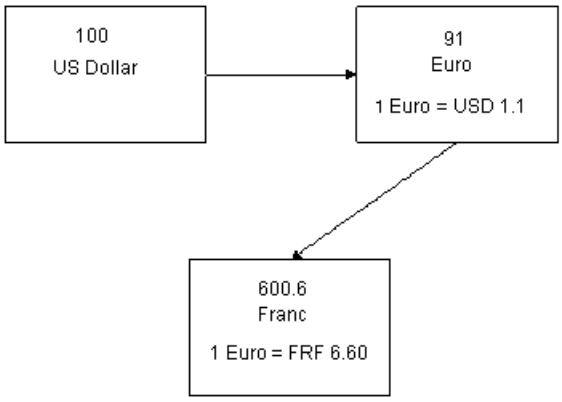
For example, to convert Deutsche marks to francs:



The same principle applies if your domestic currency is not part-of-euro, but you need to do business with a vendor or customer situated in a participating country who will be using the euro, but has not yet switched to it. The system conversion process

1. Converts the amount from your domestic currency to the euro.
2. Converts the resulting amounts, which are expressed in the euro currency, to the national currency of the vendor or customer.

For example, to convert US dollars to francs:



The exchange rate between each participating national currency and the euro is fixed. If the currency is part-of-euro, this fixed exchange rate to the euro is stored in the system (on the **Currency Codes** form). There is only one exchange rate to the euro (1 euro =) for each part-of-euro currency there is no buy and sell rate.

Note:

- This conversion process applies only if one or both of the currencies involved is a part-of-euro currency and neither currency is the euro. If one of the currencies is the euro, the system performs the conversion normally. Also, if one of the currencies involved in a transaction is part-of-euro, and the other currency uses the Rate is Divisor option, the triangulation is calculated differently.
- The system does not round any numbers during this conversion process. After the conversion is complete, the system rounds the final value to match the display format of the end currency. Conversion rates are always expressed as 1 euro to the other currency.
- The use of francs and Deutsche marks above is only for illustration purposes; in reality, both currencies have already been converted to the euro.

Converting the Domestic Currency to the euro

To change your base domestic currency to the euro currency and convert all related records, use these steps. Where applicable, refer to the linked help topics for more information.

1. Perform a complete database backup.
2. Set up a currency code for the euro.
3. On the **Currency Codes** form, select the **Part of Euro** check box for your base currency.
4. On the **Currency Rates** form, enter the correct **Buying Exchange Rate** and **Selling Exchange Rate** for all currencies, including the euro.
5. Post all A/P and A/R transactions.
6. Process and post all records of the types listed in the Unconverted Records Help topic.
7. Open the **Domestic Euro Currency Conversion** utility.
8. To use the standard unit cost for the purchased item, select the **Use Std Cost for Purchased Item** check box. To use the current unit cost from the **Item Costs** form to update the material cost for purchased items, clear this check box.

9 In the **Account** field, enter the number of the account to contain any rounding variances that may occur during the conversion process.

10 To start the conversion, click **Process**.

Note: If your system still contains unposted A/P or A/R transactions (such as payments, invoices, vouchers, etc.), the conversion process does not proceed and the system generates an error message stating the type of transactions that must be posted.

11 After the conversion is complete, to convert the period totals records, run the **Rebalance Ledger Period Totals** utility.

12 Run the **Recalculate Journal Balances** utility for each journal.

13 To update the low level codes, run the **Current Bill of Material Processor**.

14 To correct any possible rounding errors from the conversion of cost values, run the **Current BOM Cost Rollup** utility.

15 If you have a multi-site or hierarchical set of sites and entities, perform these additional steps:

- After running the conversion utility, review and manually reestablish the exchange rates for your inter-site transactions (defined on the **Inter-Site Parameters** form). The conversion utility does not convert these rates automatically.
- When you convert an individual site, you must also convert all sibling sites (the sites of the same low-level entity) and the parent low-level entity at the same time.
- When you convert a low-level entity, the conversion utility does not convert any of its child entities. To convert child entities, run the conversion utility for each entity.

Note: If you are converting a low-level entity that has no direct child sites, you can convert the entity without converting any other entities.

About Realized and Unrealized Gains and Losses

When a company headquartered in one (domestic) country executes a transaction with a company in another (foreign) country using a currency other than the domestic currency, one currency needs to be converted into another to settle the transaction. This conversion from one currency to another creates gains and losses depending on the currency exchange rate.

This topic covers realized and unrealized currency exchange gains and losses.

Realized Currency Exchange Gains and Losses

Realized currency exchange gains and losses can occur when full or partial payments are applied to voucher or invoice amounts.

Note: Gains and losses are calculated on each payment amount instead of the outstanding voucher or invoice amount.

Balance Paid in Full

In the following examples, the transactions were completed by the receipt of the payment of cash. Therefore, any exchange gain or loss was realized and, in an accounting sense, was recognized on the date of the cash receipt or cash payment.

For example, a U.S. company purchasing items from a British company that requires payment in British pounds must exchange dollars ($) for pounds (£) to settle the transaction. This exchange of one currency into another involves the use of an exchange rate. If the U.S. company had purchased items for £1,000 from a British company on June 1, when the exchange rate was $1.40 per British pound, $1,400 would need to be exchanged for £1,000 to make the purchase.

Note: The foreign exchange rates used in this example do not reflect current rates.

Because the U.S. company maintains its accounts in dollars, the transaction would be recorded as follows:

Description	Amount
June 1 Purchases	1,400
Cash	1,400

Payment of Invoice #1725 from Sterling Co.

£1,000; exchange rate: $1.40 per British pound

For example, assume that on July 10, when the exchange rate was $.004 per yen (¥), a purchase for ¥100,000 was made from a Japanese company. Since the U.S. company maintains its accounts in dollars, the entry would be recorded at $400 (¥100,000 X $.004), as seen below:

Description	Amount
July 10 Purchases	400
Accounts Payable - M. Suzuki	400

Invoice #823

¥100,000, exchange rate: $.004 per yen

If on the date of payment, August 9, the exchange rate had increased to $.005 per yen, the ¥100,000 account payable must be settled by exchanging $500 (¥100,000 X $.005) for ¥100,000. In this case, the U.S. company incurs an exchange rate loss of $100, because $500 was needed to settle a $400 debt (accounts payable). The cash payment would be recorded as follows:

Description	Amount
August 9 Accounts Payable - M. Suzuki	400
Exchange Loss	100
Cash	500

Cash paid on Invoice #823

¥100,000, or $400, current exchange rate: $.005 per yen

All transactions with foreign companies can be analyzed as in the examples above. For example, assume that on May 1, when the exchange rate was $.25 per euro, a sale on account for $1,000 from a U.S. company to a French company was billed in euros (€4,000). The transaction would be recorded as follows:

Description	Amount
May 1 Accounts Receivable - Crusoe Co	1,000
Sales	1,000

Invoice #7782

€4,000, exchange rate: $.25 per euro

If the exchange rate had increased to $.30 per euro on May 31, the date of receipt of cash, the U.S. company would realize an exchange gain of $200. The gain was realized because the ,€4,000, which had a value of $1,000 on the date of sale, had increased in value to $1200 (€4,000 * $.30) on May 31 when payment was received. The receipt of the cash would be recorded as follows:

Description	Amount
May 31 Cash	1,200
Accounts Receivable - Crusoe Co.	1,000
Exchange Gain	200

Cash received on Invoice #7782

€4,000 or $1,000, exchange rate: $.30 per euro

Partial Payments

When the balance is not paid in full, however, the system calculates currency gains and losses on each payment amount instead of the outstanding voucher or invoice amount. Currency translation gains or losses are only recorded when payments are applied to posted invoices. The system uses the following formula when performing the gain/loss calculation:

Gain/Loss Amount = (Payment / Applied Invoice Exchange Rate) - (Payment / Payment Exchange Rate)

where:

Average Invoice Exchange Rate = Foreign Amount Outstanding Balance / Domestic Outstanding Balance

For example, a German company purchasing items from an U.S. company pays in euros. The U.S. company must then exchange euros for U.S. dollars to settle the transaction. In this case, the German

company is making partial payments rather than paying the balance in full. The transaction would occur as follows:

	Foreign Amount (euro)	Exchange Rate	Domestic Amount (U.S Dollar)	Notes
Invoice #101	1100.00	2.000	550.00	
Credit Memo 201	200.00	4.000	50.00	
Currency Gain/Loss			50.00	= (200.00/2.00) - (200.00/4.00) = 50.00 LOSS
Payment 301	600.00	3.000	200.00	
Currency Gain/Loss			100.00	= (600.00/2.00) - (600.00/3.00) = 100.00 LOSS
Payment 302	300.00	3.000	100.00	
Currency Gain/Loss			50.00	= (300.00/2.00) - (300.00/3.00) = 50.00 LOSS

Unrealized Currency Exchange Gains and Losses

However, if financial statements are prepared between the date of the original transaction (sale or purchase on account, for example) and the date of the cash receipt or cash payment, and the exchange rate has changed since the original transaction, an unrealized gain or loss must be recognized in the statements.

For example, assume that a sale on account for $1,000 had been made to a German company on December 20, when the exchange rate was $.50 per euro (€), and that the transaction had been recorded as follows:

Description	Amount
Dec. 20 Accounts Receivable - Mueller Co.	1,000
Sales	1,000

Invoice #22

€2,000; exchange rate: $.50 per euro

If the exchange rate had decreased to $.45 per euro on December 31, the date of the balance sheet, the $1,000 account receivable would have a value of only $900 (€2,000 X $.45). This "unrealized" loss would be recorded as follows:

Description	Amount
Dec. 31 Exchange Loss	100
Accounts Receivable - Mueller Co.	100

Invoice #22

€2,000 X $.05 decrease in exchange rate

Assuming that €2,000 are received on January 19 in the following year, when the exchange rate is $.42, the additional decline in the exchange rate from $.45 to $.42 per euro must be recognized. The cash receipt would be recorded as follows:

Description	Amount
Jan. 19 Cash	840
Exchange Loss ($.03X,€2,000)	60
Accounts Receivable - Mueller Co.	900

Cash received on Invoice #22

€2,000, or $840, exchange rate: $.42 per euro

If the exchange rate had increased between December 31 and January 19, an exchange gain would be recorded on January 19. For example, if the exchange rate had increased from $.45 to $.47 per euro during this period, an exchange gain would be credited for $40 ($.02 X €2,000).

Consolidated Financial Statements with Foreign Subsidiaries

Before the financial statements of domestic and foreign companies are consolidated, the amounts shown on the statements for the foreign companies must be converted to domestic currency. Asset and liability amounts are normally converted to domestic currency by using the exchange rates as of the balance sheet date. Revenues and expenses are normally converted by using the exchange rates that were in effect when those transactions were executed. (For practical purposes, a weighted average rate for the period is generally used.) The adjustments (gains or losses) resulting from the conversion are reported as a separate item in the stockholders' equity section of the balance sheets of the foreign companies.

After the foreign company statements have been converted to domestic currency, the financial statements of domestic and foreign subsidiaries are consolidated in the normal manner. For more information, see Consolidation Overview on page 18.

Revaluing Assets and Liabilities for the Euro

If you work with customers and/or vendors that use a Part of Euro currency, but you have not converted your domestic currency to the euro, you must revalue your outstanding assets and liabilities. Perform this procedure on or after 1/1/1999.

Caution: If your company is situated in a euro-participating country, euro regulations require you to revalue asset and liability transactions using this exchange rate. If you are not situated in a euro-participating country, this revaluation is optional.

To revalue assets and liabilities:

1. Run the **Currency Revaluation Report** for all Part of Euro currency codes.
2. Select the **Realize Gain/Loss** check box.
3. Run the **Bank Account Revaluation** utility for all bank codes that use a Part of Euro currency code.
4. Open the **Euro Exchange Rate Revaluation** utility.
5. In the **Starting and Ending Currency Code** fields, select the range of all Part of Euro currency codes in your system.

   For each outstanding asset and liability transaction that contains a currency code in this range, the system updates the exchange rate to the appropriate national currency-to-euro exchange rate (which is fixed as of 1/1/1999). This exchange rate is used in all triangulation conversions between Part of Euro currencies during the euro interim period.

   See About the Euro Triangulation Conversion. on page 173
6. To review a list of the conversions, select **Preview** then click **Process**.
7. To start the conversion, select **Commit** and then click **Process**.

Running the Currency Revaluation Report

Use the **Currency Revaluation Utility** to generate realized and unrealized currency gains and losses that occur because of currency rate changes.

You can run this utility with or without posting to the respective A/P, PO, or A/R distribution journals. When generating realized gains and losses, the utility includes gain/loss amounts previously posted to the A/P and A/R journals.

Posting realized gains and losses rewrites historical rates in the open transactions. Posting unrealized gains and losses creates the journal entries as reversing entries.

To run the utility:

1. Select the accounts to process:
   - Receivables
   - Payables
   - Vouchers Payable
2. Specify this information:

   Starting/Ending Currency
   Select the range of currency codes to include in the process.

   Transaction Date
   The current date is displayed. Optionally, select a different date as the transaction date.

Increment Date
Select the check box to automatically re-run the report.

Realize Gain/Loss
Select this check box to use the Realized accounts that are tied to each currency and to update the historical rates stored on each record.Clear this check box to use the Realized accounts that are tied to each currency, but leave unchanged the historical rates stored on each record.

3 Select **Preview** and click **Process** to view the results without saving.

4 Select **Commit** and click **Process** to run the utility and save the results.

5 The **Inventory Adjustment Offset** field is enabled only if **Use Analytical Ledger** is selected on the **General Parameters** form. Select the number of the Inventory Adjustment Offset account for which entries will be made to the General Journal. This account must be a non-analytical account.

6 The results grid shows this information:

Customer
The customer number is displayed.

Customer Name
The name of the customer is displayed.

Invoice
The invoice number is displayed.

Vendor
The vendor number is displayed.

Vendor Name
The name of the vendor is displayed.

Currency
The currency code is displayed.

PO
The purchase order number is displayed.

Invoice/Voucher
The invoice/voucher number is displayed.

Detail Description
A description of the journal entry is displayed.

Exchange Rate
The exchange rate currently on the journal entry is displayed.

Foreign Total Amount
The total transaction amount is displayed in the foreign currency.

Old Amount
The domestic currency amount converted from the Foreign Total Amount is displayed using the old exchange rate.

New Amount
The domestic currency amount converted from the Foreign Total Amount is displayed using the revalued exchange rate.

Cost of Revaluation
The gain or loss amount associated with the transaction is displayed.

Gain or Loss Amount
The currency gain/loss amount generated for the invoice or voucher is displayed.

Account number
The account number is displayed.

Account Unit 1-4 Reporting Units
The unit codes used for detailed reporting and analysis are displayed.

Domestic Total Amount Debit 1-2
If the journal entry is a debit, the amounts debited are displayed.

Domestic Total Amount Credit 1-2
If the journal entry is a credit, the amounts credited are displayed.

Net Loss
The amount lost due to the change in exchange rate is displayed.

Net Gain
The amount gained due to the change in exchange rate is displayed.

Variance Account number
The account number used when posting the gain or loss is displayed.

Variance Account 1-4
The unit codes associated with the variance account number for the posted gain or loss are displayed.

Description
A description of the account number is displayed.

Chapter 6: External Financial Interface

Setting Up an External Financial Interface

SyteLine provides an XML-based interface that can be used with an external financial system such as Infor SunSystems or SAP. Also, SyteLine provides a direct data access interface for Infor Global Financials (IGF). You can choose which types of financial information to export or import between SyteLine and the other system.

Note:

- If you are setting up the Infor SyteLine Enterprise Financials (SunSystems interface) package, see the *Infor SyteLine Enterprise Financials Installation and Implementation Guide* instead of using these steps.
- If you are setting up integration with IGF, see the *Infor SyteLine Integration Guide for Infor Global Financials* instead of using these steps.
- If you are using any other financial package, follow the steps below.

Use this topic in conjunction with Setting Up an Incoming Financial Interface on page 188.

To set up the interface from to SyteLine to an External Financial System:

1 Since the external financial interface uses non-transactional replication as its method of transferring data, be sure you understand how replication works.

For more information, see the *Replication Reference Guide*, available from our support site.

2 Make sure you understand the distinction between data flow (transaction records being passed from SyteLine to the external system) and data maintenance (the updating of "code" records such as customer codes, terms codes, or exchange rates that might be passed from SyteLine to the external system, or vice versa). Decide which system will be the "master" for accounts payable and accounts receivable tasks.

3 Become familiar with both the SyteLine database structure and that of the external financial application. Map the financial data that needs to flow between the systems, noting the system in which the data should be maintained.

The SyteLine DataMap's Schema-Properties spreadsheet, which lists SyteLine database tables and columns, could provide a good starting point for a mapping plan.

4 Become familiar with the syntax of the XML request documents used to pass data to and from SyteLine.

For more information, see the document *Integrating IDOs with External Applications* (especially the chapter on XML IDO request and response documents), which is available from our support site.

5 In the **System Types** form, create a new system type for the external financial application.

This system type is used when defining the target site for the external financial application in the **Sites/Entities** form.

Make sure that an additional system type is defined for your SyteLine application.

The source and target system types are used in the names of XSL stylesheets that can be used to transform the XML data.

6 In the **Intranets** form, define a separate intranet to be used only for data requests to and from the external financial application. Name this intranet something unique, such as EXTFIN, and select the **External** check box.

For this intranet, specify the URL to which the financial XML request/response documents will be posted. This URL should be entered in the **URL** field on the **Intranets** form. This URL could be an ASP page on the external financial system that receives and processes the XML from the SyteLine message queue. The processing done at this URL is up to you. For example, an ASP page might map the data into the proper format for the external system, or it might write the XML documents to a location on its server for later processing.

7 On the **Sites/Entities** form, define a source site from which system data will be exported:

- On the **System Info** tab, select the SyteLine application's system type (defined earlier) and time zone.
- Set the **Intranet Name** to the default intranet.
- In the **Database Name** field, specify the application database name.

8 On the **Sites/Entities** form, define a target site for the external financial interface.

Note: This site must not be used for any other purpose. To avoid confusion, we suggest you name the site EXTFIN.

- On the **System Info** tab:
- Select the external financial application's system type (defined earlier) and the time zone.
- Set the site's **Intranet Name** to the intranet created in the previous step.
- Set the **Database Name** field to the external financial application's database.

9 On the **Site User Map** tab:

- In the **From Site** field, specify the SyteLine site that will send data to EXTFIN.
- In the **User Name** field, specify a local user on that site.

For more information about setup requirements for this user, see the online help for this tab and field.

10 Decide whether you want to export invoices, debit memos, and credit memos, and/or vouchers and adjustments, to the external financial system. Use the fields on the **External Financial Interface Parameters** form in SyteLine to specify this information:

- If you select **Use External Financial Interface**, SyteLine exports all posted General Ledger (G/L) transactions to the external system. This assumes that all customer and vendor records will be created and updated in SyteLine and that the records will be exported to the external system. Choosing this option also enables the **External Financial Interface Data Request Utility**.
- If you want to use an external financial system for A/P, also select **Use External A/P System**. This tells SyteLine to export all posted A/P voucher and adjustment transactions to the external system.

- If you want to use an external financial system for A/R, also select **Use External A/R System**. This tells SyteLine to export all posted A/R invoice, credit, and debit memo transactions to the external system. Selecting this option also enables the **Customer Posted Balance** tab on the **External Financial Interface Data Request Utility**.
- For both the A/P and A/R options, you can determine the maximum batch size to include in a single XML document. Keep in mind that larger XML documents take longer to process.
- For the **Site** field, specify the site you defined in step 8.

11 Decide whether you want to modify the standard SyteLine processing for Due Date Calculation, Tax Calculation, or Currency Conversion. On the **External Financial Interface Parameters** form, you can choose to use external processing for any or all of these. If you select external processing, you will need to modify one or more of these "stub" stored procedures to do what you want:

- ExtFinCurrCnvtCalcSp (Currency Conversion)
- ExtFinDueDateCalcSp (Due Date Calculation)
- ExtFinTaxCalcSp (Tax Calculation)

12 Decide how you want to handle customer credit checking.

When SyteLine performs a credit check for a customer, it needs the customer's current posted balance. If SyteLine is used for A/R functions, it has all the information it needs to calculate and store posted balance amounts. However, if the external financial system is used for A/R functions, then SyteLine must get the posted balance from the external system. There are two ways to do this:

- To request the posted balance at the time of the credit check (that is, synchronously), set up the system to call a stub stored procedure that obtains the customer's posted balance from the external system.

  To set this up, select the **Use External Customer Posted Balance for Credit Check** field on the **External Financial Interface Parameters** form. Then update the stub stored procedure named ExtFinGetExternalPostedBalSp so that it returns the posted balance from the external system.

- To use a posted balance that was retrieved previously (that is, asynchronously), set up the request information on the **Customer Posted Balance** tab of the **External Financial Interface Data Request Utility**.

  Whenever that utility is run, SyteLine updates its posted balance information for all customers in the range. A credit check then uses the latest stored data.

13 Look at the default external financial (EXTFIN) categories in the **Replication Categories** form, and decide if you need to add any new categories.

For instance, is there data in other SyteLine tables that your external financial system will need? We recommend that you leave the default categories as is, and create new ones as needed. The default EXTFIN categories are listed here:

Note: A table name can be represented by the name of a view over the table. This section uses view names in place of table names, where appropriate.

- EXTFIN: Used for exporting SyteLine A/R, A/P, and G/L transactions to the external financial system, and also for exporting requests for updates to SyteLine tables by the external financial system. This category includes the functions and XML documents required to export financial information:

    - ExtFinAPVoucherPosting: Exports data from the SyteLine export_aptrx and export_aptrxd tables, which are holding tables for data collected from various A/P tables.
    - ExtFinARInvoicePosting: Exports data from the SyteLine export_arinv and export_arinvd tables, which are holding tables for data collected from various A/R tables.
    - ExtFinAnaLedgerPosting: Exports data from the SyteLine ana_ledger table.
    - ExtFinLedgerPosting: Exports data from the SyteLine ledger table.
    - ExtFinRequest: Exports a request to the external financial application for updates to a specific SyteLine table. For more information, see the help for the **External Financial Interface Data Request Utility**.
- EXTFIN Customer: Used for exporting SyteLine customer information. This category includes the sibling database tables custaddr and customer.
- EXTFIN Vendor:- Used for exporting SyteLine vendor information. This category includes the sibling database tables vendaddr and vendor.

Processing note for customer and vendor records: When a new customer or vendor record is added in SyteLine, the information is sent to the external financial system as a single XML document combining the information from the sibling tables, customer/custaddr or vendor/vendaddr, respectively. The information for custaddr or vendaddr in the single XML just contains the specified key values and default values for the table's columns. The user-specified values will be included as part of an update that follows the insert. However, for updates to existing customer or vendor records, the XML document pulls records only from the table that changed.

- Create one replication rule for each EXTFIN category, using the **Replication Rules** form.

  This must be done for each SyteLine site where you will be exporting data to the EXTFIN site. If you created additional categories for your external financial system in the previous step, set up rules for the new categories, too.

  A sample rule would include information such as the following:

  Source Site: OH (the site from which data will be extracted)

  Target Site: EXTFIN

  Category: EXTFIN Vendor

  Description: Pass vendor info to EXTFIN

  Interval Type: Immediate (anything but Transactional will work here)

  Interval: (Blank if Interval Type is Immediate; some interval value otherwise)

  Start Interval at: (Blank if Interval Type is Immediate; a time value otherwise)

  Disable Replication: (Cleared - EXTFIN uses replication)

  Update All Columns: (Cleared)
- On the **Replication Management** form, click the **Regenerate Replication Triggers** button to rebuild the database table triggers based on the rules you created in the previous step.
- Stop and start the replication services on the SyteLine utility server.
- Set up the URL (which was specified in Step 6) on your external financial system to retrieve and process the XML documents mentioned in Step 12.

  Again, in these examples, we use view names in place of actual table names.

    - The EXTFIN XML "update collection" documents are used to specify information from SyteLine that should be updated in the external financial system. They start with a set of tags similar to the following:

```
<IDORequest>
 <RequestHeader Type="UpdateCollection">
  <RequestData>
   <UpdateCollection Name="EXTFIN.xml_doc_name.table">
```

For example: <UpdateCollection Name="EXTFIN.ExtFinLedgerPosting.ledger">

The external financial system is expected to respond to "update collection" requests by updating the data in the external financial application.

- The EXTFIN XML "load collection" documents are used to request information from the external financial system that needs to be updated in SyteLine. They start with a set of tags similar to the following: `<IDORequest>`

  ```
  <RequestHeader Type="LoadCollection">
   <RequestData>
    <LoadCollection Name="EXTFIN.xml_doc_name.table">
  ```

  For example: `<LoadCollection Name="EXTFIN.ExtFinRequestChart.chart">`

  The exception is the Customer Posted Balance request, which uses an "invoke method" request:

  `<Invoke="EXTFIN.ExtFinRequestCustomerPostedBalance">`

  The external financial application is expected to respond to "load collection" and "invoke method" requests by returning to SyteLine an "update collection" response that includes the requested data.

  For more information, see Example: Requesting Data from an External Financial Application on page 189.

- The EXTFIN Customer and EXTFIN Vendor XML documents contain a tag similar to the following:

  `<UpdateCollectionName="Table!replication_category_to_object_name">`

  For example: `<UpdateCollectionName="Table!Customer">`

  The external financial system is expected to respond to these "update collection" requests by updating the data in the external financial application.

Your external financial system should use the information in these tags to determine how to process and map the data in each XML document. The import process on the external system must also handle the batch_seq information in the XML document.

For information about the syntax and tags used in the XML documents, see the document *Integrating IDOs with External Applications*, especially the chapter on XML IDO request and response documents.

Samples of the outbound XML documents that may be generated from SyteLine are available in ZIP files from our support site.

- Set up the interface from the External System to SyteLine.

  See Setting Up an Incoming Financial Interface on page 188.

Setting Up an Incoming Financial Interface

Use this topic to set up an incoming financial interface.

Use this topic in conjunction with Setting Up an External Financial Interface on page 183.

To set up an interface that updates the SyteLine database with financial data from an external financial system, create XML documents that access the SyteLine IDO collections. The process and syntax of using XML documents for data transfer to SyteLine is described in the document *Integrating IDOs with External Applications,* available from our support site.

Then set up your external system to post the XML documents to the SyteLine mailbox, using the HTTP POST protocol.

The SyteLine **External Financial Interface Data Request Utility** can be set up to request updates to specific SyteLine database tables from the external financial application. Depending on your external financial application's requirements, you may be able to use this utility as a starting point for setting up your application.

For more information, see Updating SyteLine Data from Data in an External Financial Application on page 188.

Note: For Infor Global Financials (IGF) integration, only Chart of Accounts, Currency Codes, and Currency Rates can be selected on the **Table** tab. All fields are available for use on the **Customer Posted Balance** tab. The IGF integration uses direct data access with this utility to retrieve data for SyteLine.

Updating Data from Data in an External Financial Application

Note:

- This utility is not used when running the SyteLine Enterprise Financials package that works with Infor SunSystems.
- For Infor Global Financials (IGF) integration, only Chart of Accounts, Currency Codes, and Currency Rates can be selected on the **Table** tab. All fields are available for use on the **Customer Posted Balance** tab. The IGF integration uses direct data access with this utility to retrieve data for SyteLine.

The **External Financial Interface Data Request Utility** can be set up to request updates to specific SyteLine database tables from the external financial application. This utility works as follows:

1. When the utility's **Process** button is clicked, the system submits background tasks to TaskMan. The number of tasks submitted is dependent upon the number of check boxes selected.
2. When the task is processed, it constructs an XML LoadCollection request (or XML Invoke method request for the **Customer Posted Balance** check box).
3. The XML request is submitted to the replication tables to be picked up by the Infor Framework Replicator service and placed within the appropriate queue (in this case, the Outbound Queue), based upon the Replication Rules.
4. The Replication Listener then posts it to the designated URL for the external financial application.

5 The external financial system translates the XML into a request that its financial application can understand. The application responds to the request by returning a set of updated data.

Note: This step and the following step are not part of the SyteLine system and must be set up according to the needs of the external financial system.

6 The external financial system translates the set of data into an XML "load collection" request and places the request in the system mailbox.

7 SyteLine picks up the XML request and processes it, validating the request and updating the proper table.

For more information, see Example: Requesting Data from an External Financial Application on page 189.

Example: Requesting Data from an External Financial Application

Use this example when requesting data from an external financial application.

In the ERP

In the **External Financial Interface Data Request Utility**, if the **Unit Code 1** field is selected, the ExtFinRequestUnitCd1 task is submitted. This task builds an XML request document similar to this:

```
<IDORequest>
 <RequestHeader Type="LoadCollection">
  <RequestData>
   <LoadCollection Name= EXTFIN.ExtFinRequestUnitCd1.unitcd1>
style="clear: none;" />
    <Items>
     <Item ID="unitcd1">
     <Property>unit1</Property>
style="clear: none;" />
     <Property>description</Property>
style="clear: none;" />
     <Property>CreatedBy</Property>
style="clear: none;" />
     <Property>UpdatedBy</Property>
style="clear: none;" />
```

```
      </Item>
     </Items>
    </LoadCollection>
   </RequestData>
  </RequestHeader>
</IDORequest>
```

The XML document is passed to the external financial system as described in Updating SyteLine Data from Data in an External Financial Application on page 188.

In the External Financial System

An ASP page on that system should be set up to:

- Retrieve the XML request document that was sent by SyteLine.
- Know that the "LoadCollection" XML request it received wants to get data from the external financial application and return it to SyteLine.
- Extract information about the table and columns requested from the XML (table (view) unitcd1; table columns unit1, description, CreatedBy, and UpdatedBy).
- Map that data to the corresponding data in the external financial application:

Table.Column	ExtFin Table.Column
unitcd1.unit1	ucode1.code
unitcd1.description	ucode1.description

(See the note at the end of this section about how to handle the columns CreatedBy and UpdatedBy.)

- Extract values from the external financial application's database for the requested columns in table ucode1. This table currently contains two rows:

Code	Description
1000	Dept 1000 - Packaging
2000	Dept 2000 - Inspection

- Use the mapping information to build an "updatecollection" XML request (see below) to be sent back to SyteLine.
- Place the XML request in SyteLine's mailbox.

The "UpdateCollection" XML request would be similar to this:

```
<IDORequest>
 <RequestHeader UserName="ExtFin User" Password=Password_Value PasswordEn
crypted="N" Type="UpdateCollection" New="1" SkipTriggers="0">
 <SourceName>EXTFIN</SourceName>
```

```
 <TargetName>SyteLineSite</TargetName>
style="clear: none;" />
 <RequestData ObjectType="1">
 <UpdateCollection Name="TABLE!unitcd1">
  <Items>
   <Item ItemNo="0" Action="Insert">
style="clear: none;" />
    <Property Name="unit1" Modified="Y" xml:space="preserve">1000</Property>
    <Property Name="description" Modified="Y" xml:space="preserve">Dept 1000
- Packaging</Property>
style="clear: none;" />
    <Property Name="CreatedBy" Modified="Y" xml:space="preserve">ExtFin Us
er</Property>
    <Property Name="UpdatedBy" Modified="Y" xml:space="preserve">ExtFin Us
er</Property>
   </Item>
   <Item ItemNo="1" Action="Insert">
style="clear: none;" />
    <Property Name="unit1" Modified="Y" xml:space="preserve">2000</Property>
    <Property Name="description" Modified="Y" xml:space="preserve">Dept 2000
- Inspection</Property>
style="clear: none;" />
    <Property Name="CreatedBy" Modified="Y" xml:space="preserve">ExtFin Us
er</Property>
    <Property Name="UpdatedBy" Modified="Y" xml:space="preserve">ExtFin Us
er</Property>
   </Item>
  </Items>
 </UpdateCollection>
 </RequestData>
 </RequestHeader>
</IDORequest>
```

Note: The values for the properties CreatedBy and UpdatedBy should be set to the value of RequestHeader UserName. In the example above, the value is ExtFin User.

Chapter 7: Financial Statements

Financial Statement Setup

You can define your own financial statements that best suit your reporting needs. To specify the content and format of a statement, use the **Financial Statement Definition** form, along with the **Financial Statement Definition Columns** form and the **Financial Statement Line Definition** form.

Note: You can now use Microsoft Excel to retrieve and format SyteLine GL data. You can create a fully interactive and data-bound workbook to produce various reports such as Balance Sheet, Profit/Loss Statement, chart, and dashboard or pivot table without requiring any development knowledge or knowing the complexity of data access. For information on how to install and use this addition to Microsoft Excel, see the *Infor SyteLine Microsoft Office Integration Guide*.

Financial statements consists of two major sections:

- Report Columns
- Report Totals

To design the statements, you use four major functions:

- Copying sections of reports
- Resequencing lines
- Automatically generating accounts
- Automatically setting ratio and subtotal levels

You must enter information for the report, such as:

- Headers and titles
- The columns in which to calculate and/or print amounts
- The account numbers for which amounts will be printed
- Descriptive text

You also must decide:

- Whether to print ratios, and if so, where
- When to print totals

It is best to lay out the reports on paper before attempting to define them. Remember to leave enough room to print all the desired amount and ratio columns, because the system does not perform this task automatically.

To create the financial statement:

1. Find one of the demo reports (.RDL) provided with SyteLine that is most like your current financial statement.
2. Make a copy of the .RDL with a new name.
3. In Visual Studio 2008, modify the new report as needed.

   Note: The financial statement templates included with SyteLine include several suppressed fields and objects. Ensure that the data you wish to display is unsuppressed. For more information about suppression, see the Visual Studio 2008 online Help.
4. In SyteLine, add a Background Task Definition to point to this new .RDL.
5. Open the**Financial Statement Definition** form.
6. Specify information in these required fields:
   - Report ID: Enter a unique name for your report. This value can be up to 10 characters.
   - Analytical: Select this field if this report should be pulled from a separate analytical ledger.
   - Task Name: Fill in the task name of the background task you defined in Step 4, above.
7. Click the **Columns** button.
8. Complete the header definition on the **Financial Statement Definition Columns** form.
9. After you have defined the header and columns, save and return to the **Financial Statement Definition** form.
10. To open the **Financial Statement Line Definition** form, click **Lines**.
11. Define the statement lines.
12. After you have defined a statement, you can print it by specifying the **Report ID** in the **Financial Statement Output** form.

About Dates in Financial Statements

This table describes how the period start date and period end date that are used when printing the Financial Statement are determined.

If	Then
The report column definition has a date,	That date is used.
The Year Start in the column definition is blank,	The dates from the **Financial Statement Output** form are used.
The period on the column definition is greater than zero,	The dates for the period from the Account Period for the Fiscal Year corresponding to the column's Year Start are used.
The period on the **Financial Statement Output** form is greater than zero,	The dates for the period from the Account Period for the Fiscal Year corresponding the column's Year Start are used.
The **Financial Statement Output** form has a date,	That date is used.

Printing a Financial Statement

Note: Before you can print a financial statement, you must have first set up it up and defined its columns and lines. For more information, see the Financial Statement Setup on page 192 Help topic.

1 Open the **Financial Statement Output** form.

2 Perform one of the following actions:

- To produce a single report, in the **Report ID** field, select the ID of the report you want to print.
- To produce a group of reports, select **Actions > Get Group**, select the group number of the reports, and click **OK**.

The system updates the **Financial Statement Output** form with all the reports in that group, and you can define each one's output parameters.

3 Select the check box for each type of detail you want to include in the financial statement.

4 In the **Report Type** drop-down list, select the type of report you want to run.

5 In the **Currency** drop-down list, select the currency to use. By default, the system produces the report in your domestic currency, but you can change it to a different currency.

6 In the **Current Date** field, select the effective date for the report. By default, the system uses the current system date, but you can change it to a different date.

7 In the **Site Group** field, select the site you want to produce the report for, or, to produce the report for all sites, select **`All`**.

8 From the **Line Summary Level** drop-down list, select the desired level of output detail for the report:

- **`Direct Reports`**: Displays one line for each account and for each site. If the direct report is an entity, it reports to the current entity and then summarizes all sites for that entity into a single line.
- **`Site`**: Displays one line for each account and for each site.
- **`Summary`**: Displays and summarizes all sites into a single line for each account. Your selection in the **Site Group** field determines which sites to include. If this is an entity, the report displays all sites that report to the entity.

9 You can overwrite the following report definition settings for the purpose of this print run:

- Year Start
- Period
- Period Start and Period End
- From Unit Code 1-4 and To Unit Code 1-4
- Sort Order

10 Click **Print**.

Troubleshooting Financial Statements

This topic describes problems that you may encounter with financial statements.

Net Income Not Correct

Net Income appears on both the Balance Sheet and Income Statement. Make sure you know which report the user is looking at.

- Net Income is not calculated in the same way on both statements. Net Income on the Income Statement is a subtotal of all accounts on the Income Statement. Net Income on the Balance Sheet is calculated by taking the difference between the total activity of all Revenue and Expense accounts between the fiscal year start date and the period end date (when the range is "B").
- Check to make sure all the Revenue and Expense accounts defined in the Chart of Accounts are on the Income Statement. If there was a revenue and expense account that had activity that was not on the Income Statement, its value would not be included in the Income Statement net income, but would be in the Balance Sheet net income figure.
- Net Income will also be off if there was a balance in a revenue and expense account from prior years. Run the **Trial Balance Report** for each prior year using the year-end date as the As of Date. If there is a balance found, the year-end procedure for G/L will have to be rerun for the year the balance(s) is in.

Retained Earnings Not Correct

- Find out when the last year-end closing occurred.
- Verify the account the user is speaking about is defined as type "Owner's Equity" in the Chart of Accounts.
- Verify the account used as the Income Summary account in the latest year-end closing is one of these type "Owner's Equity" accounts on the statement.
- Verify the latest year-end closing left all revenue and expense accounts with a zero balance by running the Trial Balance Report using the As of Date as the last date of the most recent year closed. If the balances are not zero, run the **Trial Balance Report** for the prior year-end dates for all revenue and expense accounts to see at the end of what year are the revenue and expense accounts balances area zero. Perform a year-end closing for all years necessary.
- When a year-end closing procedure is run, the entries that are generated will be put in the General journal with a transaction date of the fiscal year end date. The reference on the entries for revenue and expense accounts will be Income Summary and the one account specified as the "Income Summary" account (usually retained earnings) will have a reference of Year Closing. General ledger reports will include entries with these references. Financial Statements only ignore Income Summary entries. The reason for this is to make it possible to run statements for a year after the year-end closing procedure has been performed and to roll the year's net income into retained earnings.
- If a prior year statement shows the net income amount in both retained earnings and net income, on the **Financial Statement Definition Columns** form, the Amount Type field needs to be set to Start Bal on the sequence report line for the retained earnings account. This way, it prints the start balance for the retained earnings for the year and shows the net income only on the net income line.

Statements are Not Picking Up Correct Amounts

- Find out what kind of statement the user is working with.
- Verify the date ranges they are using and where they are controlling that from. The date entered on the **Financial Statement Output** form does not override the dates on the financial statement

header. If they have entered dates on the header and now want them blank, have them clear the date fields.

- Verify the information on the statements header, type and most importantly the range. Make sure the type will give them the type of statement they are looking for. Since a Balance Sheet contains asset, liabilities, and owner's equity accounts, the range should usually be S or B. Income Statements contain revenue and expense accounts and should be a range of P or Y.
- Check the information on the financial statements against the general ledger reports. Here are some guidelines:
  - If a balance sheet is out of balance, then generate the Trial Balance Report for all accounts to see if the entire ledger is out of balance. If not, then compare the balances on this report with what is on the Balance Sheet. If there are differences, run the **Rebalance Ledger Period Totals** utility for those accounts. If the ledger is out of balance, run the **Rebalance Ledger Period Totals** then re-run the **Trial Balance Report**. If the ledger is still out of balance, contact Application Support for additional assistance.
  - If income statement balances are wrong, then run the **General Ledger Report** for all Revenue and Expense accounts. Compare the period totals on that report with the totals on the Income Statement. If there are differences, run the **Rebalance Ledger Period Totals** utility for those accounts.
  - If it seems like accounts are missing on any report, go into sequence report lines then run the **Financial Report Account Check** activity. This activity checks which accounts in the Chart of Accounts are missing from the statement. Those accounts will then need to be added into the statement.

Combined Financial Statements

In a Multi-Site environment there are times when you want to combine the data of two or more sites regardless of the hierarchical financial structure or legal financial entities. To allow this, you can take advantage of Multi-Site Groups used in other parts of the system (most often to run reports and utilities).

By creating a Multi-Site Group ID which contains a list of sites which you would like to combine, you can specify this site group when running certain General Ledger reports. These reports are:

- **General Ledger**
- **Journal Transaction Report**
- **User-Defined Financial Statements**
- To ensure meaningful reports, the sites must share the same Chart of Accounts format.

Note:

- Convert transaction amounts from the other site into its own domestic currency using the exchange rate tables set up in the other site, and
- Have a transaction date that is equal to or later than the Effective Date of the exchange rate

Otherwise the conversion cannot be done. If either of the above two conditions is not met you will receive an error message when attempting to output a combined financial statement.

When running combined financial statements where different sites have designated different base currencies, you may specify the translation method to use on each line of the defined financial statement.

Chapter 8: Fixed Assets

Fixed Assets Overview

Fixed assets are items a company owns and uses in its operation. Fixed assets do not include assets used for resale purposes, such as inventory, and those held on a temporary or short-term basis.

Examples of fixed assets include:

- Equipment
- Furniture and fixtures
- Buildings
- Leasehold improvements

Depreciation

You do not usually expense fixed assets during the year you acquire them. Rather, you record their value as an asset on the balance sheet and depreciate the value over their useful life.

Fixed assets can accommodate many types of depreciation methods. SyteLine

Several factors influence the method selected for calculating fixed asset depreciation: provides seven predefined depreciation methods and allows you to add additional, custom depreciation methods. You can also maintain up to four separate depreciation schedules for each fixed asset. This feature allows you to maintain both your book and tax records on one system.

- The expected useful life of the asset
- The expected salvage value at the end of its useful life
- Its original cost

provides seven After the system calculates depreciation for a particular accounting period, it records the depreciation onto the General Ledger as a debit to the depreciation expense and as a credit to the accumulated depreciation.

Fixed Assets and the General Ledger

Fixed assets operate with the General Ledger in the following ways:

- During Fixed Assets Disposal, the system credits the asset account and debits the Accumulated Depreciation account. (You enter any remaining distributions manually.)
- During Fixed Assets Transfer, when transferring from one class code to another, the system transfers the asset from the old asset account (and its accumulated depreciation account) to the new asset account and its accumulated depreciation account.

- During depreciation posting (for the BOOK schedule only), the system posts to the Depreciation Expense account and to the Accumulated Depreciation account.
- When you enter a fixed assets purchase, you must enter an acquisition transaction into the General Ledger to debit the Asset account and credit the Cash account.
- Fixed asset records are created when the fixed asset number is assigned on the purchase order line.
- Any line received with a fixed asset number updates the fixed asset acquired date.

Reports

These reports are available for fixed assets:

- Fixed Asset Acquisition Report
- Fixed Asset Classification Report
- Fixed Asset Cost Report
- Fixed Asset Current Depreciation Report
- Fixed Asset Disposal Transaction Report
- Fixed Asset Disposition Report
- Fixed Asset Insurance Report
- Fixed Asset Quarterly Costs Incurred Report
- Fixed Asset Transfer Report

Fixed Assets Steps

Fixed assets are items a company owns that could not be easily sold (in contrast to liquid assets). Because fixed assets are long-term investments, special accounting rules and some governmental regulations allow you to treat expenses for fixed assets differently. Therefore, you can use calculations for depreciation or, in other words, measures of the amount of value used up within specific accounting periods.

Use these steps to maintain fixed assets in SyteLine.

1 Configure the application for fixed assets:

a Create General Ledger accounts that will be used for the costs associated with the fixed assets.

See Creating Fixed Assets General Ledger Accounts on page 207.

b Create class codes on the **Fixed Asset Class Codes** form.

c Set up depreciation schedules on the **Fixed Asset Parameters** form.

You can have up to four different ways of depreciating an asset, one for each of the defined schedules.

d Create depreciation tables on the **Fixed Asset Depreciation Tables** form.

e Create bonus depreciation codes on the **Bonus Depreciation Codes** form.

2 As you acquire new assets, add them in the **Fixed Assets** form.

See Adding a Fixed Asset on page 206.

3 Post depreciation.

See Posting Depreciation to the General Ledger on page 207.

4 Optionally, you can transfer assets using the **Fixed Asset Transfer** form.

Use this form to transfer an asset from one class code or department to another. You can transfer only active assets. A Fixed Asset Distribution journal entry is generated to reclassify the asset on the balance sheet. Future depreciation entries are charged to the expense account associated with the new class code.

If you change any of the related cost or depreciation records, you must delete and re-add the Transfer record so the correct amounts are written to the FA Distribution journal.

To post fixed asset transfer transactions, use the **Fixed Asset Transfer Posting** form.

5 Optionally, you can dispose of an asset using the **Fixed Asset Disposal** form.

Use this form to record that an asset has been sold or otherwise disposed. Only assets with a status of Active are disposed. After you enter the disposal transaction, distributions are generated for the asset account and the Accumulated Depreciation account. After disposing of the asset, the system adjusts the Gain and Loss account (from the **Fixed Asset Parameters** form) in the General Ledger.

To post the asset disposal, select **Actions > Disposal Posting**.

6 At year end, use the **Fixed Asset Year End Procedure** form to set to zero the **YTD Depreciation** field for each fixed asset record that falls within the selected range of assets.

About Depreciation

The traditional approach to depreciation is based upon the fact that when a taxpayer buys a business or an investment-related asset that wears out, he or she can spread the costs over the period of the asset's useful life rather than entirely at the point at which the cost was incurred.

Older depreciation methods

Over the years, the Internal Revenue Service (IRS) in the United States prepared and disseminated various guidelines to estimate useful lives of assets. The Asset Depreciation Range System (ADRS) presented guidelines for the depreciable lives of specified classes of assets grouped by industrial classifications and by certain broad general asset classifications.

A taxpayer electing to use the ADRS system could rely on the lives set forth therein as being safe from challenge by the IRS. With regard to assets not covered by ADRS, the depreciation period (useful life) was based upon actual facts and circumstances of each asset. However, this was subject to attack by Internal Revenue in each specific case.

Depreciation methods were generally grouped into two categories:

- Straight Line: The taxpayer's depreciation deductions are spaced equally over an asset's useful life.
- Accelerated Depreciation Method: Includes Declining Balance Method, Double Declining Balance Method, Sum Of The year's digits, ACRS, MACRS, and other sophisticated methods.

The purpose of providing for Accelerated Depreciation was twofold: 1) to stimulate capital investment, and 2) to encourage risk-taking investment. The accelerated methods permitted taxpayers to allot larger depreciation deductions to the earlier years of an asset's life and smaller deductions to later years.

The purpose of accelerating deductions in early years is to allow the taxpayer to pay less in taxes during the earlier years of an asset's useful life. The taxpayer thereby gains the benefit of deferring his or her tax obligation to a later time. The taxpayer will be able to earn money on the amounts which would otherwise have paid taxes in the early years of the asset depreciation schedule.

Accelerated Cost Recovery Systems

In general, the Accelerated Cost Recovery Systems provided for an accelerated recovery of the cost of tangible, depreciable property used in a trade or business or held for the production of income and placed in service after 1980, but prior to 1987. The cost is recovered over a period of 3, 5, 10 and 15 years. ACRS defined easily identifiable classes of assets and prescribed standard cost recovery periods for these classes. It divorced the capital recovery period from the concept of "useful life." After ACRS, the terms Asset Depreciation Range and "useful life" generally no longer apply.

For personal property, taxpayers have the option to use the Straight Line method over the regular recovery. For real property, taxpayers have the option to use the Straight Line method over the recovery methods described in Code Sections 167 and 168.

Modified ACRS (MACRS) provides recovery periods of 3--5--7--10--15--17.5--20 and 31.5 years. Basically, MACRS took away some of the advantages to the taxpayer included in the more rapid ACRS recovery. Technically, ACRS and MACRS are not depreciation methods because they are not based upon a "useful life" of property. The deduction is based upon an allowed method of cost recovery to the taxpayer. However, they are nevertheless referred to as depreciation methods.

ACRS was designed to spur capital investment and to help businesses to recover their costs faster and thereby keep pace with the rate of inflation. This system was also designed to reduce disputes between taxpayers and the IRS over the useful life of assets.

As property is depreciated and tax deductions permitted during the depreciation, the basis of the property being depreciated changes. Upon a sale or other disposition of the property, the amount of gain for which the taxpayer is taxed is the excess of the amount realized upon transfer over the adjusted basis of the property disposed of whether by sales, exchanges, or involuntary conversions.

Deductions are allowed only for business property or property held for the purpose of producing income. Such property does not include inventory nor unimproved real estate.

Goodwill cannot be depreciated, because no useful life can be attributed to it. Therefore, in business transactions, what would be classified as goodwill is often treated as a covenant by the Seller not to compete. Covenants not to compete can be depreciated on a Straight Line basis over the term of the covenant.

Remember that without depreciation you would, for example, pay $1,000 for a piece of machinery and not have any tax break whatsoever. If you held the property for five years and sold it for $800, there would be no tax. If you sold it for $1,200, there would be a tax on the $200 gain. Depreciation allows you a tax advantage in the years of depreciation, however, if you later sell or dispose of the property, this tax advantage is recaptured as taxable income. For example, if the $1,000 piece of machinery is depreciated under MACRS for three years, there would be an adjustment to basis for the amount

allowed during each of those years as a deduction. Assuming the property is in the five year class, the MACRS deductions would be $200 for the first year, $320 for the second year, and $192 for the third year. The adjusted basis after the three years would be $288. If, at the end of the three years, the taxpayer sold the item of equipment for $900, he would have a taxable gain on the difference between the depreciated basis and the sale price.

Obviously, if the taxpayer is in a high tax bracket, he will derive greatest benefit by using the most rapid recovery method possible. If, on the other hand, the taxpayer's marginal tax rate is low, the election of a Straight Line method of depreciation and an extended recovery period could prove more advantageous, particularly if income is expected to increase in later years.

The Treasury Department is constantly changing regulations relative to depreciation either to spur the economy or increase revenue.

Calculations

See Depreciation Calculations on page 203.

Partial Depreciation

You can also schedule a partial year depreciation when an asset is placed in service at some time during the calendar or fiscal year.

For more information, see About Partial Depreciation on page 201.

About Partial Depreciation

SyteLine provides seven standard and user-defined depreciation methods. The user-defined methods have different depreciation rates based on year.

For example, if Number of Periods is set to 12 for a year and it has 36 units to depreciate, the custom rate is:

Year	Rate %
1	30
2	50
3	20

The asset detail is:

Asset Name	AS_1
Start to Depr Date	Apr 2012
Cost	7200
# Units to Depr	36 (12 Periods * 3 Years)

It will depreciate for twelve periods for a single year from the start date.

Date	Units to depreciate	Rate %	Period Depreciation
04/2012 - 03/2013	12	30	180 = 7200 * 30% / 12
04/2013 - 03/2014	12	50	300 = 7200 * 50% / 12
04/2014 - 03/2015	12	20	120 = 7200 * 20% / 12

For partial depreciation, when an asset is placed in service at some time in the year, part of the full-year depreciation is required in the first year, while the remaining balance is deducted in the final year of the depreciation. The year for partial has three types:

1. Calendar Year: Period from January 1 to December 31. It depreciates starting on the date it is placed in service to December 31.
2. Fiscal Year: Period used for calculating annual financial statements in businesses. It depreciates from the date is placed in service date to the end of the fiscal year. The US fiscal year is October 1 to September 30.
3. None: No partial depreciation is taken.

For example, below is a three year property partial depreciation rate:

Year	Rate %
1	30
2	40
3	20
4	10

For the calendar year, depreciation rates would be as follows:

Date	Units to depreciate	Rate %	Period Depreciation
04/2012 - 12/2012	9	30	240 = 7200 * 30% / 9
01/2013 - 12/2013	12	40	240 = 7200 * 40% / 12
01/2014 - 12/2014	12	20	120 = 7200 *20% / 12
01/2015 - 03/2015	3	10	240 = 7200 * 10% / 3

For the fiscal year, depreciation would be as follows:

Date	Units to depreciate	Rate %	Period Depreciation
04/2012 - 09/2012	6	30	360 = 7200 * 30% / 6
10/2012 - 09/2013	12	40	240 = 7200 * 40% / 12
10/2013 - 09/2014	12	20	120 = 7200 * 20% / 12
10/2015 - 03/2016	6	10	120 = 7200 * 10% / 6

Follow the steps in Generating a Depreciation Schedule on page 207 to set up a fixed asset depreciation.

Using Dates in the Past

You can specify any date as the date to start depreciation. If you specify a date in the past, depreciation will start from that month.

For posting to Fiscal Periods, you can specify a transaction date when posting. This date is used to determine Fiscal Periods. If you specify a date in the past, depreciation is calculated for all previous months.

Using a Date in the Middle of the Month

If you start depreciation in the middle of the month, depreciation will start from the first of that month. There is no partial month depreciation.

Depreciation Calculations

This topic describes depreciation calculations.

Salvage Value

If you enter a salvage value on the **Fixed Asset Depreciation** form, all depreciation schedules (columns) for that asset will use that value. This occurs when the system determines the amount of depreciation necessary to reduce the carrying value of the asset to the estimated residual value (salvage value) during the last year of its useful life.

After each depreciation method, the following equation occurs:

If c-amt > t-amt - s-amt - d-amt

Then c-amt = t-amt - s-amt - d-amt

where:

c-amt = Current depreciation

t-amt = Total value of the asset

s-amt = Salvage value

d-amt = Accumulated depreciation + bonus depreciation

The methods are correct, but you should have the option not to calculate salvage value into all of the schedules for each asset.

Salvage Value - Bonus Depreciation

For Fixed Asset Depreciation Table methods, if you are considering salvage value, you must enter it in the **Bonus Depr** field of the depreciation schedule (column) using that method. You only use the

amount in the **Salvage Value** field for calculating the depreciation amount during the last year of the asset's useful life.

The equation is:

c-amt = (t-amt - facepr.bonus-depr-$)*fadeptab.percent-yr[k]*.01

where:

c-amt = Current depreciation

t-amt = Total value of the asset

fadepr.bonus-depr-$ = Bonus depreciation amount

fadeptab.percent-yr[k] = The percent of the asset value to be depreciated in year 'k'

This equation had contained salvage value instead of bonus depreciation amount, but was changed to use bonus depreciation correctly and to allow the user the option to include or exclude salvage value on a particular schedule.

Bonus Depreciation

To use bonus depreciation correctly, you must use a Depreciation Table method. Most methods do not consider bonus depreciation until the equation:

If c-amt > t-amt - s-amt - d-amt

Then c-amt = t-amt - s-amt - d-amt

where:

c-amt = Current depreciation

t-amt = Total value of the asset

s-amt = Salvage value

d-amt = Accumulated depreciation + bonus depreciation

You must subtract bonus depreciation from the total value of the asset before calculating the current depreciation amount. As in this equation:

c-amt = (t-amt - fadepr.bonus-depr-$) * fadeptab.percent-yr[k] * .01.

where:

c-amt = Current depreciation

t-amt = Total value of the asset

fadepr.bonus-depr-$ = Bonus depreciation amount

fadeptab.percent-yr[k] = The percent of the asset value to be depreciated in year 'k'

Another problem for bonus depreciation is the equation:

If c-amt > t-amt - s-amt - d-amt

Then c-amt = t-amt - s-amt - d-amt

where:

c-amt = Current depreciation

t-amt = Total value of the asset

s-amt = Salvage value

d-amt = Accumulated depreciation + bonus depreciation

By having d-amt = accumulated depreciation plus bonus depreciation, this equation assumes that you have not incorporated the bonus depreciation into the accumulated depreciation amount.

To solve the above problems:

- Add a field to each depreciation schedule (column) for salvage value.
- For each depreciation method, include the following statement in the equation:
  (t-amt - fadepr.xxx - fadepr.bonus-depr-$)
  where:
  t-amt = Total value of the asset
  fadepr.xxx = The salvage value for a specific schedule
  fadepr.bonus-depr-$ = The bonus depreciation for a specific schedule
- Remove bonus depreciation from the following:
  d-amt = accumulated depreciation and bonus depreciation.

Sum of the Year's Digits

When using the Sum-of-the-Year's Digits depreciation method, the system uses the following equation:

c-amt = (t-amt - s-amt) * k / sum-of-yrs.

where:

c-amt = Current depreciation

t-amt = Total value of the asset

s-amt = Salvage value

sum-of-yrs = Sum of the year's digits

k = The current year's digit

SYD is not supposed to consider salvage value until the following equation:

If c-amt > t-amt - s-amt - d-amt

Then c-amt = t-amt - s-amt - d-amt

where:

c-amt = Current depreciation

t-amt = Total value of the asset

s-amt = Salvage value

d-amt = Accumulated depreciation + bonus depreciation

Period Basis Using Declining Balance

When depreciating on a period basis using the Declining Balance methods, the system uses the following equation:

c-amt = (t-amt - d-amt) * p-amt * (1 / (t-units / perds)) / perds

where:

c-amt = Current depreciation

t-amt = Total value of the asset

d-amt = Accumulated depreciation + bonus depreciation

p-amt = Percent amount (calculated)

t-units = Total life units

perds = Number of accounting periods

The depreciation amount for each period of a given year will not be equal.

Adding a Fixed Asset

The Fixed Assets form contains identifying and descriptive information about an asset.

To add a fixed asset:

1. On the **Fixed Assets** form, specify information about the asset. Set the **Status** to **`Active`**. Save the record.
2. Click **Fixed Asset Costs** and specify costs for the asset.

   Use the **Fixed Asset Costs** form to maintain a comprehensive history of all costs accumulated for an asset. These costs include the initial purchase price as well as costs for enhancements and repairs.

   There is a one-to-many relationship between an asset and its cost records. Each time you add an additional cost factor, a new record is created and assigned a sequence number. This helps you track the cost history of the asset. For example, when you first enter the purchase price of an asset, the sequence number for the cost record is 1. Later, if you add upgrade the asset and add the cost of the upgrade, a new record is created with the sequence number of 2.
3. Use the **Fixed Asset Depreciation** form to establish a depreciation method and depreciation schedule for the asset.

   See Generating a Depreciation Schedule on page 207 for the steps to set up a depreciation schedule.

Creating Fixed Assets General Ledger Accounts

Enter new Fixed Assets General Ledger accounts using the **Chart of Accounts** form.

These accounts should include all asset accounts, all accumulated depreciation accounts, and all expense accounts.

Posting Depreciation to the General Ledger

1. When you open the **Fixed Asset Depreciation Posting** form, the grid displays the assets that contain errors that will prevent them from posting. You should correct these errors before proceeding. Assets appear in the error grid when either of these conditions is true:
   - There is no depreciation record for the asset (you must create the depreciation record on the **Fixed Asset Depreciation** form).
   - The # Units to Depr value is greater than or equal to the Units Depreciated value AND the Curr Period Depr value is 0 (these values are all defined on the **Fixed Asset Depreciation** form).
2. Click the **Process** button. The message "F/A Depreciation(s) will be printed before posting" displays.
3. Click **OK**. The **Fixed Asset Current Depreciation Report** (Modal) form displays.
4. Click the **Print** button. The report prints to the printer you specified on the **Report Options** form. Use this report to verify that the depreciation information is correct prior to posting.
5. After you verify the information is correct, click the **X** button in the top-right corner of the report window to close the report form. The message "Do you want to return an OK response to form Fixed Asset Depreciation Posting?" displays.
6. Click **Yes**. The message "[Fixed Asset Depreciation Posting] will be performed" displays.
7. Click **OK**. The message "x F/A Depreciation(s) were posted" displays." This message also alerts you about the number of assets that did not post because of errors.

Note: Depreciation Schedules are user-defined in the **Fixed Asset Parameters** form. You can have up to four different ways of depreciating an asset, one for each of the defined schedules.

Generating a Depreciation Schedule

The third step in creating a Fixed Asset file is to generate a depreciation schedule. To generate a depreciation schedule:

1. On the **Fixed Assets** form, specify the **Useful Life** and **Date to Start Depreciation** for the asset.
2. Open the **Fixed Asset Depreciation** form.
3. Select **Actions > New**.
4. In the **Asset Number** field, select an asset.
5. The **Class Code** field is read-only and shows the class code for the asset.
6. Select the Depreciation Code:

- BOOK
- TAX01
- TAX02
- VALUE

7 In the **Depr Method** field, select the desired method of depreciation:

- sl = Straight line
- syd = Sum-of-the-years' digits
- usage = Production or use method
- 125db = 125% declining balance
- 150db = 150% declining balance
- 175db = 175% declining balance
- 200db = Double declining balance

For details about calculations performed for these depreciation methods, see About Depreciation on page 199.

Note: To use a custom depreciation method that you defined, you must first define it using the **Fixed Asset Depreciation Tables** form.

8 In the **Depr Frequency** field, select the frequency for calculating depreciation (Year or Period).

The system depreciates the asset when the **Generate Depreciation** activity is finished. There is no special setting for depreciating an asset for part of a year or part of a month.

For example, if an asset was purchased in July, and you want to accumulate 1/2 year of depreciation, run the **Generate Depreciation** utility for the months of July through December, assuming periods equal calendar months. The number of times the utility has been run is the number of months the asset is depreciated.

9 To switch to the straight-line method, when the straight-line method results in a greater depreciation deduction than the user-defined or declining balance methods, select the **Auto Crossover** check box.

During depreciation generation, if a switch to the straight-line method has occurred, the **Auto Crossover** field is selected.

10 Enter appropriate information in the optional fields as desired, or accept the default values and settings.

- Bonus Depr: Select for additional, special expensing, or depreciation of an asset less the depreciable basis. You must enter it manually and post it to the General Ledger.
- Bonus Depr Code: Enter the code that explains the bonus you chose in **Bonus Depr** field. **Note:** For additional, special expensing or depreciation of an asset during its first year, enter both the **Bonus Depr** and **Bonus Depr Code**.
- # Units to Depr: Enter the number of units to depreciate. You can enter this field in two ways:
  - For assets that use the usage depreciation method, enter the number of units in the asset's life.
  - For assets that do not use the usage depreciation method and use a depreciation frequency of Period, enter the number of accounting periods over which to depreciate the asset.

  This field is linked to the **Useful Life** field on the **Fixed Assets** form.

  The system calculates the default amount by accessing the useful life and the number of accounting periods from the General Ledger. This value does not decrease.

Note: If ThailandCountryPack is enabled on the **Optional Modules** form, the number of units to depreciate is incremented by one when the depreciation method is not USAGE and the acquisition date falls between the start and end of the specified accounting period. For example, if the depreciation frequency is set to Period (usually 12 in one year) and the acquisition date is 10-Jan-2013, then for a "Useful Life" of 5 years the number of units to depreciate is about 61 (12*5 + 1) instead of 60 (12*5). Similarly, if the acquisition date is specified to the beginning of the month (1-Jan-2013) then the number of units to depreciate is 60 (12*5).

- Units Depreciated: Enter the number of units that have already depreciated. This number cannot exceed the number of units to be depreciated.
- Accum Depr: This field displays the accumulated amount of depreciation for this asset.
  Note: You must include the bonus amount in the **Accum Depr** and **YTD Depreciation** fields before generating depreciation. You must post the bonus amount manually to the General Ledger. You also must reduce the **Bonus Depr** field amount by bonus amount that you included in the **Accum Depr** and **YTD Depreciation** fields.
- YTD Depreciation: This field displays the amount of depreciation year-to-date.
- Curr Period Depr: Enter the asset's depreciation amount for the current accounting period. It is calculated when depreciation is generated. If this value is 0, the asset will not post.

  This field is linked to the **Date to Start Depreciation** field on the **Fixed Assets** form.
- Last Post Date: This field displays the last date depreciation was posted for an asset.
  Note: If you want a salvage value, enter the estimated value of an asset at the end of its useful life. The system does not depreciate an asset below its salvage value.

11 Select **Actions > Save**.

Chapter 9: Journals

About Journal Entries

Entering Journal Transactions

Two or more transactions are typically entered to create a balanced entry, with one transaction entered as a debit (such as receiving a cash payment), and the second entered as a credit (such as recording miscellaneous income). The sum of the debit transactions equals the sum of the credit transactions. If each group of transactions is assigned the same reference, it is easily recognizable later that these transactions were entered at the same time.

Transactions must be entered into the journal as the first step in changing an account's balance. The next step is to post the journal to the ledger, at which time the account balances are updated. After a transaction has been posted to the ledger, you cannot change it. The only way to correct an incorrect entry is by entering a reversing entry.

You cannot directly delete a ledger transaction; however, you can enter a journal transaction for an opposite amount (and the same date as the original transaction), and then post that transaction to the ledger to cancel out the previous transaction.

System Journals

SyteLine initially creates the following system journals, which you cannot delete:

- AP Dist: Accounts Payable Ledger Distribution
- AR Dist: Accounts Receivable Ledger Distribution
- BNK Dist: Banking Distribution
- CO Dist: Order Entry Ledger Distribution
- FA Dist: Fixed Assets Ledger Distribution
- FS Dist: Service Distribution
- General: General Journal
- IC Distribution: Inventory Control Ledger Distribution
- INV Dist: Inventory Ledger Distribution
- Multi-Site: Multi-Site Journal
- PC Dist: Project Control Ledger Distribution
- PO Dist: Purchasing Ledger Distribution
- PR Dist: Payroll Ledger Distribution
- SF Dist: Shop Floor Control Ledger Distribution

- WC Dist: Work Center Ledger Distribution

Note:

- The BNK Dist journal is created for all databases, although it is populated only by running the **Currency Revaluation Report**.
- The INV Dist journal is available in SyteLine only for backward compatibility, and to support any code modifications that post to the journal. This journal was replaced by the CO Distribution, IC Distribution, PO Distribution, and SF Distribution journals. Infor has no plans for future use of this journal.
- If you have deleted material transactions, any ledger or journal records that reference them will have their references cleared. If you try to view detail on a ledger or journal and the specific material transaction has been deleted, you will receive a message that the record is not available.

Read-Only Journals

Except for unit codes, the distribution journals are read-only. The General Journal and any user-defined journals are considered "writeable". Transactions for the distribution journals are entered from the appropriate SyteLine function.

For example, after a payment is entered and posted through Accounts Payable, the transaction appears in the A/P Dist Journal. Transactions for the General Journal are entered through the General Ledger.

These functions are performed on read-only journals:

- Enter text (to be associated with each transaction)
- Compress journal by account & date
- Post to General Ledger
- Sequence reset (resequence transaction numbers)

You can also update unit codes for a journal transaction residing in a read-only journal.

These functions cannot be performed on read-only journals:

- Add transactions
- Delete transactions
- Update transactions
- Perform year end closing
- Update journal title

Standard Journals

A standard journal may be set up for recurring transactions (such as rent, mortgage, payroll, or loan payments). When transactions are posted from the General or standard journals, there is an option available to delete all entries in the journal.

Do not delete recurring entries in the standard journals. The transactions are needed for the next period's posting. Recurring entries are usually the only entries in user-defined journals you would not delete.

The entries in the General Journal change from period to period and need to be deleted.

Accounting References and Distribution Journal Entries

Entries for distribution journals originate in the corresponding application (such as A/R for the A/R Ledger Distribution journal, A/P for the A/P Ledger Distribution journal, and so on), as described in the following topics.

Accounts Payable Ledger Distribution Journal

- AP Compresses AP Journal Transactions
- APA # Adjustment Transaction and Voucher Number
- APP # Payment Transaction and Voucher Report
- APPB Draft Reconciliation and Draft Number and Vendor Number
- APPD Draft Remittance Transaction and Vendor Number and Draft Number
- APPR
- APRV # Recurring Voucher Transaction and Voucher Number
- APV # Voucher Transaction and Voucher Number
- APVPC # Accounts Payable Voucher Pre-Registering Closed transactions
- APVPP # Accounts Payable Voucher Pre-Registering Posting transactions
- APX Multi-Currency Gain/Loss Transaction
- APX VAT Transfer Mexico VAT Transfer Gain/Loss and Voucher Number
- Bank Code FEE APP Japan Bank Fee and Vendor Number
- VAT Transfer Mexico VAT Transfer and Voucher Number

Accounts Receivable Ledger Distribution Journal

- AR Compressed AR Journal Transactions
- ARC # Credit Memo Transaction and Invoice Number
- ARC FIN CHG Credit Memo to Finance Charge Transaction
- ARC OPEN Open Credit Memo Transaction
- ARD # Debit Memo Transaction and Invoice Number
- ARD FIN CHG Debit Memo to Finance Charge Transaction
- ARD OPEN Open Debit Memo Transaction
- ARI # Invoice Transaction and Invoice Number
- ARF # Finance Charge Transaction and Customer Number3
- ARP # Payment Transaction and Check Number
- ARPB Direct Debit/Draft Reconciliation and Direct Debit/Draft Number
- ARPD Draft Remittance Transaction and Draft Number and Customer Number
- ARPR AR Payment Reapplication
- ARX Multi-Currency Gain/Loss Transaction
- ARX VAT Transfer Mexico VAT Transfer Gain/Loss and Invoice Number
- VAT Transfer Mexico VAT Transfer and Invoice Number

Banking Distribution Journal

- REVALUATION ADJUSTMENT Multi-currency Revaluation Transaction

Field Service Ledger Distribution Journal

- ACM ACM Posting
- APV Expense Reconciliation and Partner Reimbursement Voucher

- SROINV SRO WIP Relief Due to Invoicing
- SROC SRO Credit Memo
- SROI SRO Invoicing
- SRO Labor Labor Transaction Posting
- SRO Matl Material Transaction Posting
- SRO Misc Miscellaneous Transaction Posting
- SRO CLOZ SRO Close Utility WIP Relief
- SRO OP M CL SRO Operation Manual Close WIP Relief
- SRO MANUAL CLOSE SRO Line Manual Close WIP Relief
- SRO Matl InvAdj Inventory Adjustment Due to Transaction Posting
- CONI Contract Invoice
- ARC Partner Reimbursement Credit Memo
- ARI Partner Reimbursement Invoice

Fixed Assets Ledger Distribution Journal

- FA Compressed FA Journal Transactions
- FADEP # Depreciation Transaction and Asset Number
- FADSP # Asset Disposal Transaction and Asset Number
- FAT # Asset Transfer Transaction and Asset Number

General Journal

- Income Summary GL Year End Closing Expense/Revenue Transaction
- Year Closing GL Year End Closing Income Summary Transaction
- Site Move To Change Reports To Entity beginning balance
- Site Move Away Change Reports To Entity closing balance
- Tax Journal Tax Transaction

General Ledger

- Date Summary Compressed GL Transactions by Date
- Period Summary Compressed GL Transactions by Period
- Allocation Summary Accounts used as Allocation Type

Inventory Control Ledger Distribution Journal

- IC Compressed IC Journal Transactions
- INV ACTC Inventory Update
- INV ADJ Inventory Adjustment
- INV CC-A Cycle Count Adjustment
- INV CHGM Change Item Cost Method
- INV DMOV Multi-Site Transfer Order (when posting method is Inter-Entity)
- INV MISU Inventory Miscellaneous Issue
- INV MOVE Inventory Move
- INV MRCP Inventory Miscellaneous Receipt
- INV PI-A Physical Inventory Adjustment
- INV SADJ Stack Adjustment
- INV SMOV Multi-Site Transfer Order (when posting method is Intra-Entity)

- INV STDC Inventory Roll Current to Standard Cost
- INV TADJ Multi-Warehouse Transfer Loss
- INV TMOV Multi-Warehouse Transfer between Warehouses

Multi-Site Journal

- MSJE + site Multi-site journal transactions from Journal Builder

Order Entry Ledger Distribution Journal

- CO Compressed CO Journal Transactions
- CGI Customer Order Shipment Approval Cost of Goods In Process
- INV CRT # Customer Order Return and Order/Line Number
- INV CSH # Customer Order Shipment and Order/Line Number
- POS CASH ADJ Cash Drawer Number
- RMX RTI RMA Item Disposition Return To Inventory
- RMX Return Vendor Return

Payroll Ledger Distribution Journal

- PR Compressed PR Journal Transactions
- PR # PR Number
- PR [DIST DATE] Payroll Transaction and Date

Shop Floor Control Ledger Distribution Journal

- SF Compressed SF Journal Transactions
- INV JADJ # Job BOM Cost Roll Up and Job Order Number
- INV JBF # Job Order Back Flush and Job Order Number
- INV JCLS # Job Order Other WIP Variance and Job Order Number
- INV JFIN # Job Order Finish and Job Order Number
- INV JFMO # Job Order Fixed Material Overhead and Job Order Number
- INV JMOV # Job Order Overhead Variance and Job Order Number
- INV JMUV # Job Order Material Usage Variance and Job Order Number
- INV JOB # Job Order Other Issue and Job Order Number
- INV JOC # Job Order Work Center and Job Order Number
- INV JOI # Job Order Material, Tool, Fixture, Issue and Job Order No.
- INV JOL # Job Order Labor and Job Order Number
- INV JRWK # Job Order Return for Rework and Job Order Number
- INV JVMO # Job Order Variable Material Overhead and Job Order No.
- INV JWIP # Job Order WIP Account Change and Job Order Number

Project Control Ledger Distribution Journal

- PRJ MTL Project Resource Transaction
- PRJ ADJ Project Adjustment Transaction
- PRJ LBR Project Labor Transaction
- PRJ WIP Project WIP Transaction
- JCLS PRJ Project's Job Order Other WIP Variances
- JFIN PRJ Project's Job Order Finish
- JOL PRJ Project's Job Order Labor

- JOM PRJ Project's Job Order Material
- JMUV PRJ Project's Job Order Material Usage Variances
- JFMO PRJ Project's Job Order Fixed Material Overhead Variances
- JVMO PRJ Project's Job Order Variable Material Overhead Variances

Purchasing Ledger Distribution Journal

- PO Compressed PO Journal Transactions
- INV P-CL # Purchase Order Status Change and PO/Line Number
- INV PIV # Replaces INV P-CL #
- INV PNI # Purchase Order for Non-Inventory Item and PO/Line No.
- INV PRCV # Purchase Order Receipt and PO/Line Number
- INV PRTN # Purchase Order Return and PO/Line Number
- POX Purchase Order Gain/Loss

Work Center Ledger Distribution Journal

- INV WC # Work Center Cost
- INV WCM # Work Center Material
- INV WCL # Work Center Labor
- INV WCFO # Work Center Fixed Overhead
- INV WCVO # Work Center Variable Overhead
- INV WCO # Work Center Outside Labor
- INV WCI # Work Center Inventory
- INV WCSP # Work Center Scrap
- INV WFIN # Work Center Finished Goods

Multiple Journals

- XBAL Balance Recalculation
- EC VAT EU VAT Report
- EUR Domestic Euro Currency Conversion
- LOSS Currency Loss
- GAIN Currency Gain

Creating a User-Defined Journal

1. Access the **Journals** form.
2. Select **Actions > New**.
3. Enter a unique journal ID of up to 10 alphanumeric characters.
4. Enter a description of the journal. This description displays for the journal in selection lists.
5. To create a journal that will post to:
   - The Analytical Ledger, select the **Analytical Ledger** check box.
   - The General Ledger, clear the **Analytical Ledger** check box.

Note: The **Analytical Ledger** check box is available only if the **Use Analytical Ledger** check box is selected on the **General Parameters** form.

6 Select **Actions > Save**.

After you have created a user-defined journal, you can enter transactions for it using the **Journal Entries** form.

Creating and Posting Recurring Journal Entries

Note: Recurring journal entries can be created in only standard or user-defined journals.

1 To create a recurring journal record:
   a Open the **Journals** form and find or create a user-defined journal.
   b Select **Recurring Journal**.
   c Save the record.

2 To post recurring journal entries:
   a Click **Journal Entries**. The **Journal Entries** form is displayed.

   Note: If you need to post entries for another recurring journal, open the **Journal Entries** form and then find the recurring journal.

   b Fill in the appropriate fields for your recurring transaction. For a new recurring journal, specify all transaction entries. For an existing recurring journal, you might only need to change the transaction dates.

   Note: Transaction dates can be changed one by one on the **Journal Entries** form, or you can change them all at once using the **Ledger Posting** form, which is opened in the next step. On the **Ledger Posting** form, select **Single Date To All Entries** and specify the date in **Date For All Transactions**.

   c Select **Actions > Post Journal**. The **Ledger Posting** form is displayed.
   d Print and post the ledger.
   e Review the **Journal Transaction** report to check for any inaccuracies.
   f Post the journal.
   g If the journal was posted before in the same period, you will be prompted to confirm. Click **Yes** to post.

After successful completion of the post, a success message is displayed and the system returns to the **Ledger Posting** form.

Creating Auto-Reversing Transactions

Auto-reversing transactions are transactions that are to be reversed in the next accounting period or fiscal year. A reversing transaction is normally used when entering an accrual type of transaction.

1 To create the transactions, follow the steps in Creating Journal Entries on page 217.
2 On the **Journal Entries** form, when creating the transactions, to indicate that this entry is a reversing transaction, select the **Reversing** check box.

The system creates the reversing transactions when you post the journal.

The reversing transactions total is displayed at the bottom of the **Journal Account Summary** form with the other totals.

Creating Journal Entries

To create journal entries only for the General Journal and for user-defined journals, use the **Journal Entries** form. You cannot use this form to create journal entries for the distribution journals. Entries for the distribution journals originate in the corresponding module (such as A/R for the A/R Dist journal, A/P for the A/P Dist journal, and so on).

1 Open the **Journal Entries** form.
2 In the **Journal** field, select **`General Journal`** or the user-defined journal you want to add an entry to.
3 Click the filter-in-place button.
4 Select **Actions > New**.
5 Specify information in these fields:
   - **Sequence**: The system automatically assigns a sequential number to uniquely identify each transaction, but you can change it.
   - **Date**: This field displays today's date, but you can change it to the date that this transaction is to be posted to the ledger. When you post journal entries, you do so for a range of dates.
   - **Account**: Select the number of the account that the transaction amount will be posted to. The account description automatically displays as reference.
   - **Control Number**: You can update the control number prefix or the control number sequence.
   - **Ref Control Number**: If you need to reference a control number or a transaction posted to the ledger, enter the information in these fields.
   - **(Unit Code 1-4)**: For each segment that is available, you can select the unit code that the transaction applies to.
   - **Currency**: This field displays the domestic currency, but you can select a different currency for the transaction. The currency must be the same as the currency of the bank that this transaction affects. If a non-domestic currency is specified, you can enter debit or credit amounts in either the **Domestic or Foreign Debit/Credit** fields. Note that if a bank code is specified, that bank's currency is displayed in this field, and you cannot change it.
   - **Bank Code**: Select the bank code of the bank account to which this transaction will be posted. If you are posting to a cash account that is tied to a bank code, that bank code is specified by default. The system automatically updates the **Currency** and **Exchange Rate** fields to reflect the values associated with the selected bank code.
   - **Domestic Debit/Credit**: Enter the debit or credit amount of the transaction in the domestic currency. The **Exchange Rate** field is set to one by default and the **Foreign Debit/Credit** fields cannot be used.

- **Foreign Debit/Credit**: These fields are enabled if a non-domestic currency is specified in the **Currency** field, so you can enter the debit or credit amount of the transaction in the foreign currency, if you prefer. The system automatically calculates the corresponding domestic debit/credit amount based on the default exchange rate.

  If the domestic currency amount is specified, and the corresponding foreign debit/credit is 0.00, then the system automatically calculates the foreign debit/credit amount based on the default exchange rate between the two currencies. If the domestic currency amount is specified, and the corresponding foreign debit/credit is not 0.00, then the system automatically recalculates the exchange rate based on the domestic debit/credit amount and the corresponding foreign debit/credit amount.
- **Exchange Rate**: This field displays today's exchange rate between the domestic and foreign currencies. You can change it only if you selected a value in the **Bank Code** field.
- **Reference**: Enter a brief description of the transaction. The reference can be used to group transactions. This field is part of the selection criteria for the **Journal Transaction Report**. You can list all transactions with a particular reference. Note that all the debits and credits for the same reference should equal 0 (zero).
- **Cust/Vendor**: The number of the customer or vendor associated with the transaction is displayed.
- **Name**: The name associated with the customer or vendor number is displayed.
- **Reversing**: Select this check box if you are entering a reversing transaction.

6 Select **Actions > Save**.

7 To continue entering transactions until the debit balance equals the credit balance, repeat steps 2 - 6.

Deleting a User-Defined Journal

To delete a user-defined journal:

1 On the **Journals** form, in the grid, select the line for the journal you want to delete.

2 Select **Actions > Delete**.

The system presents a message informing you that the journal will be permanently deleted when you save your changes.

3 Click **OK**.

The system presents another message informing you that all the journal's transactions will also be deleted.

4 Click **OK**.

5 To permanently delete the journal and its transactions, select **Actions > Save**.

Importing Bulk Journal Entries

This topic describes how to import journal entry files with the **Import Journal Entries Bulk** form, and it is intended to be used if you need to import more than 100 records. If you want to import fewer than 100 records, you can use the **Import Journal Entries** form. The **Import Journal Entries** form allows you to import XML and CSV files, but the **Import Journal Entries Bulk** form only allows the import of CSV files.

1. Open the **Import Journal Entries Bulk** form.
2. Specify this information:
   - Journal - Only the General Journal or user-defined journals can be selected.
   - Date
   - Reference - This field is optional.
3. Click **Load Journal Entries**.
4. Select the CSV file you wish to import.
5. Click **Open**.

Importing Journal Entries from External Sources

This topic describes how to import CSV or XML files with the **Import Journal Entries** form. If you need to import more than 100 journal entry records, we recommend that you use the **Import Journal Entries Bulk** form.

To import journal entries from CSV or XML files with the **Import Journal Entries** form, or to copy and paste journal entry data for import:

1. Ensure that the files are formatted properly.

   See Guidelines for Imported Journal Entry Files on page 220.
2. Open the **Import Journal Entries** form.
3. Perform one of these tasks:
   - If you are importing data from a CSV or an XML file, select the file type and then click **Load Journal Entries**.
   - If you are importing data by copying and pasting it from a spreadsheet, open the spreadsheet to work with and paste the needed data into the grid.
4. Select the journal in which to enter the grid data.
5. Perform one of these tasks:
   - To edit the date, account, or reference information for individual grid entries, click in the grid cells and make changes as necessary.
   - To change the date and/or reference information and apply it to all grid entries, specify the date and/or reference at the bottom of the form.
6. Click **Process**. The data is validated and, if accurate, saved to the selected journal. If errors are found, the data remains in the grid so you can make necessary changes.

Guidelines for Imported Journal Entry Files

To import journal entries from CSV or XML files, or to copy and paste journal entry data for import, use the **Import Journal Entries** form.

Before you start the import, make sure you have formatted CSV and XML files according to these guidelines:

CSV files must use this format: Date,Account,Unit Code 1,Unit Code 2,Unit Code 3,Unit Code 4,Debit,Credit,Reference,AnalysisAttribute01 ...AnalysisAttribute15

For XML files, each journal entry must start with a journal_entry tag and use date, account, unit codes, debit, Credit, reference, and analysis attribute 01 - 15 tags for grid fields, as shown in the following example.

Note: For this example, analysis attributes 1 - 5 were defined as Employee Name, Customer Number, Hotel Name, Room Type, and City. Analysis attributes that are not defined can be left blank or removed from the XML.

```
<?xml version="1.0"
 encoding="UTF-8" ?>
<Journal_Entries>
<Journal_Entry>
<Date>05/15/2014</Date>
<Account>10000</Account>
<UnitCode1></UnitCode1>
<UnitCode2></UnitCode2>
<UnitCode3></UnitCode3>
<UnitCode4></UnitCode4>
<Debit>1000.00000000</Debit>
<Credit>0.00000000</Credit>
<Ref>CP  1330</Ref>
<AnalysisAttribute01>Mark White</AnalysisAttribute01>
<AnalysisAttribute02>00001</AnalysisAttribute02>
<AnalysisAttribute03>Grand  Hyatt</AnalysisAttribute03>
<AnalysisAttribute04>Grand
 Room - King Bed</AnalysisAttribute04>
<AnalysisAttribute05>New York</AnalysisAttribute05>
<AnalysisAttribute06></AnalysisAttribute06>
<AnalysisAttribute07></AnalysisAttribute07>
<AnalysisAttribute08></AnalysisAttribute08>
<AnalysisAttribute09></AnalysisAttribute09>
<AnalysisAttribute10></AnalysisAttribute10>
<AnalysisAttribute11></AnalysisAttribute11>
<AnalysisAttribute12></AnalysisAttribute12>
<AnalysisAttribute13></AnalysisAttribute13>
<AnalysisAttribute14></AnalysisAttribute14>
<AnalysisAttribute15></AnalysisAttribute15>
</Journal_Entry>
<Journal_Entry>
<date>05/15/2014</date>
<account>10000</account>
<UnitCode1></UnitCode1>
<UnitCode2>0007</UnitCode2>
```

```
<UnitCode3></UnitCode3>
<UnitCode4>01</UnitCode4>
<Debit>0.00000000</Debit>
<Credit>1000.00000000</Credit>
<Ref>CP  1330</Ref>
<AnalysisAttribute01>Mark White</AnalysisAttribute01>
<AnalysisAttribute02>00001</AnalysisAttribute02>
<AnalysisAttribute03>Grand Hyatt</AnalysisAttribute03>
<AnalysisAttribute04>Grand Room - King Bed</AnalysisAttribute04>
<AnalysisAttribute05>New
 York</AnalysisAttribute05>
<AnalysisAttribute06></AnalysisAttribute06>
<AnalysisAttribute07></AnalysisAttribute07>
<AnalysisAttribute08></AnalysisAttribute08>
<AnalysisAttribute09></AnalysisAttribute09>
<AnalysisAttribute10></AnalysisAttribute10>
<AnalysisAttribute11></AnalysisAttribute11>
<AnalysisAttribute12></AnalysisAttribute12>
<AnalysisAttribute13></AnalysisAttribute13>
<AnalysisAttribute14></AnalysisAttribute14>
<AnalysisAttribute15></AnalysisAttribute15>
</Journal_Entry></Journal_Entries>
```

Dates must use the standard format: *mm/dd/yyyy*.

Reference information can be up to 30 characters in length.

Identifying Missing Information in a Journal

The **Journal Transaction Utility** searches through the journal for missing information within the transactions. This utility sets missing dates, accounts, and amounts.

Caution:
- If you cancel or abort the posting, all changes are undone.
- If this is a read-only journal, you cannot update this information again using this utility.

1. Open the **Journal Transaction Utility** form.
2. In the **Journal** field, select a journal to process.
3. Click **Process**.

Posting a Journal

The posting process commits your transactions to the ledger. The ledger is not impacted by changes that affect General Ledger (G/L) accounts until the transactions are posted.

Note:

- If you use a second, separate Analytical Ledger (as is traditional in some European countries), the journal posting process is significantly different.

  For more information, see About Analytical Accounting on page 233.
- You must define a fiscal year for each transaction that is posted to the journal.

1 Open the **Journal Entries** form.

2 Select the journal having transactions you want to post,

3 Select **Actions > Filter > Execute in Place**.

4 Select **Actions > Post Journal**.

  The system displays the **Ledger Posting for Journal** form.

5 To compress the journal before posting it, select the **Compress Journal Before Post** check box, and then select the **Compression Level** (Reporting Unit or Account).

  Caution: If you select this check box, the journal entries will be combined by account and then totaled. The detail will be deleted prior to posting. You will also lose any journal control number information.

6 To have the system delete the transactions from the journal after they have been posted, select the **Delete Transactions After Post** check box.

  Note: If you are posting a distribution journal, you must select this check box.

7 In the **Reversing Transaction Date** field, select the date to assign to reversing transactions, or accept the default value, which is the current date.

8 To assign the same date to all the posted transactions, select the **Single Date To All Entries** check box. Then, in the **Date For All Transactions** field, enter the date to assign to them.

9 In the **Post Through** field, enter the date through which to post transactions.

10 To print the report, click **Process**.

  The **Print** option is automatically selected. You must first print the posting report for auditing purposes before you can actually post the transactions. This report provides a listing of the transactions associated with the journal you are going to post.

11 You are prompted to print the report; click **OK**.

  The system goes through every journal transaction and validates it. For each transaction, it verifies that the transaction's account number exists in the Chart of Accounts. If the account number does not exist, a message displays.

  If this message occurs, go to the General Journal, and either delete the transaction or add the missing account number. Then, try again to post the journal. Note that you cannot delete or update transactions in the AP Dist, AR Dist, BNK Dist, CO Dist, FA Dist, FS Dist, IC Dist, Multi-Site, PC Dist, PO Dist, PR Dist, SF Dist, and WC Dist journals.

  After all the transactions are checked, warning messages may display about transaction balances or missing accounts. If the only error received is a warning that the date was out of the current period, you may proceed.

12 After you view and verify the report, select **Commit** and click **Process** to post the journal.

13 You are prompted to perform the ledger posting; click **OK**. These processing steps occur:

  - Each transaction is copied to the ledger, along with its descriptive text. For a reversing journal transaction, the reversing ledger transaction is posted.

- Journal control numbers are converted to ledger control numbers.

  Caution: If you compress the journal, journal control numbers will be deleted.
- If you elected to delete journal transactions after posting them, the transactions are deleted at this time.
- After posting is complete, a message displays if the system experienced problems finding every journal transaction or creating the new ledger transactions.
- If you use the External Financial Interface, additional processing occurs during journal posting.

  For more information, see Setting Up an External Financial Interface on page 183.

Performing Mass Journal Posting

Use the **Mass Journal Posting** form to post transactions from one or more journals to the ledger.

Optionally, you can choose to post system journals using the Background Queue by selecting the **Post In Background Queue** check box on this form. The system activates the **Background** option on the **Actions** menu when this check box is selected. You must select at least one system journal and then specify the background task options. The journals are locked as part of the posting process run in the background. After the selected system journals are posted, if there are any errors, a Mass Journal Posting Background Message report shows the error messages.

Caution: If you have transactions that are out of the current period but elect to post them, mass journal posting does not prohibit you from doing so. Make sure that the Post Through date is correct. The out of period warning displays only after all posting is complete.

For each journal you want to post, select the **Post** check box. You can select the **Post** check box for journals with a status of To Print or To Post at any time. For journals with other statuses, you must first select the **Post In Background Queue** check box.

Note: When you select a journal to post, journal locking is activated. Clearing a journal's selection in the Post column deactivates journal locking for it.

- To compress the journal before posting it, select the **Compress Journal Before Post** check box, and then select the **Compression Level** (Reporting Unit or Account).

  Caution: If you select this check box, the journal entries will be combined by account and then totaled. The detail will be deleted prior to posting. You will also lose any journal control number information.
- To have the system delete the transactions from the journal after they have been posted, select the **Delete Transactions After Post** check box.
  Note: If you are posting a distribution journal, you must select this check box.
- In the **Reversing Transaction Date** field, select the date to assign to reversing transactions, or accept the default value, which is the current date.
- To assign the same date to all the posted transactions, select the **Single Date To All Entries** check box. Then, in the **Date For All Transactions** field, enter the date to assign to them.
- In the **Post Through** field, enter the date through which to post transactions.
- To print the report, click **Process**.

The **Print** option is automatically selected. You must first print the posting report for auditing purposes before you can actually post the transactions. This report provides a listing of the transactions associated with the journal you are going to post.

- You are prompted to print the report; click **OK**.
- After you view and verify the report, select **Commit** and click **Process** to post the journal.

  Note: The posting process will not stop if errors are encountered. All selected journals are posted before the error messages display. Therefore, you do not have to sit and watch the posting process; it will complete on its own. When finished, any errors display on a journal-by-journal basis.

Purging a Journal

To delete journal transaction records, use the **Purge Journals** utility.

1. Enter information in these fields:
   - **Journal**: Select the journal you want to purge.
   - **Cutoff Date**: Enter the last date of transactions you want to include in the purging action.

   Note: You can purge only one journal at a time.
2. Select **Process**.

Using the Journal Builder

Use the **Journal Builder** form to enter site-specific pending journal transactions, which are then validated and created in the Multi-Site journal at the specified site.

1. Set up rules for the Journal Builder replication category on the **Replication Rules** form:
   - Create rules from the Journal Builder site to all remote sites into which pending Multi-Site journal transactions will be inserted.
   - Create rules from those remote sites back to the Journal Builder site.
2. Log into the site where pending Multi-Site journal transactions will be entered and open the **Journal Builder** form.
3. Enter a transaction date that is valid for the local site.
4. Enter site-specific journal transactions.
5. When all the transactions are entered and the amounts in the **Debit** and **Credit** total fields in the header are balanced, click **Process**.

   If validation is successful, a success message displays, which contains the control number generated by the Journal Builder utility. The pending journal transactions are then inserted in the Multi-Site Journal in the specified site(s) and a success message displays . The transactions have a batch control number that includes the site ID of the Journal Builder site, for audit purposes.

   If validation is not successful:

- If the To Site is the local site, or if replication is transactional from the local site to the remote site, the system returns an error and no transactions are processed.
- If the To Site is not the local site AND if replication is non-transactional, failures must be handled at the remote site. The local site will be unaware that an error occurred. For more information, see the note below about non-transactional replication.

Notes:

- Journal Builder use at an entity, or to enter transactions to be inserted at an entity, is not supported.
- Transactions can be entered only for sites that use the same domestic currency as the local Journal Builder site.
- When you close the Journal Builder form, any unprocessed rows are removed.
- The control number is based on the site where the pending journal entries are entered through the Journal Builder, so all the transactions in one batch have the same control number.
- Non-transactional replication: If processing is non-transactional and fails for some reason at a remote site, the entire transaction will not be backed out. Successful journal entries will be inserted and reside in the Multi-Site journal. Unsuccessful journal entries will be handled in the same way as any other "failed" process for non-transactional setups. This could result in a Multi-Site journal with transactions where the Total Debits do not equal the Total Credits until the error is resolved.

Recalculating Journal Balances

The **Recalculate Journal Balances** utility recalculates the accumulated debit and credit balances of all transactions for a specific journal and date range. If an imbalance exists, the system generates a new transaction to bring the journal back into balance.

Note:

- After running this utility, you must run the **Journal Transactions** utility to complete the transactions that were created to balance the journals.
- You can recalculate only one journal at a time.

1 Enter information in the following fields:

- Journal ID: Enter the journal ID you want to recalculate.
- Starting and Ending Transaction Date: Enter the range of dates for which you want to recalculate transactions.
- Transaction Date: (Optional) Enter the date you want to use for any transactions that are created by this utility. Note that if you do not enter a date, you will be prompted to enter one when you use the **Journal Transactions** utility to update the transactions.

2 To process your selections, click **Process**.

At most, the system creates one transaction.

Chapter 10: Invoice Builder

Invoice Builder Overview

Use the **Invoice Builder** form to create invoices and credit memos for the base site and other target sites for customer order shipments and returns.

With the **Invoice Builder** form, you can:

- Generate invoices and credit memos across a multi-site intranet. Invoices and credit memos generated by the **Invoice Builder** form are only from shipped and returned customer order lines/releases. The invoices and credit memos are generated based on the target site configurations such as invoice numbering, currency code, etc.
- Print and reprint invoices and credit memos across a multi-site intranet.

You can perform these tasks for both the base site (login site) and the target site (a different site within the same multi-site intranet). For other sites, if the site domestic currency is different from the base site, or if the customer currency code of this site is different from the customer currency code of the base site, the customer order lines/releases are not displayed in Invoice Builder.

What Happens When You Use This Form

Using this form affects what you can do on other forms:

- **Builder Invoice Originating Site** field is available on these forms: **AR Payment Distributions**, **AR Posted Transactions Detail**, **Invoice, Debit and Credit Memos**, and **Invoices, Debit and Credit Memos G/L Distribution**.
- **Builder Invoice** field is available on these forms: **AR Payment Distributions**, **AR Posted Transactions Detail**, **Invoice, Debit and Credit Memos**, **Invoices, Debit and Credit Memos G/L Distribution**, **Multi-Site Invoice Posting**, and **Invoice Transaction Report** .

Using the Invoice Builder

The Invoice Builder is a form that allows you to generate and print invoices for CO shipments and returns in multiple target sites from a base site crossing a multi-site intranet.

Prerequisite setup:

- If desired, specify a builder invoice prefix on the **Order Entry Parameters** form.

- Set up rules on the **Replication Rules** form for the Invoice Builder category. The Invoice Builder base site (login site) and the target sites must all be replicating the Invoice Builder replication category to each other.

To generate and print an invoice or credit memo with the Invoice Builder:

1. On the **Invoice Builder** form, specify a customer in the **Customer** field. If you leave the field blank, all customers are returned.
2. In the **Type** field, specify **`Invoice`** or **`Credit Memo`**. If you choose Invoice, shipped but not invoiced customer order lines/releases are displayed. If you choose Credit Memo, returned but not invoiced customer order lines/releases are displayed.
3. In the **Invoice Type** group box, select the options for the types of invoices you want to include.
4. You can use the grid to make selections, or use the **Additional Selection** tab to make selections for a larger number of records. If you use the **Additional Selection** tab, click the **Select Matching CO** button to see the desired selections in the grid.
5. Use the**Print** tab to customize further. You can also set reprint criteria on this tab.
6. Click **Process**.

Chapter 11: Ledgers

General Ledger Overview

The General Ledger tracks financial expenditures within the company and generates financial statements and reports for management, auditors, and investors. The General Ledger is tied to other parts of the system through the Chart of Accounts and the distribution journals.

Some European countries add a separate Analytical Accounting system to track revenue and expense accounts.

The **Chart of Accounts** form defines account numbers used throughout the system to record, track, and report costs. An account in the General Ledger tracks domestic currency spent or earned by business activities, such as paying bills, receiving payments, cutting payroll checks, purchasing and receiving supplies from vendors, paying rent, and material and job transactions.

Financial information collected during day-to-day operations is posted frequently to distribution journals. Once their accuracy can be verified, the transactions are posted to the General Ledger at regular intervals. These are the distribution journals:

- Accounts Receivable
- Accounts Payable
- Fixed Assets
- Inventory
- Multi-Site
- Payroll
- Purchasing
- Order Entry
- Shop Floor Control
- Work Center
- Currency Banking Journal
- Project Control.

In addition to the distribution journals, there is a General journal that you can use to hold closeout and summary entries for year-end procedures.

You can also create user-defined journals - custom journals to store, retrieve, and track entries specific to your business. Examples include Accruals, Reversing Entries, Adjusting Entries, Intercompany Eliminations, Banking Transfers, Charges, and Credit.

Four unit codes on page 316 can be activated for each account in the Chart of Accounts, to collect key management data. You can define unit codes to track those costs important to your business, such as

sales territory, individual sales representative, product or product family, location of manufacture, work center, cost center, and department.

Benefits of the General Ledger include:

- Provides detailed financial statements/reports.
- Maintains complete journal and ledger transaction details.
- Allows detailed or summarized account information.
- Provides a bank reconciliation feature.
- Maintains all journal transactions in edit list form prior to posting to General Ledger.
- Provides the ability to report prior or future years with budgeting and planning comparisons for current year.
- Provides complete support for multi-site financial reporting, including financial consolidations.
- Distributes an expense among more than one account according to allocation rules. For example, you can divide a monthly office lease payment among the departments sharing the building quarters. For more information, see Setting up Account Allocations on page 275.
- Automates the process of storing and posting recurring entries by using recurring journals. Simply create an entry once for each recurring expense, and the system automatically enters the transaction into the general ledger each period.
- Provides flexibility so you can decide when and how to handle month-end closes. And you can begin entering next month's business transactions even before the current month has completely closed.
- Calculates retained earnings for the fiscal year at year-end closing.
- Provides statistical accounts in financial statements to compare important non-financial data to related financial data for measuring such things as productivity and controlling costs.
- Offers a financial statement capability, which presents financial information from the General Ledger in a variety of formats to meet requirements of auditors, investors, and managers.

General Ledger Setup

Before you can begin processing in the General Ledger (G/L), you must set up some basic accounting information.

See these topics for details:

- Setting Up Accounting Periods on page 229
- Setting Up the Chart of Accounts on page 230
- Setting Up Beginning Account Balances on page 231

Setting Up Accounting Periods

Set up the accounting periods that are used by General Ledger for a particular fiscal year using the **Accounting Periods** form. Accounting periods are used only to visually group transactions.

Note:

- You must set up these accounting periods before transactions can be posted.
- You cannot delete an accounting period if ledger transactions exist for that period in the fiscal year.

To set up accounting periods:

1. Open the **Accounting Periods** form.
2. In the **Fiscal Year** field, enter the year for which you want to add or change periods.
3. Click the **Filter-in-Place** button.
4. Select the desired period in the fiscal year.
5. (Optional) Set the fiscal year start date.

   Note: By default, the **Start Date** field for the first period is set to the first day of the fiscal year, but you can change it.
6. Do one of the following:
   - To have the system create the accounting periods in monthly increments, select the **Monthly** option and then click **Generate Period**. The system automatically updates the period starting and ending dates.
   - To have the system create the accounting periods in quarterly increments, select the **Quarterly** option and then click **Generate Period**. The system automatically updates the period starting and ending dates. Each period is three months long.
   - To create custom periods, manually enter the starting and ending dates of each accounting period in the fiscal year.
7. Select **Actions > Save**.

To generate the control number sequence by period or by year, use the **Accounting Period Control Number Sequences** form.

Setting Up the Chart of Accounts

To set up and maintain all the accounts that are used throughout the system, use the **Chart of Accounts** form.

Before setting up the Chart of Accounts, you need to define the structure of the accounts, grouped by account type (asset, liability, expense, and so on), and assign logical account numbers to them.

For more information, see About Accounts on page 11.

To add an account:

1. Open the **Chart of Accounts** form.
2. Select **Actions > New**.
3. In the **Account** field, enter the account identifier for the account you are adding.
4. In the field to the right of the **Account** field, enter the description of the account for reference.
5. From the **Account Type** drop-down list, select the account type.

   Note: If you select **`Allocation`**, you must also enter an allocation for it on the **Chart of Account Allocations** form.
6. In the **Effective Date** field, select the date you want the account to become active.

7 If you no longer want to use the account after a particular date, select that date in the **Obsolete Date** field. Otherwise, leave this field blank.

8 In the **Unit Code 1-4** fields, select one of these options:

- **`No Access`**: The reporting unit field will not be accessible for this account. The system also disables the corresponding Unit Code tab on the form.
- **`Accessible`**: The reporting unit field will be accessible for this account.
- **`Required`**: The reporting unit field is required for this account.

9 If the financial entity reports to another financial entity, select either **`Buying`** or **`Selling`** as the **Exchange Rate Type**. Then, select the number of the account to which this account reports in the other financial entity, and the currency translation method.

10 To save the account, select **Actions > Save**.

Setting Up Beginning Account Balances

When applicable, enter the beginning balances for your accounts. To enter beginning balances for accounts:

1 Open the **Journal Entries** form.

2 In the **Journal** field, select **`General`**.

3 Click the filter-in-place button.

4 Select **Actions > New**.

5 Create an entry on page 217 for the first account's beginning balance. In the **Reference** field, enter **`Beginning Balance`**.

6 Repeat steps 4 and 5 for each account for which you need to enter a beginning balance.

Note: You cannot post unless the debit amount equals the credit amount for each period.

General Ledger Steps

Before any General Ledger processing can be performed, you must set up the Chart of Accounts, enter beginning account balances, and define your accounting periods. For more information, see the General Ledger Setup topic.

Closing the Year for General Ledger on page 236

Copying Ledger Balances into Budgets/Plans on page 237

Creating and Maintaining Budgets and Plans on page 16

Setting up Account Allocations on page 275

Creating and Posting Recurring Journal Entries on page 216

Creating a User-Defined Journal on page 215

Creating Auto-Reversing Transactions on page 216

Creating Journal Entries for a User-Defined Journal on page 217

Deleting a User-Defined Journal on page 218

Identifying Missing Information in a Journal on page 221

Monitoring financial data on the **Controller Home** form

Posting a Journal on page 221

Preparing a Bank Reconciliation on page 75

Printing a Financial Statement on page 194

Creating Statistical Accounts on page 17

Note: Before printing a financial statement, you must have already defined its header, columns and lines, as applicable. For more information, see Financial Statement Setup on page 192.

Purging a Journal on page 224

Recalculating Journal Balances on page 225

Using the Journal Builder to Enter Site-Specific Journal Transactions on page 224

Note: If you use a second, separate Analytical Ledger (as is traditional in some European countries), see About Analytical Accounting on page 233 for more information.

About Accounting Periods

While General Ledger does not post summarized information to the financial period buckets, complete detail of the transactions is maintained. Accounting periods are for visually grouping transactions only, and must be set up on the **Accounting Periods** form before transaction posting is processed.

The accounting periods are used to group the following financial data by date:

- Budgets & Plans
- G/L Transactions
- Journal Transactions
- G/L Compression
- G/L Posting
- Financial Statement Reports
- Account Balances

Various General Ledger functions access the accounting period dates. In these functions, either the system prompts for the dates or the system uses current period's dates. You are responsible for maintaining the current period number.

Note: The period record does not need to exist in the subordinate site for updates to take place in a financial entity. This is because both sites and financial entities are allowed to delete periods, and the financial entity may have a period record that one of its subordinate sites does not.

Sites that report to financial entities cannot add or do the Monthly Update or Quarterly Update activities. They can only update the current period, delete the period record, or do the **Current Period Update** activity.

About Analytical Accounting

When you activate Analytical Accounting by selecting the **Use Analytical Ledger** check box on the **General Parameters** form, the system changes its journal posting and reporting mechanisms in important ways to support the second accounting system.

Posting

These read-only journals always post to the General Ledger:

- AP Dist - Accounts Payable Ledger Distribution
- AR Dist - Accounts Receivable Ledger Distribution
- BNK Dist - Banking Distribution
- FA Dist - Fixed Assets Ledger Distribution
- FS Dist - Service Distribution
- PR Dist - Payroll Ledger Distribution

These read-only journals always post to the Analytical Ledger:

- CO Dist - Order Entry Ledger Distribution
- IC Dist - Inventory Control Ledger Distribution
- PC Dist - Project Control Ledger Distribution
- PO Dist - Purchasing Ledger Distribution
- SF Dist - Shop Floor Control Ledger Distribution
- WC Dist - Work Center Ledger Distribution

User-defined journals post to the Analytical Ledger if the **Analytical Ledger** field is selected. If this check box is cleared, they post to the General Ledger.

You can display transactions posted to the Analytical Ledger using the **A/L Posted Transactions** form. You can obtain more detailed information by framing searches using the **A/L Posted Transactions Query** utility.

Caution: The system does not post an analytical account or journal to the General Ledger and does not post a non-analytical account or journal to the Analytical Ledger. It is important that you carefully define all default accounts so that analytical accounts do not post to journals that will later post to the General Ledger, and non-analytical accounts do not post to journals that will later post to the Analytical Ledger. For more information, see Analytical Ledger Setup on page 235.

Reporting

Several General Ledger reports have been modified so that they can track information from the Analytical Ledger when you select the **Analytical Ledger** field. They are:

- Trial Balance
- General Ledger
- General Ledger Check Information Report
- General Ledger Transaction Report

Printing Financial Statements

Use the **Financial Statement Definition** form to print all financial statements. If you want the statement to reflect data in the Analytical Ledger, select the **Analytical** check box.

Multi-Site

You can use a separate Analytical Ledger in a multi-site environment, but the Analytical Ledger itself is not consolidated.

The Chart of Accounts is created at the entity level and is automatically copied to all sites reporting to the entity.

The General Ledger is created at the site level. A map allows the General Ledgers of several sites to be consolidated to create a single financial statement at the entity level.

The Analytical Ledger may be created at either the entity or the site level, but is never consolidated. Some sites may use Analytical Ledgers, while other sites do not. If the Analytical Ledger is created at the entity level, the analytical accounts (Type Y) must be copied only to sites where the **Use Analytical Ledger** check box is selected on the **General Parameters** form.

Budget consolidation transaction takes place at the site level and should not be consolidated for analytical accounts.

Other

The following system functions support the Analytical Ledger:

- Compress General Ledger Transactions Utility
- Chart of Accounts - Budgets and Plan
- Copy Balances to Budgets
- Year-End Procedure Utility
- Rebalance Ledger Period Totals

Analytical Ledger Setup

Some European countries traditionally use two accounting systems, one which posts to the General Ledger and a second which posts to a separate Analytical Ledger. You can set up an analytical accounting system to track expense and revenue accounts.

To set up an Analytical Ledger:

1 Open the **General Parameters** form and:

- Select the **General** tab.
- Select the **Use Analytical Ledger** check box.
- Save the form.

When you select this field, the system creates a separate **Analytical Ledger** and changes its journal posting and reporting mechanisms in important ways to support the second accounting system.

2 Open the **Chart Of Accounts** form.

Select **`Analytical`** in the **Account Type** field for each new account.

3 For each of the following forms and fields, enter an analytical account:

Note: A labeled account field consists of a drop-down list that allows you to select the desired account number. For example, on the **Project Parameters** form, **Default** tab, the first labeled account field is **Material**.

- **Project Parameters** form, **Default** tab, all labeled account fields
- **Purchasing Parameters** form, **Accounts** tab, all labeled account fields
- **Product Codes** form, all tabs except the **General** tab, all labeled account fields
- **Distribution Accounts** form, all tabs, all labeled account fields
- **End User Types** form, **Cost Of Goods Sold** tab, all labeled account fields
- **Employees** form, **General** tab, **Wage Acct** field
- **Departments** form:
  - Direct Labor Applied Acct field
  - Fixed Ovhd Applied Acct field
  - Var Ovhd Applied Acct field
- **Indirect Labor Codes** form, **Wage Acct** field
- **Work Centers** form, **Costing** tab:
  - Fix Mach Ovhd Applied Acct field
  - Var Mach Ovhd Applied Acct field
- **Accounts Payable Parameters** form, **Misc** tab:
  - A/P Suspense field
  - A/P Unmatched field

Closing the Year for General Ledger

Caution: This procedure creates debit and credit entries to close out all revenue and expense accounts for the date range specified. These entries are placed in the General Journal. You must then post the General Journal to the General Ledger.

Note:

- This procedure should be run only after all entries made to the fiscal year are posted.
- To close the journal, it must be a writable journal.

To close the year for the General Ledger:

1. On the **Year End Closing Journal Entries** form, select the general journal to close.
2. In the **Income Summary Account** field, select the "Retained Earnings" account for the year end closing transaction. The account's type must be set up in the Chart of Accounts as Owner's Equity.
3. (Optional) Change the **Fiscal Year Start Date** and **Fiscal Year End Date**.
4. To have the system first delete all journal entries for this journal before generating the year-end transactions, select the **Delete Current Journal Entries** check box.

   This refers to the existing entries in the General Journal only. Do not change any of the references generated by the system on the entries in the General Journal. If this check box is selected, all journal transactions along with any associated text are deleted when the transactions are generated, prior to creating the closing transactions.
5. To have the system clear the unit code balances in the revenue and expense accounts as well, select the **Unit Code Detail** check box.

   Clearing this check box leaves the balances in the unit codes, and carries them forward.
6. Click **Process**.

Note: You can close fiscal years an unlimited number of times. If you have closed the fiscal year and need to enter transactions for that year, you can post the transactions and then run the year-end close again.

Suppose the following entries were the financial activity for a company for the fiscal year of January 1 to December 31 using the following accounts:

Account	Description
10000	Assets
20000	Liabilities
30000	Owner's equity
40000	Revenue
50000	Expense

Example of Ending Balances on December 31:

Account	Balance
10000	100,000.00

Account	Balance
20000	(64,500.00)
30000	(20,000.00)
40000	(23,500.00)
50000	8,000.00

Example of Year End Entries:

Account	Balance
30000	15,500.00
40000	23,500.00
50000	(8,000.00)

Example of Ending Balance on December 31 after Year End Balance:

Account	Balance
10000	100,000.00
20000	(64,500.00)
30000	(35,500.00)
40000	00
50000	00

No entries were generated for Accounts Receivable of Cash, because they are asset accounts. Only revenue and expense accounts are closed out.

Copying Ledger Balances into Budgets/Plans

You can copy ledger balances to account budget or plan amounts of another fiscal year, using the **Copy Balances to Budgets** or **Multi-FSB Copy Balances to Budgets** activity. You can then view the results with the **Chart of Accounts Budget and Plan** or **Multi-FSB Chart of Accounts Budget and Plan** form.

1 Open the **Copy Balances to Budgets** form.

2 In the **Account Types** group box, select the check box of each type of account of the balances you want to copy. Options include:

- Asset
- Liability
- Owner's Equity

- Revenue
- Expense
- Analytical

Note: The **Analytical** check box is available for standard GL ledger balances only if the **Use Analytical Ledger** check box is selected on the **General Parameters** form. It is not available for multi-FSB ledger balances.

3 In the **Fiscal Year From** field, the prior fiscal year displays by default, but you can select a different year from which to copy the budget/plan information.

4 In the **Fiscal Year To** field, the current fiscal year displays by default, but you can select a different year to which to copy the budget/plan information.

5 Select the type of information you want to copy to: **Budget** or **Plan**.

6 In the **Starting and Ending Account** fields, select the range of accounts for the budget/plan information you want to copy, or leave both fields blank to copy the information of all accounts for the selected account types.

7 In the **Starting and Ending Unit 1-4** fields, select the range of reporting units you want to include in the activity.

8 Click **Process**.

Deleting a Ledger Transaction

You cannot delete a ledger transaction directly. To delete a transaction:

1 Enter a journal transaction for the opposite amount and the same date as the transaction to delete.

2 Post that transaction to the ledger to cancel out the previous transaction.

3 Use the **Compress General Ledger Transactions** utility to compress the general ledger.

Note:

If you have deleted material transactions, any Ledger or Journal records that reference them will have their references cleared. If you try to view detail on a ledger or journal and the specific material transaction has been deleted, you will be told the record is not available.

FASB 52 Overview

This topic describes the Financial Accounting Standards Board 52 (FASB 52) standards.

Note: This adjustment is necessary only when all of these conditions are true:

- The ledger is consolidated in a multi-site setup with an entity's domestic currency different from the parent entity's domestic currency.
- Different account types are posted with different translation methods.
- The exchange rates vary.

This process automatically adjusts for the Financial Accounting Standards Board 52 (FASB 52) requirement after the Ledger has been consolidated. Adjustments occur to:

- Asset and Liability accounts that use currency translation method of End.
- Owner's Equity accounts that use currency translation method of Spot.
- Revenue and Expense accounts that use currency translation method of Average.
- An out-of-balance ledger due to different account types having different currency translation methods.

Throughout the year, asset and liability accounts are posted to the ledger based on the End currency translation method, and owner's equity accounts are posted to the ledger based on the Spot currency translation method. As the currency rates fluctuate, the totals for the balance sheet accounts should also fluctuate. The system creates a new ledger entry to the balance sheet accounts to manage these fluctuations. The system also creates a new ledger entry to the CTA account to ensure the ledger balances.

Expense and revenue accounts use the Average currency translation method. Due to this, the same amount in a balanced site journal can be rolled up to two different amounts. So, a new ledger entry is created to balance out the "Corp" entity ledger.

On the **Ledger Consolidation** form, if the **Year End** check box is selected, the system posts expense and revenue accounts to the ledger based on the Average currency translation method at the time of the posting. As the currency rates fluctuate, these accounts' totals should also fluctuate. The system creates new ledger entries to the following accounts:

- Asset and liability accounts, to adjust for the fluctuation.
- The CTA account, to ensure the ledger balances.

Order of Events:

1. Post the journal. See Posting the journal on page 221.
2. Run **Ledger Consolidation**.
3. Run **Year-End Closing Journal Entries**.
4. Post the journal.
5. Run **Ledger Consolidation**.

Posting to General Ledger - Actual Costing

This topic describes in detail the posting of inventory transactions to the General Ledger (GL) module. All transactions processed in the Customer, Material, Vendor, and Production modules that affect the value of inventory are posted to the appropriate inventory distribution journal (CO Dist, IC Dist, PO Dist, and SF Dist, respectively) using account numbers that can be found in the **Product Codes**, **Departments**, **Purchasing Parameters**, and **Distribution Accounts** forms.

See Actual Costing: Transactions Posting to Inventory Distribution Journals on page 242 for a list of the transactions.

Actual Costing - Post to Journals

The system uses the same GL account numbers when posting to the appropriate inventory distribution journal, no matter which of the four actual cost flow methods is in use (Average, LIFO, FIFO, Specific). For this reason, the transactions outlined below are for actual costing in general.

The phrase "issue cost" is used several times in this topic to refer to the cost at which an item is being issued from inventory. The issue cost value varies depending on the cost flow method in use.

General Ledger Account Numbers Used

Before processing any transactions in the manufacturing modules, the GL account numbers which are used for posting to the GL inventory distribution journals must be set up. The key accounts are stored at the Product Code level, so that different account numbers may be assigned to different classifications of items and also allow for the tracking of cost details of a unit cost.

Maintaining individual accounts for the various cost details allows visibility of these costs through work in process, inventory and cost of goods sold and more accurately determines the exposure relating to material, labor, fixed overhead, variable overhead and outside service costs. It is also possible to use one account number for all the cost detail components of an item if this cost detail visibility is not desired.

Example - Maintaining Individual Account Numbers for Each Cost Detail Component

A finished goods inventory account number and a raw materials inventory account number may be used rather than having all items posted to the same inventory account.

Finished Goods Account	Account Number
FG INV Material Cost	1001
FG INV Labor Cost	1002
FG INV Fixed Overhead Cost	1003
FG INV Variable Overhead Cost	1004
FG INV Outside Service Cost	1005

Raw Materials Account	Account Number
RM INV Material Cost	2001
RM INV Labor Cost	2002
RM INV Fixed Overhead Cost	2003
RM INV Variable Overhead Cost	2004
RM INV Outside Service Cost	2005

These accounts may be used rather than having all items posted to the same inventory account.

Example - Maintaining One Account Number for All Cost Detail Components of Finished Goods Inventory and Raw Materials Inventory

Finished Goods Inventory Account	Account Number
FG INV Material Cost	1001
Labor Fixed Overhead Cost	1001
Variable FG INV Outside Service Cost	1001

Raw Materials Inventory Account	Account Number
RM INV Material Cost	2001
Labor Cost	2001
Fixed Overhead Cost	2001
Variable RM INV Outside Service Cost	2001

Accounts List

The following lists identify the accounts found in the **Product Codes**, **Departments**, **Purchasing Parameters**, **Work Centers**, and **Distribution Accounts** forms.

Product Codes:

- Inventory Adjustment
- Material Fixed Overhead Applied
- Material Variable Overhead Applied

Note: The Material Fixed Overhead Applied and the Material Variable Overhead Applied accounts are required only when basing overhead on job material issues.

Purchasing Parameters:

- Vouchers Payable Account
- Department
- Direct Labor Applied Account
- Fixed Overhead Applied Account
- Variable Overhead Applied Account

Although these rates default from this location, they are also maintainable on the **Current Operations**, **Job Operations**, and **Estimate Operations** forms.

Work Center - Costing:

- Fixed Machine Overhead Applied Account
- Variable Machine Overhead Applied Account

Although these rates default from this location, they are also maintainable at the **Current Operations**, **Job Operations**, and **Estimate Operation** forms.

Distribution Accounts - Inventory:

- Inventory Material

- Inventory Labor
- Inventory Fixed Overhead
- Inventory Variable Overhead
- Inventory Outside

Distribution Accounts - Sales/Cost of Goods Sold:

- COGS Material
- COGS Labor
- COGS Fixed Overhead
- COGS Variable Overhead
- COGS Outside

Distribution Accounts - In-Transit:

- In-Transit Material
- In-Transit Labor
- In-Transit Fixed Overhead
- In-Transit Variable Overhead
- In-Transit Outside

Note: You can delete any distribution account record, including the default distribution account, with a blank warehouse and blank product code.

The inventory account numbers used for journal transactions do not come directly from the **Product Codes** form. Rather, the inventory accounts used come from the stock location being accessed when the transaction is performed. (When a stock location is added for an item in the Inventory module, inventory accounts are entered for the location, using the **Item Stockroom Location** form.) The default for this field is the inventory account numbers in the Distribution Account file to which the item belongs.

These steps are taken in the system to locate the inventory account numbers:

- The system searches for an exact match for both the warehouse and the product code.
- If that fails, the system searches for a match for the product code and a blank warehouse.
- If that fails, the system searches for a match for the warehouse and a blank product code.

If any of the account numbers the system is attempting to use have not been set up, the system does not post to the GL inventory distribution journals.

Actual Costing: Transactions Posting to Inventory Distribution Journals

The following subsections outline every transaction that is posted to the inventory distribution journals when some method of actual costing is being used.

Because the costs and account numbers used for the journal posting are quite different if using standard costing or one of the four actual cost flow methods, the transactions generated are explained for both standard and actual. If the system should not automatically generate these transactions, clear the **General Parameters** form's **Post to Journal** check box.

See Posting to General Ledger - Actual Costing on page 239 for more information.

Purchasing Transactions

The following transactions are posted to the inventory distribution journal named PO Dist.

- Purchase Order Receipt:

Transaction	Debit	Credit
Inventory Material	xxxx	
Vouchers Payable		xxxx

Because this item is purchased, only one posting (Inventory Material Cost) is applicable. All accounts for each cost details component would have the same account number, therefore only one posting entry is made.

The cost used is the quantity received multiplied by the purchase order line item unit cost. (This is the default cost. At the time of receipt, it is possible for you to update the receipt cost to anything.)

CU = (RQ * POUC)

where:

- CU = Cost Used
- RQ = Receipt Quantity
- POUC = PO Unit Cost

- Purchase Order Return:

Transaction	Debit	Credit
Vouchers Payable		xxxx
Inventory		xxxx
Inventory Adjustment	xxxx or	xxxx

The cost used is the quantity returned multiplied by the item's issue cost:

CU = (QR * IIC)

where:

- CU = Cost Used
- QR = Quantity Returned
- IIC = Item's Issue Cost

- Voucher Generation:

Transaction

a. If vouchered cost > receipt cost:

Vouchers Payable

Accounts Payable

b. If vouchered cost < receipt cost:

Vouchers Payable

Inventory Adjustment

Accounts Payable

The previous transaction is created only if any line items were vouchered at a different cost than the cost at which they were received into inventory. (The cost at which the items were received into inventory is the line item unit cost field at the time of the receipt.)

xxxx = (quantity received * (vouchered cost - receipt cost))

xxxx = (cost of receipt - cost of voucher) - adjustment

POVC = QR * (VC - RC)

where:

- POVC = Purchase Order Variance Cost
- QR = Quantity Received
- VC = Voucher Cost
- RC = Receipt Cost

Production Transactions

The following transactions are posted to the inventory distribution journal named SF Dist.

- Job Material Issue:

Transaction	Debit	Credit
WIP Material Costs	xxxx	
WIP Labor Costs	xxxx	
WIP Fixed Overhead Costs	xxxx	
WIP Variable Overhead Costs	xxxx	
WIP Outside Costs	xxxx	
Inventory Material		xxxx
Inventory Labor		xxxx
Inventory Fixed Overhead		xxxx
Inventory Variable Overhead		xxxx
Inventory Outside		xxxx
Fixed Material Overhead Applied		xxxx
Variable Material Overhead Applied		xxxx

The inventory accounts used are those of the item being issued to the job, not the item being manufactured. The inventory credit amount is the quantity issued from inventory multiplied by the issue cost of the item.

ICA = QIFI * IC

where:'

- ICA = Inventory Credit Amount
- QIFI = Quantity Issued from Inventory

- IC = Issue Cost

The credits to the overhead accounts are calculated by multiplying the actual material cost by the fixed and variable overhead rates in the **Product Codes** form.

COA = MC * (FO + VOR)

where:

- COA = Credits to the Overhead Account
- MC = Material Cost
- FO = Fixed Overhead
- VOR = Variable Overhead Rate

The debit to WIP is the sum of the direct material, fixed overhead, and variable overhead amounts.

DTWIP = DM + FO + VOA

where:

- DTWIP = Debit to WIP
- DM = Direct Material
- FO = Fixed Overhead
- VOA = Variable Overhead Amounts

- Job Material Withdrawal:

Transaction	Debit	Credit
Inventory Material	xxxx	
Inventory Labor	xxxx	
Inventory Fixed Overhead	xxxx	
Inventory Variable Overhead	xxxx	
Inventory Outside	xxxx	
WIP Material Costs		xxxx
WIP Labor Costs		xxxx
WIP Fixed Overhead Costs		xxxx
WIP Variable Overhead Costs		xxxx
WIP Outside Costs		xxxx
Fixed Material Overhead Applied	xxxx	
Variable Material Overhead Applied	xxxx	

The debit to inventory is the quantity of the item withdrawn from the job multiplied by a unit cost figure which varies depending on the costing method in use.

DTI = QIWJ * VUCF

where:

- DTI = Debit to Inventory
- QIWJ = Quantity of the Item Withdrawn from the Job
- UCF = Unit Cost Figure

The debits to the overhead accounts are calculated by multiplying the average cost of all items issued. The job material total actual cost/job material quantity issued.

DOA = MT / JI

where:

- DOA = Debits to the Overhead Account
- MT = Job Material Total actual cost
- JI = Job material quantity issued

The credit to WIP is the sum of direct material, fixed overhead, and variable overhead amounts.

CTWIP = DM + FO + VOA

where:

- CTWIP = Credit to WIP
- DM = Direct Material
- FO = Fixed Overhead
- VOA = Variable Overhead Amounts
- Post Job Transaction Labor:

Transaction	Debit	Credit
WIP Labor Costs	xxxx	
WIP Fixed Overhead Costs	xxxx	
WIP Variable Overhead Costs	xxxx	
Direct Labor Applied		xxxx
Fixed Labor Overhead Applied		xxxx
Variable Labor Overhead Applied		xxxx

The credit to labor is the actual hours in the transaction multiplied by the specified manufacturing rate of the employee who reported the transaction.

CTL = AH * SMR

where:

- CTL = Credit To Labor
- AH = Actual Hours
- SMR = Specified Manufacturing Rate

The credits to the overhead accounts are calculated by multiplying the actual labor hours by the fixed and variable overhead rates in the **Departments** form.

COA = LH * (FO + VOR)

where:

- COA = Credits to the Overhead Account
- LH = Labor Hours
- FO = Fixed Overhead
- VOR = Variable Overhead Rate

The debit amount to WIP is the sum of direct labor, fixed overhead, and variable overhead amounts.

- WIP Amount = (actual hours * employee manufacturing rate) + (actual hours * department fixed overhead rate) + (actual hours * department variable overhead rate)
- Direct Labor =(actual hours * employee manufacturing rate)
- Fixed Labor Overhead = (actual hours * department fixed overhead rate)
- Variable Labor Overhead = (actual hours * department variable overhead rate)
- Post Job Transactions: Machine transactions

Machine costs apply machine overhead charges to a job operation for the hours a machine was run, along with the quantity of goods completed, scrapped, and moved to the next operation. If the work center for the operation is machine scheduled, the remaining scheduling time for the operation will be reduced by the total hours posted.

The additional posting described below for the "Move" transaction is also performed for all "Run" transactions.

- Job Finish (Put to Stock):

Transaction	Debit	Credit
Inventory Material	xxxx	
Inventory Labor	xxxx	
Inventory Fixed Overhead	xxxx	
Inventory Variable Overhead	xxxx	
Inventory Outside	xxxx	
WIP Material Costs		xxxx
WIP Labor Costs		xxxx
WIP Fixed Overhead Costs		xxxx
WIP Variable Overhead Costs		xxxx
WIP Outside Costs		xxxx

When inventory is received from a job, the receipt cost used is determined by:

- The **Shop Floor Control Parameters** form's **Costs Based on Complete** field.
- The status of the job.
- The **Complete** flag on the job's operations.

If the receipt is being performed using a labor transaction on the last operation, you have the option of closing the job order. If the job is closed when the transaction is entered, the receipt cost used is always the actual unit cost of the job. If the job is not closed and the **Costs Based on Complete** parameter is set to Jobs, the receipt cost used is the planned unit cost of the job.

The planned unit cost is based on the setup, run-times, run rates, and labor overhead rates in the **Job Operations** form as well as the unit costs and the material overhead rates in the **Job Materials** form.

If the job is not closed and the **Costs Based on Complete** parameter is set to Operations, the receipt cost used is determined by the **Complete** flag of the job's operations. Actual costs from complete operations are accumulated while planned costs from incomplete operations are accumulated to determine the final receipt cost.

- Job Closed Manually:

Transaction	Debit	Credit
a. If actual cost > planned cost:		
Inventory Adjustment	xxxx	
WIP Material Costs		xxxx
WIP Labor Costs		xxxx
WIP Fixed Overhead Costs		xxxx
WIP Variable Overhead Costs		xxxx
WIP Outside Costs		xxxx
b. If actual cost < planned cost:		
WIP Material Costs	xxxx	
WIP Labor Costs	xxxx	
WIP Fixed Overhead Costs	xxxx	
WIP Variable Overhead Costs	xxxx	
WIP Outside Costs	xxxx	
Inventory Adjustment		xxxx

If the job is being closed manually by changing the status from Released to Complete an adjustment needs to be made since the job's planned cost would have been used for the transaction that put the item to stock.

The amount used is the difference between the total planned and actual cost of the job:

AU = TPC - AC

where:

- AU = Amount Used
- TPC = Total Planned Cost
- AC = Actual Cost

Customer Order Transactions

The following transactions are posted to the inventory distribution journal named CO Dist.

- Customer Order Shipment:

Transaction	Debit	Credit
COGS Material	xxxx	
COGS Labor	xxxx	
COGS Fixed Overhead	xxxx	
COGS Variable Overhead	xxxx	

Transaction	Debit	Credit
COGS Outside	xxxx	
Inventory Material		xxxx
Inventory Labor		xxxx
Inventory Fixed Overhead		xxxx
Inventory Variable Overhead		xxxx
Inventory Outside		xxxx

The amount used is the quantity shipped multiplied by the issue cost of the item.

AU = QS * ICI

where:

- AU = Amount Used
- QS = Quantity Shipped
- ICI = Issue Cost of the Item

- Customer Order Return:

Transaction	Debit	Credit
Inventory Material	xxxx	
Inventory Labor	xxxx	
Inventory Fixed Overhead	xxxx	
Inventory Variable Overhead	xxxx	
Inventory Outside	xxxx	
COGS Material		xxxx
COGS Labor		xxxx
COGS Fixed Overhead		xxxx
COGS Variable Overhead		xxxx
COGS Outside		xxxx

The amount used is the average value of all shipments.

AU = CST / IQS

where:

AU = Amount Used

CST = Item's Cost of Goods Sold Total

IQS = Item's Quantity Shipped

Inventory Control Transactions

The following transactions (unless otherwise specified) are posted to the inventory distribution journal named IC Dist.

- Inventory Adjustment:

Transaction	Debit	Credit
a. Increase quantity:		
Inventory Material	xxxx	
Inventory Labor	xxxx	
Inventory Fixed Overhead	xxxx	
Inventory Variable Overhead	xxxx	
Inventory Outside	xxxx	
Inventory Adjustment		xxxx
b. Decrease quantity:		
Inventory Adjustment	xxxx	
Inventory Material		xxxx
Inventory Labor		xxxx
Inventory Fixed Overhead		xxxx
Inventory Variable Overhead		xxxx
Inventory Outside		xxxx

The amount used for an inventory adjustment transaction varies depending on the cost flow method in use. If you are using:

- Average costing, the system uses the Items form's unit cost.
- Specific, the system uses the cost tied to the location that is being adjusted.
- LIFO or FIFO and increasing the quantity, the cost used is the cost tied to the last item LIFO record on file for the item.
- LIFO or FIFO and decreasing the quantity, the system consumes records from the item LIFO stack until the adjustment quantity is satisfied.

Cycle counting and physical inventory posting create transactions like the ones described above. Either transaction a or b is created, depending on whether the count quantity is greater than or less than the original quantity.

- Inventory Move:

Transaction	Debit	Credit
Inventory Material	xxxx	
Inventory Labor	xxxx	
Inventory Fixed Overhead	xxxx	

Transaction	Debit	Credit
Inventory Variable Overhead	xxxx	
Inventory Outside	xxxx	
Inventory Material		xxxx
Inventory Labor		xxxx
Inventory Fixed Overhead		xxxx
Inventory Variable Overhead		xxxx
Inventory Outside		xxxx
Inventory Adjustment		

This transaction is posted only if the From and To locations have different inventory accounts tied to them or if specific costing is being used and the From and To locations have different unit costs tied to them.

The inventory account debited is the account tied to the To location. The credited inventory account is the account tied to the From location. The inventory adjustment account is used only for specific costing when the From and To accounts have different costs assigned to them.

- Location Update:

  A transaction is created if you change the inventory account tied to the location:

Transaction	Debit	Credit
Inventory (New Accounts):		
Inventory Material Cost	xxxx	
Inventory Labor Cost	xxxx	
Inventory Fixed Overhead Cost	xxxx	
Inventory Variable Overhead Cost	xxxx	
Inventory Outside Cost	xxxx	
Inventory (Old Accounts):		
Inventory Material Cost		xxxx
Inventory Labor Cost		xxxx
Inventory Fixed Overhead Cost		xxxx
Inventory Variable Overhead Cost		xxxx
Inventory Outside Cost		xxxx

A transaction is also created if specific costing is in use and you change the unit cost tied to the location.

(This example assumes that all cost detail values are changed.)

Transaction	Debit	Credit
a. Increase cost:		
Inventory Material	xxxx	
Inventory Labor	xxxx	
Inventory Fixed Overhead	xxxx	
Inventory Variable Overhead	xxxx	
Inventory Outside	xxxx	
Inventory Adjustment		xxxx
b. Decrease cost:		
Inventory Adjustment	xxxx	
Inventory Material		xxxx
Inventory Labor		xxxx
Inventory Fixed Overhead		xxxx
Inventory Variable Overhead		xxxx
Inventory Outside		xxxx

- Location Insertion:

Transaction	Debit	Credit
Inventory Material	xxxx	
Inventory Labor	xxxx	
Inventory Fixed Overhead	xxxx	
Inventory Variable Overhead	xxxx	
Inventory Outside	xxxx	
Inventory Adjustment		xxxx

This transaction is only posted if a quantity is entered for the location at the same time it is added.

- Miscellaneous Receipt:

Transaction	Debit	Credit
Inventory Material	xxxx	
Inventory Labor	xxxx	
Inventory Fixed Overhead	xxxx	
Inventory Variable Overhead	xxxx	
Inventory Outside	xxxx	

Transaction	Debit	Credit
Inventory Adjustment		xxxx

The debit amount used is the quantity received extended by the unit cost you entered.

DAU = QR * UCEBU

where:

- DAU = Debit Amount Used
- QR = Quantity Received
- UCEBU = Unit Cost Entered by you

The unit cost defaults to the value in the **Items** form's **Unit Cost** field at the time the transaction is entered.

The credit account is the GL account number you entered. The account defaults to the item's Inventory Adjustment account.

- Miscellaneous Issue:

Transaction	Debit	Credit
Account Entered	xxxx	
Inventory Material		xxxx
Inventory Labor		xxxx
Inventory Fixed Overhead		xxxx
Inventory Variable Overhead		xxxx
Inventory Outside		xxxx

The debit account is the GL account number you entered. The account defaults to the item's Inventory Adjustment account.

The credit amount used is the quantity issued multiplied by the issue cost of the item:

CA = QI * IC

where:

- CA = Credit Amount
- QI = Quantity Issued
- IC = Issue Cost

- Job Material Issue:

The following transactions are posted to the inventory distribution journal named SF Dist.

Transaction	Debit	Credit
WIP Material Costs	xxxx	
WIP Labor Costs	xxxx	
WIP Fixed Overhead Costs	xxxx	
WIP Variable Overhead Costs	xxxx	

Transaction	Debit	Credit
WIP Outside Costs	xxxx	
Inventory Material		xxxx
Inventory Labor		xxxx
Inventory Fixed Overhead		xxxx
Inventory Variable Overhead		xxxx
Inventory Outside		xxxx
Fixed Material Overhead Applied		xxxx
Variable Material Overhead Applied		xxxx

- Job Receipt:
  The following transaction(s) are posted to the inventory distribution journal named SF Dist.

Transaction	Debit	Credit
Inventory Material	xxxx	
Inventory Labor	xxxx	
Inventory Fixed Overhead	xxxx	
Inventory Variable Overhead	xxxx	
Inventory Outside	xxxx	
Fixed Material Overhead Applied	xxxx	
Variable Material Overhead Applied	xxxx	
WIP Material Costs		xxxx
WIP Labor Costs		xxxx
WIP Fixed Overhead Costs		xxxx
WIP Variable Overhead Costs		xxxx
WIP Outside Costs		xxxx

Posting to General Ledger - Standard Costing

The standard costing system posts all transactions that affect the value of inventory to the GL inventory distribution journals. All transactions are processed using standard costs that have been established with variances being posted to a series of variance account numbers.

See Standard Costing: Transactions Posting to the Inventory Distribution Journals on page 257.

General Ledger Account Numbers Used

Before processing any transactions in the manufacturing modules you must set up the GL account numbers to use for posting to the inventory distribution journals. These account numbers can be found in the **Product Codes**, **Departments**, **Purchasing Parameters**, and **Distribution Accounts** forms.

The following list details the accounts you need to set up.

Product Codes - WIP:

- WIP Material
- WIP Labor
- WIP Fixed Overhead
- WIP Variable Overhead
- WIP Outside

Product Codes - Miscellaneous:

Inventory Adjustment

Product Codes - Applied Overhead:

- Material Fixed Overhead Applied
- Material Variable Overhead Applied

Note: The Material Fixed Overhead Applied and the Material Variable Overhead Applied accounts are required only when basing overhead on job material issues.

Product Codes - Variance:

- Purchase Cost
- Material Usage
- Routing

Product Codes - Labor Variance:

- Labor Rate
- Labor Usage

Product Codes - Overhead Variance:

- Labor Fixed Overhead Usage
- Labor Variable Overhead Usage
- Material Fixed Overhead Usage
- Material Variable Overhead Usage
- Machine Fixed Overhead Usage
- Machine Variable Overhead Usage

Note: The Material Fixed Overhead Usage and the Material Variable Overhead Usage accounts are required only when basing overhead on job material issues.

- Purchasing Parameters
- Vouchers Payable

Departments:

- Direct Labor Applied Account
- Fixed Overhead Applied Account

- Variable Overhead Applied Account

Note: The Fixed Overhead Applied and the Variable Overhead Applied accounts are required only when basing overhead on job labor.

Although these rates default from this location, they are also maintainable at the **Current Operations**, **Job Operations**, and **Estimate Operations** forms.

Work Centers - Costing:

- Fixed Machine Overhead Applied Account
- Variable Machine Overhead Applied Account

Although these rates default from this location, they are also maintainable at the **Current Operations**, **Job Operations**, and **Estimate Operations**forms.

Distribution Accounts - Inventory:

- Inventory
- Inventory Labor
- Inventory Fixed Overhead
- Inventory Variable Overhead
- Inventory Outside

Distribution Accounts - Sales/Cost of Goods Sold:

- COGS Material
- COGS Fixed Overhead
- COGS Variable Overhead
- COGS Outside

Distribution Accounts - In-Transit:

- In-Transit Material
- In-Transit Labor
- In-Transit Fixed Overhead
- In-Transit Variable Overhead
- In-Transit Outside

Note: You are allowed to delete any distribution account record, including the default distribution account with a blank warehouse and blank product code.

The inventory account number used for journal transactions does not come directly from the **Distribution Accounts** form. Rather, the inventory accounts used comes from the stock location being accessed when the transaction is performed.

When a stock location is added for an item in the Inventory module, an inventory account is entered for the location, and an account number for each cost detail component is added.

The default for these fields are the inventory account numbers in the Distribution Accounts file to which the item belongs.

To locate the inventory account numbers, the system searches, in the following order, for:

- An exact match for both the warehouse and the product code.
- A match for the product code and a blank warehouse.

- A match for the warehouse and a blank product code.

The system does not post to the G/L inventory distribution journals if any of the account numbers it is attempting to use are not set up.

Standard Costing: Transactions Posting to the Inventory Distribution Journals

Outlined below is every transaction that is posted to the inventory distribution journals when standard costing is being used.

See Posting to General Ledger - Standard Costing on page 254.

Purchasing Transactions

The following transactions are posted to the inventory distribution journal named PO Dist.

- Purchase Order Receipt:

	Debit	Credit
Inventory	xxxx	
Vouchers Payable		xxxx
Purchase Variance	xxxx or	xxxx

Note: Since this transaction is for a purchased item, only inventory material cost details component is posted.

- Inventory = (quantity received * standard unit cost from the **Items** form)
- Vouchers Payable = (quantity received * po unit cost)
- Purchase Variance = (qty received *(std unit cost - po unit cost))

The amount that inventory is debited is the quantity received multiplied by the item's standard unit cost:

AID = QR * ISUC

where:

- AID = Amount that Inventory is Debited
- QR = Quantity Received
- ISUC = Item's Standard Unit Cost

Vouchers Payable is credited with quantity received multiplied by the purchase order line item unit cost. If there is a difference between the item's standard unit cost and the purchase order unit cost, the purchase cost variance account is either debited or credited with the difference, which balances the transaction.

If (ISUC - POUC) >> 0, then PCVA = DD or CD

where:

- ISUC = Item's Standard Unit Cost

- POUC = Purchase Order Line Item Unit Cost
- PCVA = Purchase Cost Variance Amount
- DD = Debited with the Difference
- CD = Credited with the Difference

- Purchase Order Return:

	Debit	Credit
Vouchers Payable	xxxx	
Inventory		xxxx
Purchase Variance	xxxx or	xxxx

Note: Since this transaction is for a purchased item, only inventory material cost details component is posted.

- Vouchers Payable = (quantity returned * po unit cost)
- Inventory = (quantity returned * Items standard unit cost)
- Purchase Variance = (qty returned *(std unit cost - po unit cost))

The amount that vouchers payable is debited is the quantity returned multiplied by the purchase order unit cost. Inventory is credited with quantity returned multiplied by the item's standard unit cost. If there is a difference between the item's standard unit cost and the purchase order unit cost the purchase cost variance account is either debited or credited with the difference, which balances the transaction.

- Voucher Generation:

	Debit	Credit
a. If vouchered cost is greater than receipt cost:		
Vouchers Payable	xxxx	
Purchase Variance	xxxx	
Accounts Payable		xxxx
b. If vouchered cost is less than receipt cost:		
Vouchers Payable	xxxx	
Purchase Variance		xxxx
Accounts Payable		xxxx

The previous transaction is created only if any line items were vouchered at a different cost than the cost at which they were received into inventory. (The cost at which the items were received into inventory is the line item unit cost field at the time of the receipt.)

Variance = (VP - AP)

where:

- VP = (qty vouchered * received cost)
- AP = (qty vouchered * vouchered cost)

Production Transactions

The following transactions are posted to the inventory distribution journal named SF Dist.

- Job Material Issue:

	Debit	Credit
WIP Material	xxxx	
WIP Labor	xxxx	
WIP Fixed Overhead	xxxx	
WIP Variable Overhead	xxxx	
WIP Outside	xxxx	
Inventory Material		xxxx
Inventory Labor		xxxx
Inventory Fixed Overhead		xxxx
Inventory Variable Overhead		xxxx
Inventory Outside		xxxx
Fixed Material Overhead Applied		xxxx
Variable Material Overhead Applied		xxxx

At the time of issue, the work in process account is debited with the total standard cost of the material being issued plus the fixed and variable material overhead amounts:

WIPA = MC + (FMO * MC) + (VMO * MC)

where:

- WIPA = WIP Amount
- MC = Material Cost
- FMO = Fix Material Overhead
- VMO = Variable Material Overhead

MC = SUC * QI

where:

- MC = Material Cost
- SUC = Standard Unit Cost of Material
- QI = Quantity Issued

Inventory is credited with the material cost shown above. The Overhead accounts are credited with the material cost multiplied by the material overhead rates.

- Job Material Withdrawal:

	Debit	Credit
Inventory Material	xxxx	
Inventory Labor	xxxx	

	Debit	Credit
Inventory Fixed Overhead	xxxx	
Inventory Variable Overhead	xxxx	
Inventory Outside	xxxx	
WIP Material		xxxx
WIP Labor		xxxx
WIP Fixed Overhead		xxxx
WIP Variable Overhead		xxxx
WIP Outside		xxxx

The amount used is the quantity withdrawn multiplied by the item's standard unit cost.

- Post Job Transaction:

	Debit	Credit
WIP Material	xxxx	
WIP Labor	xxxx	
WIP Fixed Overhead	xxxx	
WIP Variable Overhead	xxxx	
WIP Outside	xxxx	
Direct Labor Applied		xxxx
Fixed Overhead Applied		xxxx
Variable Overhead Applied		xxxx
Labor Rate Variance	xxxx or	xxxx
Labor Usage Variance	xxxx or	xxxx
Fixed Overhead Usage Variance	xxxx or	xxxx
Variable Overhead Usage Variance	xxxx or	xxxx

Work in process (WIP) is debited (increased) by what the labor and overhead should be for the transaction entered based on the standard run and setup times in the Job Operations record and the standard setup and run rates in the **Work Centers** form. The calculation varies depending on the type of job transaction being processed.

WIP amount for (S)etup transaction =

[(SSH * WCSSR) * EFFICIENCY FACTOR]+

[(SSH * DFOR) * EFFICIENCY FACTOR] +

[(SSH * DVOR) * EFFICIENCY FACTOR]

where:

- SSH = Standard Setup Hours
- WCSSR = Work Center Standard Setup Rate
- DFOR = Department Fixed Overhead Rate
- DVOR = Department Variable Overhead Rate

WIP amount for (R)un Transaction =

[(AP * SRHU * WCSRR) * EFFICIENCY FACTOR] +

[(AP * SRHU * DFOR) * EFFICIENCY FACTOR] +

[(AP * SRHU * DVOR) * EFFICIENCY FACTOR]

where:

- AP = Actual Pieces
- SRHU = Standard Run Hours (Labor) per Unit
- WCSRR = Work Center Standard Run Rate
- DFOR = Department Fixed Overhead Rate
- DVOR = Department Variable Overhead Rate

Direct labor applied, fixed overhead applied, and variable overhead applied amounts are based on the actual hours reported for the transaction:

WIP Amount for (C) Machine Transaction =

[(AP * SRHMU * WCFOR) * Efficiency Factor] +

[(AP * SRHMU * WCVOR) * Efficiency Factor]

where:

- AP = Actual Pieces
- SRHMU = Standard Run Hours (Machine) per Unit
- WCFOR = Work Center Fixed Overhead Rate (Machine)
- WCVOR = Work Center Variable Overhead Rate (Machine)

FO = (AH * DFOR) or (M * MFOR)

where:

- FO = Fixed Overhead
- AH = Actual Hours (Labor)
- DFOR = Department Fixed Overhead Rate
- M = Material
- MFOR = Material Fixed Overhead Rate

VO = (AH * DVOR) or (Material * MFOR)

where:

- VO = Variable Overhead
- AH = Actual Hours (Labor)
- DVOR = Department Variable Overhead Rate
- M = Material
- MFOR = Material Fixed Overhead Rate

An entry is made for labor rate variance if there is any difference between the actual employee manufacturing rate and the work center standard pay rate:

LRV = (MR - SR) * AH

where:

- LRV = Labor Rate Variance
- SR = Standard Rate
- MR = Manufacturing Rate
- AH = Actual Hours (Labor)

A labor usage variance, fixed overhead variance, and variable overhead variance are posted if the actual hours are less than (<) or greater than (>) the time it should have taken to complete the pieces that were reported:

LUV = ((((SRHU / EF) * PC) - AH) * SPR)

where:

- LUV = Labor Usage Variance
- SRHU = Standard Run Hours per Unit
- PC = Pieces Complete
- AH = Actual Hours (Labor)
- SPR = Standard Pay Rate
- EF = Efficiency Factor (100/ER)
- ER = Efficiency Rate
- WCSSR = Work Center Standard Setup Rate

SET-UP: LUV = ((SSHU - AH) * WCSSR) / ER

FOUV = (((SRHU / EF) * PC) - AH) * DFOR)

where:

- FOUV = Fixed Overhead Usage Variance
- SRHU = Standard Run Hours per Unit
- PC = Pieces Complete
- AH = Actual Hours (Labor)
- DFOR = Department Fixed Overhead Rate
- SSHU = Standard Setup Hours per unit
- EF = Efficiency Factor (100/ER)
- ER = Efficiency Rate

SET-UP: FOUV= ((SSHU - AH) * DFOR) / ER

VOUV = (((SRHU / ER)* PC) - AH) * DVOHR)

where:

- VOUV = Variable Overhead Usage Variance
- SRHU = Standard Run Hours per Unit
- PC = Pieces Complete
- AH = Actual Hours (Labor)
- DVOHR = Department Variable Overhead Rate
- SSHU = Standard Setup Hours per Unit
- ER = Efficiency Rate

SET-UP: ((SSHU) - AH) * DVOHR) / ER

FMOUV = (((SRHU / ER) * PC) - AH)) * WCFOR

where:

- FMOUV = Fixed Machine Overhead Usage Variance

- SRHU = Standard Run Hours (Machine) Per Unit
- PC = Pieces Complete
- AH = Actual Hours (Machine)
- WCFOR = Work Center Fixed Overhead Rate (Machine)
- ER = Efficiency Rate

VMOUV = (((SRHU / ER) * PC)- AH)) * WCVOR

where:

- VMOUV = Variable Machine Overhead Usage Variance
- WCVOR = Work Center Variable Overhead Rate (Machine)
- ER = Efficiency Rate

- Job Finish (Put to Stock):

	Debit	Credit
Inventory Material	xxxx	
Inventory Labor	xxxx	
Inventory Fixed Overhead	xxxx	
Inventory Variable Overhead	xxxx	
Inventory Outside	xxxx	
WIP Material		xxxx
WIP Labor		xxxx
WIP Fixed Overhead		xxxx
WIP Variable Overhead		xxxx
WIP Outside		xxxx

Both inventory and WIP are posted with the quantity being put to stock multiplied by the Items form's standard unit cost of the item being moved to inventory.

xxxx = (quantity completed * Items standard unit cost)

- Job Close:

If the quantity of any material issued is more or less than the standard quantity required, the following accounts are adjusted:

- Material Usage Variance
- Fixed Material Overhead Usage Variance
- Variable Material Overhead Usage Variance
- WIP Material
- WIP Labor
- WIP Fixed Overhead
- WIP Variable Overhead
- WIP Outside

The material usage variance amount is the difference between the standard quantity required and the actual quantity issued, extended by the standard cost of the material.

The overhead variance amounts are material usage variance extended by the fixed and variable material overhead rates.

If subsequent to this transaction there is any remaining WIP amount (+ or -), the following adjustment is made.

	Debit	Credit
a. If remaining WIP amount is greater than (>) 0 then:		
Routing Variance	xxxx	
WIP Material		xxxx
WIP Labor		xxxx
WIP Fixed Overhead		xxxx
WIP Variable Overhead		xxxx
WIP Outside		xxxx
b. If remaining WIP amount is less than (<) 0 then:		
WIP Material		xxxx
WIP Labor	xxxx	
WIP Fixed Overhead	xxxx	
WIP Variable Overhead	xxxx	
WIP Outside	xxxx	
Routing Variance		xxxx

This transaction may be necessary since the WIP account is increased with amounts that are based on the standard times and rates that are established for the job. The decrease of the WIP in the job finish transaction is based on the standard cost of the item being manufactured. If the total standards for the job do not match the standard unit cost of the item, this adjustment to WIP needs to be made.

If the job is not closed at the time the job transaction is posted, the above transaction is posted at the time the status of the job is manually changed from (R)eleased to (C)omplete.

Customer Order Transactions

The following transactions are posted to the inventory distribution journal named CO Dist.

- Customer Order Shipment:

	Debit	Credit
COGS Material	xxxx	
COGS Labor	xxxx	

	Debit	Credit
COGS Fixed Overhead	xxxx	
COGS Variable Overhead	xxxx	
COGS Outside	xxxx	
Inventory Material		xxxx
Inventory Labor		xxxx
Inventory Fixed Overhead		xxxx
Inventory Variable Overhead		xxxx
Inventory Outside	xxxx	

This transaction is processed using the quantity shipped and the item's standard unit cost:

xxxx = (quantity shipped * Items form's standard unit cost)

- Customer Order Return:

	Debit	Credit
Inventory Material	xxxx	
Inventory Labor	xxxx	
Inventory Fixed Overhead	xxxx	
Inventory Variable Overhead	xxxx	
Inventory Outside	xxxx	
COGS Material		xxxx
COGS Labor		xxxx
COGS Fixed Overhead		xxxx
COGS Variable Overhead		xxxx
COGS Outside		xxxx

This transaction is processed using the quantity returned and the item's standard unit cost:

xxxx = (quantity returned * Items form's standard unit cost)

Inventory Control Transactions

The following transactions (unless otherwise specified) are posted to the inventory distribution journal named IC Dist.

- Inventory Adjustment Transaction:

	Debit	Credit
a. Increase quantity:		

	Debit	Credit
Inventory Material	xxxx	
Inventory Labor	xxxx	
Inventory Fixed Overhead	xxxx	
Inventory Variable Overhead	xxxx	
Inventory Outside	xxxx	
Inventory Adjustment		xxxx
b. Decrease quantity:		
Inventory Adjustment	xxxx	
Inventory Material		xxxx
Inventory Labor		xxxx
Inventory Fixed Overhead		xxxx
Inventory Variable Overhead		xxxx
Inventory Outside		xxxx

The amount used for an inventory adjustment transaction is the adjustment quantity multiplied by the standard unit cost of the item.

Cycle counting and physical inventory posting create transactions like the transactions depicted previously. Either transaction a or b is created, depending on whether the count quantity is greater than (>) or less than (<) the original quantity.

- Inventory Move:

	Debit	Credit
Inventory Material	xxxx	
Inventory Labor	xxxx	
Inventory Fixed Overhead	xxxx	
Inventory Variable Overhead	xxxx	
Inventory Outside	xxxx	
Inventory Material		xxxx
Inventory Labor		xxxx
Inventory Fixed Overhead		xxxx
Inventory Variable Overhead		xxxx
Inventory Outside		xxxx

This transaction is only posted if the From and To locations specified on the form have different inventory accounts tied to them. The amount used is the move quantity times the standard unit cost.

- Location Update:

  A transaction is created if you change the inventory account tied to the location. (The example assumes that all cost details accounts are changed.)

	Debit	Credit
Inventory (New accounts)		
Inventory Material Cost 1101	xxxx	
Inventory Labor Cost 1102	xxxx	
Inventory Fixed Overhead Cost 1103	xxxx	
Inventory Variable Overhead Cost 1104	xxxx	
Inventory Outside Cost 1105	xxxx	
Inventory (Old accounts)		
Inventory Material Cost 1001		xxxx
Inventory Labor Cost 1002		xxxx
Inventory Fixed Overhead Cost 1003		xxxx
Inventory Variable Overhead Cost 1004		xxxx
Inventory Outside Cost 1005		xxxx

The amount used is the quantity at the location multiplied by the standard unit cost of the item.

- Location Insertion:

	Debit	Credit
Inventory Material	xxxx	
Inventory Labor	xxxx	
Inventory Fixed Overhead	xxxx	
Inventory Variable Overhead	xxxx	
Inventory Outside	xxxx	
Inventory Adjustment		xxxx

This transaction is only posted if a quantity is entered for the location at the same time it is added. The amount is the quantity entered multiplied by the item's standard unit cost.

- Roll Current Cost to Std Cost utility:

	Debit	Credit
a. If the new standard is greater than (>) old standard:		

	Debit	Credit
Inventory Material	xxxx	
Inventory Labor	xxxx	
Inventory Fixed Overhead	xxxx	
Inventory Variable Overhead	xxxx	
Inventory Outside	xxxx	
Inventory Adjustment		xxxx
b. If the new standard is less than (<) old standard:		
Inventory Adjustment	xxxx	
Inventory Material		xxxx
Inventory Labor		xxxx
Inventory Fixed Overhead		xxxx
Inventory Variable Overhead		xxxx
Inventory Outside		xxxx

- Miscellaneous Receipt:

	Debit	Credit
Inventory Material	xxxx	
Inventory Labor	xxxx	
Inventory Fixed Overhead	xxxx	
Inventory Variable Overhead	xxxx	
Inventory Outside	xxxx	
Account Entered		xxxx
Purchase Cost	xxxx	xxxx

The amount used is the quantity entered multiplied by the item's standard unit cost.

The credit account is the GL account number entered by you. The account defaults to the item's Inventory Adjustment account.

All variances are posted to the account found in the **Purchase Cost** field on the item's **Product Codes** form.

- Miscellaneous Issue:

	Debit	Credit
Account Entered	xxxx	
Inventory Material		xxxx

	Debit	Credit
Inventory Labor		xxxx
Inventory Fixed Overhead		xxxx
Inventory Variable Overhead		xxxx
Inventory Outside		xxxx

The amount used is the quantity entered multiplied by the item's standard unit cost.

The debit account is the GL account number you entered. The account defaults to the item's Inventory Adjustment account.

- Job Issue:

  The following transactions are posted to the inventory distribution journal named SF Dist.

	Debit	Credit
WIP Material	xxxx	
WIP Labor	xxxx	
WIP Fixed Overhead	xxxx	
WIP Variable Overhead	xxxx	
WIP Outside	xxxx	
Inventory Material		xxxx
Inventory Labor		xxxx
Inventory Fixed Overhead		xxxx
Inventory Variable Overhead		xxxx
Inventory Outside		xxxx
Fixed Material Overhead Applied		xxxx
Variable Material Overhead Applied		xxxx

At the time of issue, the work in process account is debited and the inventory account is credited with the standard unit cost of the item issued multiplied by the quantity issued plus overhead. At the time of job close, the material quantity variance is calculated, the work in process account debited, and the material usage variance account credited.

	Debit	Credit
Material Usage Variance		xxxx
WIP Material	xxxx	
WIP Labor	xxxx	
WIP Fixed Overhead	xxxx	
WIP Variable Overhead	xxxx	

	Debit	Credit
WIP Outside	xxxx	

- Job Receipt:

  The following transactions are posted to the inventory distribution journal named SF Dist.

	Debit	Credit
Inventory Material	xxxx	
Inventory Labor	xxxx	
Inventory Fixed Overhead	xxxx	
Inventory Variable Overhead	xxxx	
Inventory Outside	xxxx	
WIP Material		xxxx
WIP Labor		xxxx
WIP Fixed Overhead		xxxx
WIP Variable Overhead		xxxx
WIP Outside		xxxx

Both inventory and WIP are posted with the quantity being put to stock multiplied by the Item Maintenance standard unit cost of the item being moved to inventory.

xxx = (quantity completed * item standard unit cost)

If, subsequent to this transaction, there is any remaining WIP amount (+ or -) the following adjustment is made.

	Debit	Credit
a. If remaining WIP amount is greater than (>) 0:		
Other WIP Variance (Routing Variance)	xxxx	
WIP Material		xxxx
WIP Labor		xxxx
WIP Fixed Overhead		xxxx
WIP Variable Overhead		xxxx
WIP Outside		xxxx
b. If remaining WIP amount is less than (<) 0:		
WIP Material	xxxx	
WIP Labor	xxxx	
WIP Fixed Overhead	xxxx	

	Debit	Credit
WIP Variable Overhead	xxxx	
WIP Outside	xxxx	
Other WIP Variance (Routing Variance)		xxxx

Reversing a Set of Related Journal or Ledger Entries

To reverse a set of related journal or ledger entries all at one time, use the **Reverse Transaction** form. You can reverse entries from the General Journal or a user-defined journal, and the entries must have a shared control number. They must all be part of the same business transaction.

1. Open the appropriate form and search for the entries to reverse. You can use the **Journal Entries**, **G/L Posted Transactions**, or **A/L Posted Transactions** forms.
2. Select an entry from the business transaction and then click **Reverse Transaction**. The **Reverse Transaction** form is displayed.
3. Click **Process**. A set of reversing entries is automatically created in the originating journal, but the entries are not posted.
4. Post the reversing entries. If necessary, you must also create and post corrected entries to replace the reversed entries.

Creating and Rebalancing Ledger Period Totals

Use the **Rebalance Ledger Period Totals** utility to create period total records that contain the sum of the transactions for a particular period.

Creating period totals improves the speed with which reports can run, because the system calculates account balances at the time the report is printed. It does not store totals. To get a total, it must sum up ledger transactions for an account up through the required date.

When calculating a balance, the system first sums up the period total records that apply, and then adds in the ledger transactions that close the gap between the end of an accounting period and the requested date.

For example, you may request an account balance on 4/15, but the accounting periods end on 3/31 and 4/30. The system sums up period total records through 3/31 and ledger transactions from 4/1 through 4/15 to arrive at the total.

This utility processes all ledger transactions and creates balance totals per period, for each account. This information is then used for General Ledger reporting.

Run this utility if you suspect that the period totals are not correct, because it takes some time if there are a lot of ledger transactions.

You may also want to run this utility when you have sort methods that need to be maintained only for a short period of time.

For example, suppose you have defined a sort method for a financial report that is needed for year end closing. Maintaining this report throughout the year would be an unwanted performance hit for eleven months. You would leave the index inactive for eleven months and when the time came to run your report, you would run this utility for this one sort method and select the **Active Only** check box. Once you are done with your year end reporting, you would go to the **Period Sorting Methods** form and deactivate the sort method until next year.

When you run this utility, the **Index Active** check box for each sort method in the specified range is not selected, preventing other programs that are run by other users from looking at these period total records and retrieving a potentially incorrect or partial amount. When the utility completes successfully, the **Index Active** check box is then selected.

Note: If the utility does not run to completion (because, for example, of a power outage or system failure), the**Index Active** check box will not be selected, and the account balance calculation will be slow because the system cannot reliably look at period totals. Re-run this utility, and do not select the **Active Only** check box.

Separate Debit and Credit Totals

If you have selected **Separate Debit and Credit Totals** on applicable activities and reports, the**Rebalance Ledger Period Totals** utility manages the calculation of these totals. If cancellation posting is also enabled, this utility includes negative-signed debits and credits in its calculations. When cancellation posting is not enabled, separate debit and credit totals are determined using only the positive or negative state of the original transactions. For more information, see About Cancellation Posting for Single-Entry Accounting on page 13.

Note: Transaction compression, such as the**Mass Journal Posting** activity or the **Compress General Ledger Transactions** utility, eliminates the detail necessary for tracking separate debit and credit amounts and for providing the treatment for cancellation notation. The **Rebalance Ledger Period Totals** utility records only a single debit amount or credit amount when the ledger uses transaction compression.

Setting Up a Consolidation Reporting Structure

The system allows you to set up or modify the hierarchical structure of your entities and sites. We recommend that you carefully plan the relationship between entities and sites before using the system. We suggest that you contact our Consulting Services group to help with your implementation.

If you modify an existing consolidation reporting structure, historic data will not change.

For additional information, see the Consolidation Overview on page 18.

Prerequisites:

- Appropriate replication rules must be set up between the sites and entities.

- Sites must have the same base (domestic) currency as the entity they will report to. If a chart of accounts or accounting periods have been set up at the site, they must match those established for the entity.

Following is the typical process:

1. Log in to each site whose Reports To entity will be set or changed.
2. If general ledger activity has been performed at the site, do the following. (If this is a new site with no activity, skip to the next step.)
   - Post all journals and consolidate the ledger for transactions in the current site. Run the **Ledger Consolidation** activity at each site to calculate the ending balances for every account number at the site and consolidate them up through the old entity hierarchy.
   - Since the full account balances will be closed out and moved, any balances that are to remain in the old structure must be manually transferred to other sites by journal entries in both sites. Those journal entries must be posted and consolidated.
3. Run the **Change Reports To Entity** utility at each site that you are changing to report to a new entity.
   - If this utility is run at a site, you can only change **Reports To Entity** to a financial entity that has the same base (domestic) currency, chart of accounts and accounting periods. Also, the system verifies that all accounts defined at the site already exist at the financial entity. If this validation fails, the change is not allowed and a report is created detailing the failures.
   - If chart records exist at the site that do not exist at the entity, you can use the **Multi-Site Chart Copy Utility** to copy the site's Chart of Accounts to the financial entity.

   If no chart of accounts or accounting periods have been set up yet at the site, this **Change Reports To Entity** utility will copy them from the entity to the site.
4. If this utility is being run at a financial entity at any level, the closing balances for each account at every site beneath the financial entity are calculated and consolidated all the way up the hierarchy. Then the Reports-To value is changed. All the Reports To account mappings for the entity's Chart of Accounts must be corrected to map to the chart of accounts of the new Reports-To financial entity.
5. Run **Ledger Consolidation** (again) at each site/entity in the new structure. This consolidates the beginning balances for each account up through the new financial entity hierarchy.
6. The G/L Ledger references created when the process is complete are:
   - SITE MOVE AWAY, which holds the closing balance.
   - SITE MOVE TO, which is the beginning balance for the new Reports-To entity.

   Note: No financial reporting should be run between steps 3 and 4, because the books will be temporarily out of balance.

Notes about Consolidation:

- If the **Change Reports To Entity** utility is performed at a site (not an entity), and that site includes a replication rule for shared currency to and from the entity that it was previously reporting to, that replication rule should be deleted. Then a new replication rule for shared currency should be set up between that site and the new entity. Regenerate replication triggers and run the **Manual Replication Utility** for the Shared Currency category.

  This ensures that users at the site will be viewing the currency records of their new financial entity instead of their old one.

- The **Change Reports To Entity** utility can also be run if a site is sold and needs to be removed from the financial consolidation structure. In this case you would run the utility with the Reports To field blank.
- The **Set Ledger Consolidated Flag** utility rebuilds an entity. Use it to reconsolidate entities whose data was lost, corrupted or discarded due to a complete change in corporate structure.

  After running this utility, you should then run the **Change Reports To Entity** utility to correct the current site structure, using the option to not post the closing balances. You can then run the **Ledger Consolidation** activity to consolidate into the new structure. In this case, it is assumed that the entities into which you are consolidating are new and thus empty of ledger records.

Using the Cash Impact Report

This report shows your expected cash flow over a specified period of time for a selected range of currencies in summary or detail format. The information is organized in six user-defined pay range periods (or buckets).

You can include this information on the report:

- A/R transactions, A/P transactions, and early payment discounts
- Transactions for customers and vendors that are on hold
- Customer orders and vendor purchase orders. For customer orders, you can elect to include blanket releases and progressive billings. For vendor orders, you can elect to include blanket releases and PO requisitions.
- Estimated. If you include estimates, you can select the types to include (Working, Quoted, Planned), and specify the estimate order offset days.

Note: If you are using advanced terms, the European algorithm is used to calculate the due date buckets for purchase orders and customer orders.

Landed Costs

Landed cost records are accessed to determine the outstanding, unvouchered, landed cost amounts. The landed costs are not quantity-based; therefore, it is not possible to simply multiply the costs by the difference between the quantities ordered and vouchered.

The report finds all landed cost PO receipt records for the PO line record, and subtracts the vouchered amount from the total estimated cost for the landed cost on the PO line.

When no landed cost PO receipts exist for a PO line (because, for example, no receipts have been posted against the line), the full estimated cost is still payable.

Also, landed cost PO receipt records with a vouchered amount of zero may exist (that is, the line was received but not vouchered). In such cases, the full estimated cost is also still payable.

The calculation for the material portion uses the PO line material cost, multiplying it by the difference of the quantity ordered minus the quantity vouchered.

At the point of vouchering, the landed cost estimate amount will reduce the cash outflow commitment from the PO, and show separately as an A/P transaction under the voucher number that's created.

Allocating and Distributing Expenses

Setting up Account Allocations

You can routinely distribute an expense among more than one account, according to rules that you define. First, you set up an Allocation Account. Any charges you enter to that account trickle down to the other accounts that you specify on the **Chart of Account Allocations** form. Each of these other accounts is charged with an amount or percentage of the total. This process occurs during posting to the General Ledger.

1 In the **Chart of Accounts** form, set up an account with a description that explains how the allocation account is used, for example, **`Supplies Expense Distribution`**. Specify this information:

Account Type
Specify **`Allocation`**.

Unit Code 1-4
Set the appropriate unit code fields to **`Accessible`**.

2 In the **Chart of Account Allocations** form, only accounts of type **`Allocation`** are displayed. Select the allocation account and specify this information:

Sequence
This field determines the order in which the allocation is made. For example, you might have 4 allocation sequences in a rule, and the first sequence allocates a fixed amount of $75 to a distribution account. If the current expense is $75 or less, the other allocation sequences are ignored.

Allocation Basis Type
Specify the basis used to create the distribution journal entries for this sequence. Different sequence numbers in the same allocation rule can use different basis types.

- If the sequence distributes a percentage of the total amount, specify **`Percentage`**.
- If the sequence distributes an exact amount to this account, specify **`Amount`**.
- If the sequence distributes whatever is remaining after the other sequences are completed, specify **`Remainder`**. This option can only be used for the last sequence number in the rule.

Note: If you add at least one sequence with an **Allocation Basis Type** of **`Percentage`**, the last sequence must have an **Allocation Basis Type** of **`Remainder`**, to avoid rounding errors.

Allocation Basis Rate

Specify the decimal percentage or the amount used to create the distribution journal entries for this sequence For example, specify **`25.000`** for 25%. If **Allocation Basis Type** is **`Remainder`**, this value is zero and the field is disabled.

Distribution Account, Description and Account Type
Select the account to which you want to distribute the expense. The account description and type are displayed..

Unit Codes
The unit code fields are enabled for any accessible unit codes. Select the appropriate codes. For example, if Unit Code 1 is accessible, select a department to which the expense will be allocated.

Allocate by Statistical Account
If this sequence allocates expenses using variable percentages that are based on the information in a statistical account, select this field.

For more information, see Example: Allocating Expenses with Variable Percentages based on YTD Amounts from Statistical Accounts on page 280.

Statistical Account

If you selected **Allocate by Statistical Account**, specify the statistical account number.

3 Repeat step 2 to add sequences until the rule is complete and the expense amount is completely allocated.

Example: Allocating Expenses with Percentages

This example shows how percentages can be used to distribute an expense to different accounts.

Chart of Accounts

You could set up an allocation account 99870 where unit code 1 is accessible and holds the department numbers for your company.

Chart of Account Allocations

You can then use the **Chart of Account Allocations** form to allocate the expense to different departments, based on percentages that you define. You would set up the **Chart of Account Allocations** form to contain these sequences and values for account 99870, unit code 1:

Allocation Account 99870

Sequence	Basis Type	Basis Rate	Distribution Account	Unit Code 1
1	Percentage	25.000	51551	100
2	Percentage	50.000	51551	300
3	Remainder	0	51551	500

In this rule, sequence 1 distributes 25% of the expense to department 100, using the distribution account 51551. Sequence 2 distributes 50% to department 300, and sequence 3 distributes the remainder (25%, but because you specified Remainder, it also includes any amount incurred from rounding) to department 500.

Journal Entries

This is the original journal entry for the expense:

Account	Debit	Credit	Comment
99870	10,000.00		Initial entry to allocation account
2000		10,000.00	

This is the allocation entry that is generated during ledger posting:

Account	Unit Code 1	Debit	Credit	Comment
99870			10,000	Offset to initial entry
51551	100	2,500.00		
51551	300	5,000.00		
51551	500	2,500.00		

Example: Multi-level Allocations

On the **Chart of Account Allocations** form, you set up a multi-level allocation when you specify an account number with an `Allocation` account type in the **Distribution Account** field.
Note: Do not structure an allocation to itself, that is, specify the same allocation account in the header and in the **Distribution Account** field. An allocation cannot be infinitely recursive. If you try to allocate a portion of an account to itself, an error message is displayed when you post the journals.

First Level

For example, your company divides rent between manufacturing and operations. You can set up a rent allocation account 99000 to distribute the expense.

In the **Chart of Accounts** form, set account 99000 as an allocation account.

On the **Chart of Account Allocations** form, divide rent between operations and manufacturing as shown in this table:

Allocation Account 99000:

Allocation Basis Type	Allocation Basis Amount	Account	Description	Account Type
Percent	60	60000	Rent - Operations	Regular
Percent	40	98000	Rent - Manufacturing	Allocation

Second Level

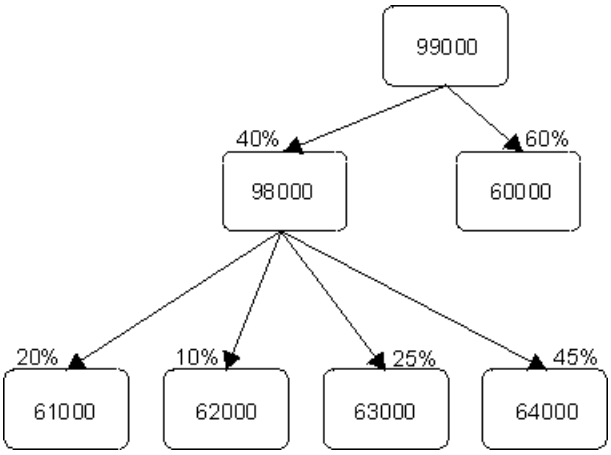
However, the manufacturing area also wants to divide the rent charged to account 98000 among its four departments, based on the percentage of floor space each uses in the manufacturing area.

To allow for this, in the **Chart of Accounts** form, set up account 98000 as an allocation account type. Then on the **Chart of Account Allocations** form, you can divide rent among the manufacturing departments as follows:

Allocation Account 98000:

Allocation Basis Type	Allocation Basis Amount	Account	Description	Account Type
Percent	20	61000	Rent - Grinding	Regular
Percent	10	62000	Rent - Manufactur-ing	Regular
Percent	25	63000	Rent - Painting	Regular
Percent	45	64000	Rent - Assembly	Regular

The rent initially charged to account 99000 then trickles down as shown in this diagram:



Journal Entries

If rent is $10,000.00, then these amounts would be posted for the rent expense:

- 60% Operations $6000.00
- 40% Manufacturing $4000.00
- 20% Grinding $800.00
- 10% Plating $400.00
- 25% Painting $1000.00
- 45% Assembly $1800.00

Example: Allocating Expenses Using Fixed Amounts and Remainders

This example shows how fixed amounts and remainders can be used to distribute an expense to different accounts.

Chart of Accounts

You could set up an allocation account 99870 where unit code 1 is accessible and holds the department numbers for your company.

Chart of Account Allocations

You can then use the **Chart of Account Allocations** form to allocate the expense of the electric bill by department, based on amounts that you define. You would set up the **Chart of Account Allocation**s form to contain these sequences and values for account 99870, unit code 1:

Allocation Account 99870

Sequence	Basis Type	Basis Rate	Distribution Account	Unit Code 1
1	Amount	100.00	51551	100
2	Amount	200.00	51551	300
3	Remainder	0	51551	500

In this rule, sequence 1 distributes the first $100 of the expense to department 100, using the distribution account 51551. Sequence 2 distributes the next $200 to department 300, and sequence 3 distributes whatever remains of the expense to department 500. I

Journal Entries

This is the original journal entry for the expense:

Account	Debit	Credit	Comment
99870	600.00		Initial entry to allocation account
2000		600.00	

This is the allocation entry that is generated during ledger posting:

Account	Unit Code 1	Debit	Credit	Comment
99870			600.00	Offset to initial entry
51551	100	100.00		

Account	Unit Code 1	Debit	Credit	Comment
51551	300	200.00		
51551	500	300.00		

If the original journal entry was for $500, the first two distributions would be the same, but Department 500 would be allocated the remainder of $200.

If the original journal entry was for $50, Department 100 would be allocated all of the $50 expense.

Example: Allocating Expenses with Variable Percentages based on YTD Amounts from Statistical Accounts

This topic includes an example for allocating expenses with variable percentages based on year-to-date amounts from statistical accounts.

Prerequisites

- The appropriate allocation and statistical accounts must exist in the Chart of Accounts form.
- Unit code combinations that are assigned to a statistical account must also be assigned to any distribution accounts that are associated with the statistical account through a Chart of Accounts Allocation sequence.

Chart of Accounts

You could set up a statistical account 7777777 in the Chart of Accounts form, where unit code 1 holds the department numbers for your company.

You could also set up an allocation account 99870 that has the unit codes assigned the same way they are assigned in account 7777777.

Chart of Accounts Budget and Plan

In the **Chart of Accounts Budget and Plan** form, for account 777777, specify a department number in the **Unit Code 1** field, and then specify a starting number of employees for that department in the **Actual Change** field. Add the same information for the rest of your departments.

Then use the **Actual Change** field to keep track of the growth or reduction of people in each department from month to month. As the department YTD personnel change each month, the department's percentage of the whole company's YTD personnel also varies, as shown in this chart:

Statistical Account 777777

Unit code (department)	Period	Actual change	YTD total	Percentage of all depts
100	1	50	50	50/100=50%

Unit code (department)	Period	Actual change	YTD total	Percentage of all depts
100	2	4	54	54/124 = 44%
100	3	0	54	54/129 = 42%
100	4	-2	52	52/149 = 35%
100	5	0	52	52/149 = 35%
100	6	-10	42	42/159 = 26%

Unit code (department)	Period	Actual change	YTD total	Percentage of all depts
200	1	30	30	30/100 = 30%
200	2	20	50	50/124 = 40%
200	3	0	50	50/129 = 39%
200	4	22	72	72/149 = 48%
200	5	0	72	72/149 = 48%
200	6	-20	52	52/159 = 33%

Unit code (department)	Period	Actual change	YTD total	Percentage of all depts
300	1	20	20	20/100 = 20%
300	2	0	20	20/124 = 16%
300	3	5	25	25/129 = 19%
300	4	0	25	25/149 = 17%
300	5	0	25	25/149 = 17%
300	6	40	65	65/159 = 41%

Chart of Account Allocations

You can then, for example, use the **Chart of Account Allocations** form to allocate the monthly cost of protective clothing, based on the variable percentage of people in each department every month. You would set up the **Chart of Account Allocations** form using values like these:

Allocation Account 99870

- ecneuq	Basis Type	Basis Rate	Unit 1	Allocate by Statistical Account	Statistical Account
Per1	Percentage	100		Yes	7777777

In this case, the allocation account would use the current YTD percentages from the statistical account to distribute the expense across the departments. In Period 2, the allocation would be like this:

- Dept 100 44%
- Dept 200 40%
- Dept 300 16%

But with some movement of personnel every month, the allocations are automatically changed without you having to create new rules. By Period 6, the allocations have changed quite a bit:

- Dept 100 26%
- Dept 200 33%
- Dept 300 41%

You could use the statistical account values as only part of the allocation rule. For example, you might want to allocate the first $75 of each month's bill to department 400, but divide the rest among the other departments. In that case, your Chart of Account Allocations rule would look like this:

Basis Type	Basis Rate	Unit 1	Allocate by Statistical Account	Statistical Account
Amount	$75	400	No	
Percentage	100		Yes	7777777

Extended Analysis with Dimensions and Attributes

Chart of Accounts Object

Specifying Dimensions and Attributes for G/L Accounts

If you assign dimensions to accounts, your G/L data becomes multi-dimensional. For example, not only can you drill down to detail about an account, but you can also drill across to details about the customer or the item involved in a particular A/R transaction posted to that account.

To support this functionality, predefined dimensions related to Customer, Item and Vendor information are included in the SyteLine initialized data and can be attached to an account. Each dimension has a predefined set of attributes. Your system administrator can modify or add dimensions and attributes, and set up additional joins between database tables, to meet your company's needs.

Typically, the process includes these steps:

1. You tell the system administrator how you want to analyze the Chart of Accounts and posted ledger transactions. Be specific about the information you need to see, including any functions or calculations.

   For example, for an account related to employees, you might want to see employee-specific information. The system administrator can join the employee database table in the dimension, so that employee-related fields are made available for your reports. You do not need to see all of the fields in the employee table, so unwanted fields can be hidden. You might also want to see some fields from other tables. The number of possible joins and dimensions that are applicable to an account is unlimited; the predefined data only includes a small sample.

2. The system administrator finds the appropriate information in the database and builds any additional calculations based on that data, creating dimension attributes.

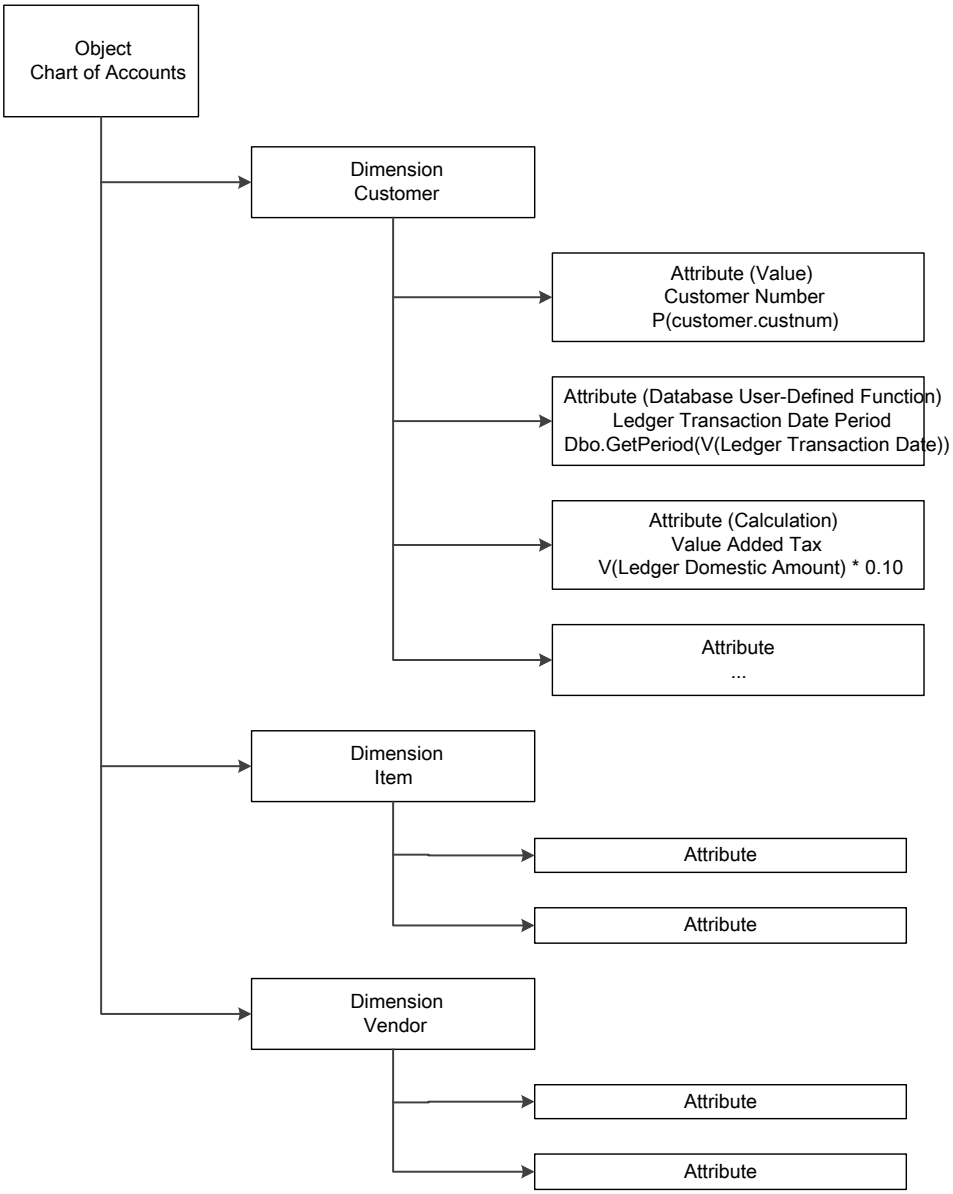
   The system administrator then makes the attributes available to you through the **Chart of Accounts Dimensions** and **Ledger Dimensions** forms.

3. Use the **Dimensions** tab on the **Chart of Accounts** form to assign one or more dimensions to an account. The same dimension can be added to any or all G/L Accounts. Do one of the following:
   - For Ledger object analysis, select a dimension in the **Ledger Dimension** drop-down list to assign it to the account.
   - For Chart of Accounts object analysis, select one or more dimensions in the grid to assign them to the account. You can then click the **Dimensions** button to open the **Chart of Accounts Dimensions** form, where you can perform these actions on the listed dimension attributes:
     - View the name and description of the attribute.
     - View the underlying database schema and/or calculation used to produce the output data.
     - See if the attribute is hidden in the output and if a mask is used to display the data (for example, display a date as *MM/DD/YY* or *DD/MM/YYYY*). If you have the appropriate permissions, you can modify these options for an attribute.
     - Re-sequence the attribute display order. To do this, change the numbers in the Sequence column and click **Resequence**.

You can then click the **Details** button to open the **Chart of Accounts Dimension Details** form, where you can view the actual output data for the dimension and export the grid to Excel for further analysis and reporting.

Example: Dimensions and Attributes

This diagram shows an example of how the Chart of Accounts object can have multiple dimensions and attributes.



In the diagram, the example shows the predefined object Chart, which is used for Chart of Accounts analysis. The Chart object has three predefined dimensions. Each of the dimensions have predefined attributes that can include fields (properties), or calculated values. For more information about how to use dimensions and attributes with the Chart of Accounts, see Specifying Dimensions and Attributes for G/L Accounts on page 282.

The system administrator can create additional dimensions. The number of dimensions for an object is unlimited. The administrator also can create additional attributes. .

Note: A maximum of 100 attributes of any data type per dimension can be displayed on certain forms.

Ledger Object

About Dimension Analysis Attributes

Dimension analysis attributes for the Ledger dimension object are 15 pre-defined attributes that administrators can configure for use on the **Journal Entries**,**Import Journal Entries**, and **G/L Posted Transactions** forms. SyteLine users can then specify values in these analysis attributes fields as they enter transactions. The fields may or may not be required, depending on how the administrator sets them up. The attributes store values for a specific journal transaction based on the transaction account. The values are then transferred to the posted ledger transaction and stored in association with the ledger transaction similar to the way documents or notes are stored.

Setup

There are two methods for configuring the analysis attributes: quick setup using the **Ledger Dimension Analysis Attributes** form and regular setup using the **Dimension Attributes** and **Ledger Dimensions** forms. Quick setup is best when you do not need to build new tables, create table joins, or assign IDO information for the analysis attributes. Regular setup allows for the more complex configurations.

These are the general steps for quick setup:

- Administrators gather analysis requirements from the finance department.
- Based on requirements, administrators use the **Ledger Dimension Analysis Attributes** form to configure one or more of the 15 available analysis attributes. For each analysis attribute, administrators can set properties, specify the attribute value, create a hard-coded values list, and assign the attribute to selected Ledger dimensions.

  See Quick Configuration - Dimension Analysis Attributes on page 289.
- Administrators use the **Chart of Accounts** form to assign a Ledger dimension to specific accounts. The assigned dimension determines which analysis attributes are displayed for use on the**Journal Entries**, **Import Journal Entries**, and **G/L Posted Transactions** forms, for related journal/ledger transactions. It also determines what dimension attributes are associated with ledger transactions. (Both dimension attributes and dimension analysis attributes can be assigned to a Ledger dimension.)

  See Specifying Dimensions and Attributes for G/L Accounts on page 282.

These are the general steps for regular setup:

- Administrators gather analysis requirements from the finance department.
- If new tables are needed to meet requirements, administrators use the **Dimension Table Joins** form to define the base table for the Ledger object and to link the appropriate primary and secondary tables to the base table.
- Administrators use the **Dimension Attributes** form to configure one or more of the 15 analysis attributes. For each analysis attribute, administrators can set properties, specify the attribute value or build a value expression, and add domain IDO information or create a hard-coded values list.

  See Regular Configuration - Dimension Analysis Attributes on page 290 for more information.
- If new Ledger dimensions are needed before assigning the analysis attributes, administrators can use the **Ledger Dimensions** form to create them.

- Administrators use the **Ledger Dimensions** form to assign attributes, including analysis attributes, to selected dimensions.
- Administrators use the **Chart of Accounts** form to assign a Ledger dimension to specific accounts.

Maintenance

To use and maintain the dimension analysis attributes, these are the general steps:

- With analysis attributes already configured, users can enter values for analysis on journal transactions:
  - If transactions are to be imported, users must prepare the XML or CSV file and then use the**Import Journal Entries** form. On this form, users can import or copy and paste values for the 15 dimension analysis attributes, as defined by the Ledger dimension specified for each account. If corrections are needed after values are loaded, users can also modify values on this form.

    For requirements, see Importing Journal Entries from External Sources on page 219.
  - On the **Journal Entries** form, users can specify values for one or more of the analysis attributes for journal transactions within system journals, the General journal, and user-defined journals. Some analysis attributes may be required for the General journal and user-defined journals before a transaction can be saved, depending on how the administrator has configured them.

  Note: Dimension analysis attributes are not populated when system journal rows are generated, because the system journal rows are generated by SyteLine core functions. Analysis attributes cannot be populated at that time.
- Users post journal transactions to the ledger. When a journal is posted to the ledger, all analysis attribute values are carried forward, unless the user selects **Compress Journal Before Post** on the**Ledger Posting for Journal** form. In that case, related dimension analysis attribute values are lost.
- Users update ledger attribute values using the**General Ledger Attributes Update** utility. If journals are compressed before posting, attributes of related ledger transactions cannot be populated by running this utility.

  See Updating Ledger Dimension Attribute Values on page 292.
- On the **G/L Posted Transactions** form, users can view and modify one or more of the analysis attribute values in the ledger transactions.

Analysis

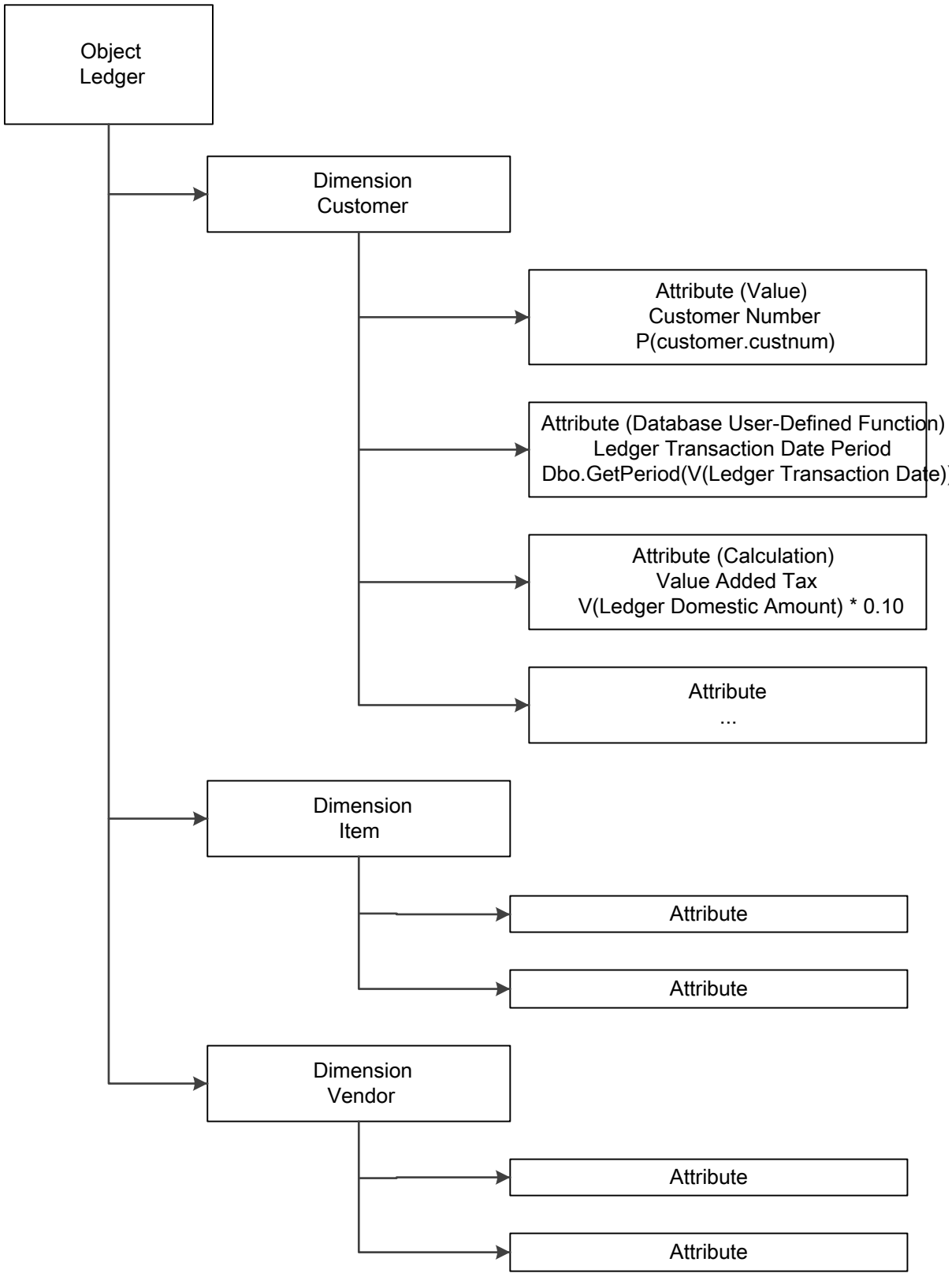
The **Ledger Dimension Details** form is used to view and export the dimension attribute values of ledger rows for a specified Ledger dimension. Users can filter ledger rows by transaction date and account. Also, users can display the details of a ledger row in addition to just the ledger dimension attributes/analysis attributes.

For more powerful data analysis, you have these options:

- If Infor BI is installed, you can export ledger transactions to BI, along with all dimension analysis attributes. BI users can use cubes to perform their own analysis of this data.
- If Infor Query & Analysis is installed, you can extract ledger transactions, along with all dimension analysis attributes. Data analysis can then be done with Infor Q & A or Microsoft Excel.

Example: Ledger Dimensions and Attributes

This diagram shows an example of how the Ledger object can have multiple dimensions and attributes.


Object
Ledger
Dimension
Customer
Attribute (Value)
Customer Number
P(customer.custnum)
Attribute (Database User-Defined Function)
Ledger Transaction Date Period
Dbo.GetPeriod(V(Ledger Transaction Date)
Attribute (Calculation)
Value Added Tax
V(Ledger Domestic Amount) * 0.10
Attribute
...
Dimension
Item
Attribute
Attribute
Dimension
Vendor
Attribute
Attribute

In the diagram, the example shows the predefined object Ledger, which is used for Ledger transaction analysis. The Ledger object has three predefined dimensions. Each of the dimensions have predefined attributes that can include fields (properties) or calculated values, and predefined analysis attributes that can be configured for use on journal transaction forms.

For more information, see About Dimension Analysis Attributes on page 285.

The system administrator can create additional dimensions. The number of dimensions for an object is unlimited. The administrator also can create additional attributes (but not analysis attributes).

Note: A maximum of 100 attributes of any data type per dimension can be displayed on certain forms.

Quick Configuration - Dimension Analysis Attributes

Quick configuration can be used to set up a simple Ledger dimension analysis attribute -which does not need table joins, domain IDOs, or a complex value expression- and assign it to a new or an existing Ledger dimension.

1. Gather analysis requirements from the finance department.
2. Based on the requirements, use the **Ledger Dimension Analysis Attributes** form to configure one or more of the pre-defined analysis attributes. Click Filter-In-Place and select a pre-defined analysis attribute to configure.
3. Specify this information:

   Value
   Specify the attribute value.

   Description
   Specify a description for the attribute. This description is displayed as the field label on the **Journal Entries**, **Import Journal Entries**, and **G/L Posted Transactions** forms. If no description is specified here, then the attribute name (AnalysisAttribute01) is displayed on the forms.

   Required
   Indicate whether the attribute is required when transactions for the associated account are entered. If it is required, then users cannot save a transaction until a value is entered. This setting is applicable for entries in the General or user-defined journals.

   Inline List
   To provide a drop-down list of hard-coded values from which the user can select a value, click **Add Row** and then enter the first value in the list. Repeat for all values to include in the list.

   Apply to Dimensions
   Specify the dimension(s) to which to apply this analysis attribute. Dimensions created on the**Ledger Dimensions** form are listed.

4. Save the record.
5. On the **Chart of Accounts** form, select an account and then on the Dimensions tab, select a Ledger dimension with the configured analysis attribute. This assigns the dimension to the account. When transactions are entered for this account, the analysis attributes will be included for data

entry on the journal transaction forms. You can add one Ledger dimension for an account. You can also add multiple Chart of Account dimensions for the account if needed.

Regular Configuration - Dimension Analysis Attributes

Regular configuration must be used to set up a Ledger dimension analysis attribute that needs table joins or domain IDOs or for which you must build a value expression.

1. Optionally, use the Dimension Table Joins form to prepare tables for the Ledger object.
2. On the Dimension Attributes form, specify Ledger in the Object Name field and then click Filter-In-Place. Select a pre-defined analysis attribute to configure.
3. Specify this information:

Description
Next to the attribute name, specify a description for the attribute. This description is displayed as the field label on the Journal Entries, Import Journal Entries, and G/L Posted Transactions forms. If no description is specified here, the attribute name (AnalysisAttribute01) is displayed on the forms.

Value
Specify the attribute value. You can type directly in the Value text box or use the right pane to build the value expression.

Masking
For numeric or date fields, you can specify an appropriate mask here. For example, a date field might be masked as ##/##/##.

Hidden
Optionally, to hide the selected attribute in the analysis results, select this option.

Required
Indicate whether the attribute is required when transactions for the associated account are entered. If it is required, then users cannot save a transaction until a value is entered. This setting is applicable for entries in the General or user-defined journals.

Domain IDO
If the property to be used for the attribute is a foreign key, you can specify the domain IDO of the property; that is, the other IDO where the property is defined.

Domain Property
Specify the domain IDO property to be used for the attribute.

Domain List Property

Specify the property that will contain a value to display along with the Domain Property value. For example, Description with Item.

Inline List
To provide a drop-down list of hard-coded values from which the user can select a value, click**Add Row** and then enter the first value in the list. Repeat for all values to include in the list. See Example:

Configuring and Applying an Analysis Attribute on page 291. This option can be used only if you do not specify domain IDO information.

4 Save the record.

5 On the **Ledger Dimensions** form, create a new dimension or select an existing dimension and then in the grid, add the configured analysis attribute. You can modify **Masking**, **Hidden**, and **Required** settings for the attribute if necessary. You can add up to 15 analysis attributes for the dimension. You can also add other Ledger attributes if needed. If you add more than one attribute, you can update the sequence. Change the sequence numbers and then click **Resequence**.

6 On the**Chart of Accounts** form, select an account and then on the Dimensions tab, select a Ledger dimension with the configured analysis attribute. This assigns the dimension to the account, so when transactions are entered for this account, the analysis attribute fields are included for data entry on the journal transaction forms. You can add one Ledger dimension for an account. You can also add multiple Chart of Account dimensions for the account if needed.

Example: Configuring and Applying an Analysis Attribute

This example shows creation of the Cash dimension and the Expense Type dimension attribute for the Ledger object, with initialized dimension attributes for Customer Number and Vendor Number. The Cash dimension is bound to Account 10000.

1 On the **Ledger Dimension Analysis Attributes** form, filter and select AnalysisAttribute01. In the **Value** list, select Customer Number.

2 In the **Apply to Dimensions** grid, specify Cash in the **Dimension Name** and **Description** columns and click the **Select** field. Click **Save**.

3 Select AnalysisAttribute02. In the **Value** list, select Vendor Number. In the **Apply to Dimensions** grid, click the **Select** field for Cash. Click **Save**.

4 Select AnalysisAttribute04. Leave the **Value** field empty. In the **Description** field, specify Expense Type. In the **Inline List** grid, specify three **Value**/**Description** entries: Traffic Fee/Traffic Fee Expense, Meal Fee/Meal Fee Expense, and Lodging Fee/Lodging Fee Expense. In the**Apply to Dimensions** grid, click the **Select** field for Cash. Click **Save**.

5 On the **Chart of Accounts** form, filter and select Account 10000. On the Dimensions tab, in the **Ledger Dimension** field, select Cash. Click **Save**.

6 On the **Journal Entries** form:

   a Filter on the General journal.
   b In the grid, add a new row.
   c In **Account**, select 10000 and in **Credit**, specify 10.00.
   d On the Dimensions tab, see that the three defined analysis attributes are enabled. In **Expense Type**, select Meal Fee.
   e Add another new row to balance the journal and then click **Save**.
   f Add another new row.
   g In **Account**, select 10000 and in **Credit**, specify 1000.00.
   h On the Dimensions tab, in **Customer Number**, specify 1.
   i Add another new transaction row to make an advanced payment to balance the journal and then click **Save**.

Updating Ledger Dimension Attribute Values

After journal transactions are posted to the ledger, the **General Ledger Attributes Update** form is used to update dimension attribute values for ledger transactions. You can choose to include analysis attribute values in the update. You can also choose to overwrite existing data, so stored attribute values are updated, if necessary.

Normally, the **General Ledger Attributes Update**utility is run as a background task; however, if you make an attribute change, for example to a company name, you can run the utility manually.

Also, the **G/L Posted Transactions** form can be used to update just dimension analysis attribute values.

Modifying Dimension Analysis Attributes

After dimension analysis attributes have been configured, administrators can modify them on the **Ledger Dimension Analysis Attributes**, **Dimension Attributes**, or **Ledger Dimensions** forms. If there are existing journal or ledger transactions with associated analysis attribute values, this data is not removed or changed when dimension analysis attributes are reconfigured.

Also, when you delete a value from the Inline List of an analysis attribute, and if the value has been used by a ledger transaction row, you are prompted to confirm your action.

In either case, stored data is changed only if you run the **General Ledger Attributes Update** utility with **Update Analysis Attributes** and **Overwrite Existing Data** selected.

Chapter 12: Multiple Financial Sets of Books (Multi-FSB)

Multiple Financial Sets of Books Overview

SyteLine provides Multi-Financial Sets of Books (FSB) functionality for businesses that require reporting for one or more ledgers in addition to the General Ledger. Each new ledger can contain any combination of a fiscal calendar, chart of accounts, and currency that are different from those used for the standard General Ledger. Each combination creates a separate financial set of books, and you can set up as many as you need.

A setting on the **General Parameters** form is used to enable multi-FSB functionality. With this option selected, you can define and activate multiple financial sets of books using the SyteLine multi-FSB forms. Many of the forms function similarly to the standard General Ledger forms.

This table lists all Multi-FSB forms and the related standard GL forms, if applicable:

Multi-FSB Forms	Related Standard General Ledger Forms
Multi-FSB Accounting Periods	**Accounting Periods**
Multi-FSB Charts	N/A
Multi-FSB Chart of Accounts	**Chart of Accounts**
Multi-Financial Sets of Books	N/A
Multi-FSB Chart of Accounts Budget and Plan	**Chart of Accounts Budget and Plan**
Multi-FSB Journal Entries	**Journal Entries**
Multi-FSB Ledger Posting for Journal	**Ledger Posting for Journal**
Multi-FSB Copy Balances to Budgets	**Copy Balances to Budgets**
Multi-FSB Copy Chart of Accounts	N/A
Multi-FSB Chart of Accounts Mapping Report	N/A
Multi-FSB General Ledger	**General Ledger**
Multi-FSB General Ledger Check Information Report	**General Ledger Check Information Report**
Multi-FSB General Ledger Transaction Report	**General Ledger Transaction Report**
Multi-FSB General Ledger Worksheet Report	**General Ledger Worksheet Report**

Multi-FSB Forms	Related Standard General Ledger Forms
Multi-FSB Journal Account Summary	**Journal Account Summary**
Multi-FSB Journal Transaction Report	**Journal Transaction Report**
Multi-FSB Trial Balance	**Trial Balance**
Compress Multi-FSB Ledger Transactions	**Compress General Ledger Transactions**
Multi-FSB Rebalance Ledger Period Totals	**Rebalance Ledger Period Totals**
Multi-FSB Refresh Account/Unit Combinations	**Refresh Account/Unit Combinations**
Multi-FSB Year End Closing Journal Entries	**Year End Closing Journal Entries**
Multi-FSB Accounting Periods Query	**Accounting Periods Query**
Multi-FSB Charts Query	N/A
Multi-FSB Chart of Accounts Query	**Chart of Accounts Query**
Multi-Financial Sets of Books Query	N/A
Multi-FSB Chart of Accounts Budget and Plan Query	**Chart of Accounts Budget and Plan Query**
Multi-FSB Journal Entries Query	**Journal Entries Query**

Multi-FSB Accounting Periods

Multi-FSB accounting periods for each new fiscal calendar must be created using the **Multi-FSB Accounting Periods** form and given a name that differentiates them from all other accounting periods. They must be maintained manually, because period changes and closing are not performed by the system, even if the settings match the standard GL accounting periods.

Multi-FSB Chart of Accounts

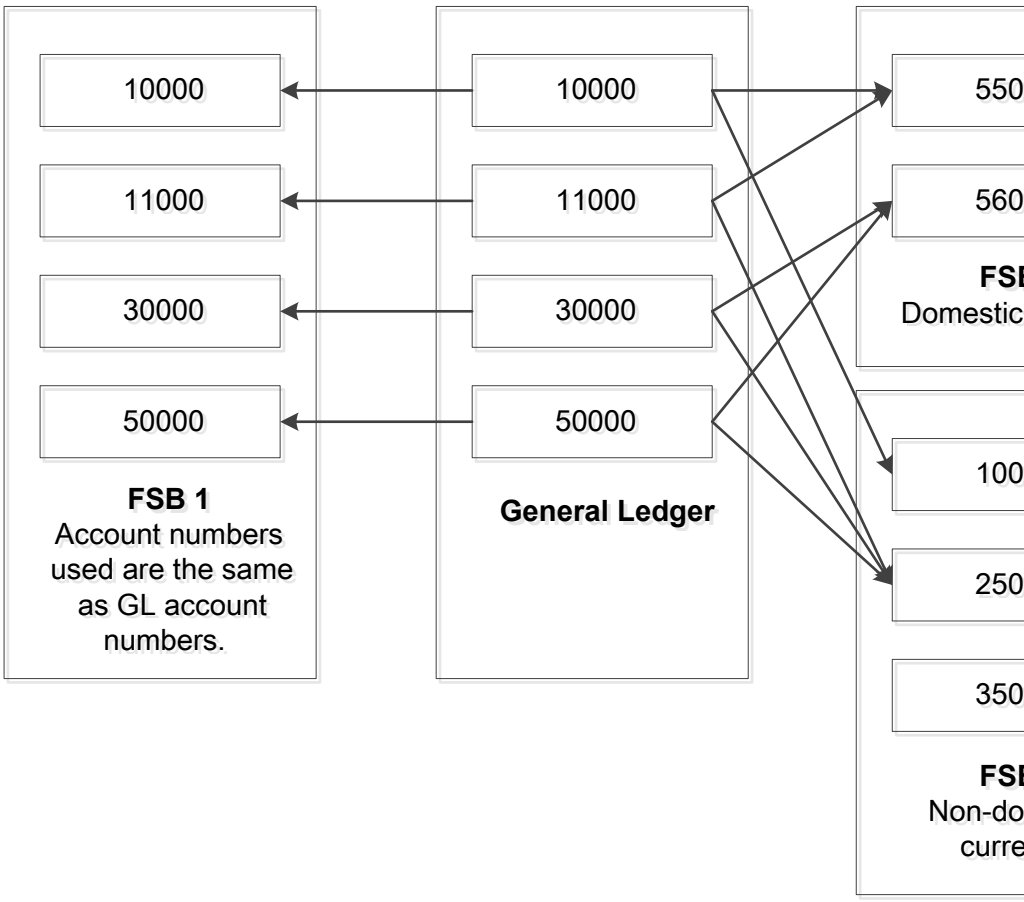
After creating a unique multi-FSB chart of accounts record using the **Multi-FSB Charts** form, accounts typically are added automatically using the **Multi-FSB Copy Chart of Accounts** form. The accounts also can be added manually using the **Multi-FSB Chart of Accounts** form.

Accounts added to a multi-FSB chart of accounts can exist only on that chart; they cannot be used on other multi-FSB charts. However, the same account numbers can be used on other charts of accounts. They are treated as different accounts for each chart.

Each multi-FSB account can be mapped to one or more accounts in the standard GL Chart of Accounts, but they are not required to be mapped. All GL accounts must be mapped to a multi-FSB account, except for analytical accounts, which are not mapped. Also, a GL account can be mapped to only one account per multi-FSB chart of accounts. You can specify unit codes for multi-FSB accounts or inherit them from the mapped GL accounts. A utility can be run to verify that all GL accounts are mapped correctly for a selected multi-FSB chart of accounts. The **Multi-FSB Chart of Accounts Mapping Report** is provided for reviewing this mapping.

This example shows how different accounts can be mapped for multi-FSB charts of accounts:

Example of account mapping invoked during ledger posting



The **Multi-FSB Chart of Accounts Budget and Plan** form also is provided so you can enter budget, plan, and actual amounts for each individual account, accounting period, and fiscal year.

Multi-FSB Ledger

The **Multi-Financial Sets of Books** form is used to name, set up, and activate the combination of a multi-FSB fiscal calendar, multi-FSB chart of accounts, and a new or selected currency. If you want to use the same chart of accounts or fiscal calendar as that in the standard General Ledger for one of your multi-FSBs, you must create that COA or fiscal calendar a second time using the multi-FSB forms.

After activation, the multi-FSB ledger is ready to receive transactions. As records are posted to the General Ledger, they are also posted to all active multi-FSB ledgers. Multi-FSB ledgers also can receive records that you post using the **Multi-FSB Journal Entries** form.

Multi-FSB ledger records use the multi-FSB currency and are recorded to multi-FSB accounts based on the mapping of the standard GL accounts.

Journal entries can be created for any active multi-FSB, but transactions can be entered only into the General Journal. No multi-FSB transactions are posted to the General Ledger or to other multi-FSB ledgers.

Year-End Journal Entries

When the General Ledger set of books is closed for the year, it gets posted to all active multi-FSBs based on account mappings. However, these transactions are not shown on the multi-FSB ledger reports. Also, multi-FSBs are not closed when the GL set of books is closed, even if they have the same fiscal calendar. Each active multi-FSB must be closed separately using the **Multi-FSB Year End Closing Journal Entries** utility. The transactions must be posted to complete the year-end procedures. Year-end transactions or adjustments made in a multi-FSB are not recorded in any other financial set of books.

Different Fiscal Year Ends

All year-end transactions are recorded into the accounting period based on the date of the transaction. Therefore, as transactions are copied from the GL financial set of books to all active multi-FSBs, each transaction is recorded in the accounting period as assigned to its financial set of books. This way, a transaction can be recorded into different periods, and even different fiscal years, based on the accounting periods of each financial set of books.

Reporting

You can run reports on the multi-FSB ledgers to show transactions:

- In the multi-FSB accounts
- In the multi-FSB currency
- In the multi-FSB accounting period

General Ledger and Trial Balance reports are available, but multi-FSB transactions are not available on the financial statements. Ledger entries with the reference of Income Summary or Year Closing can be reviewed on the multi-FSB GL reports.

Limitations

SyteLine multi-FSB functionality does not include the following:

- Mapping of transactions from a multi-FSB with the standard GL FSB, including year-end transactions.
- Mapping of a single GL account to multiple accounts in the same multi-FSB chart of accounts.
- Multi-FSB support in multi-site/entity configurations.
- Period sorting for multi-FSBs. Standard GL sorting is used.
- Ability to copy multi-FSB chart budgets and plans from the standard GL. They must be entered manually for the multi-FSB.
- Ability to create different multi-FSB unit codes. Multi-FSB accounts receive the same unit codes as the standard GL accounts they are mapped to. If a multi-FSB account is not mapped to a GL account, then unit codes can be specified for the multi-FSB. The unit codes values that can be selected for a multi-FSB account come from the Unit Code (number) forms.

Setting Up Multiple Financial Sets of Books

To set up a multi-FSB, follow these steps:

1. On the **General Parameters** form, select **Multiple Financial Sets of Books**.
2. If this set of books will use a currency that is not already set up in SyteLine, use the **Currency Codes** form to add the new currency.
3. On the**Multi-FSB Accounting Periods** form, create a fiscal calendar for the new set of books.
4. On the **Multi-FSB Charts** form, specify a name and description for the chart of accounts for this set of books.
5. Save the record.
6. Add accounts to the new chart of accounts, either automatically or manually.
   a. To add accounts automatically, click **Copy COA** on the **Multi-FSB Charts** form. This opens the **Multi-FSB Copy Chart of Accounts** form so you can copy the standard GL chart of accounts for the new set of books.
   b. To add accounts manually, use the **Multi-FSB Chart of Accounts** form. See Maintaining the Multi-FSB Chart of Accounts on page 299.
7. On the **Multi-FSB Charts** form, click **Confirm Mapping** to run a check on account mapping. A message is displayed to let you know if there are any problems. If successful, the **Accounts Mapped** option is selected automatically.
8. On the **Multi-Financial Sets of Books** form, define the new set of books with this information:
   - **FSB**: Specify a name and description for the new set of books.
   - **FSB COA**: Select the chart of accounts created above.
   - **Fiscal Calendar**: Select the fiscal calendar created above.
   - **Currency**: Specify the currency to use for this set of books.
   - **CTA Account**: Select the account to use for recording debits and credits that may occur to rebalance the Multi-FSB ledger due to currency conversion during general ledger posting. This is necessary only if the selected Currency is not Domestic.

9 Save the record.

10 If you need beginning balances for the multi-FSB ledger, use the **Multi-FSB Journal Entries** form to enter them manually and then post them.

11 To activate the new financial set of books for use, select **Active** on the **Multi-Financial Sets of Books** form. Once active, the multi-FSB receives all posted GL ledger transactions, regardless of the date.

If you select **Compress Ledger**, ledger records for this set of books are compressed automatically by date, account, and unit code. For additional flexibility, you can use the **Compress Multi-FSB Ledger Transactions** utility to set different compression options and process the compression.

Maintaining the Multi-FSB Chart of Accounts

Use the **Multi-FSB Chart of Accounts** form to manually set up and maintain mapping of multi-FSB accounts with accounts from the standard GL Chart of Accounts.
Note: You can initially map multi-FSB accounts automatically by copying the standard GL Chart of Accounts using the **Copy COA** button on the **Multi-FSB Charts** form. Then use this form to add, remove, or change account mapping.

To map an account:

1 Open the **Multi-FSB Chart of Accounts** form.

2 Select **Actions > New**.

3 In the **FSB COA** field, select a multi-FSB chart of accounts to work with.

4 In the **FSB Account** field, specify an identifier for the multi-FSB account.

5 In the field to the right of the **FSB Account** field, specify a description of the account for reference.

6 In the **FSB Account Type** field, select the account type.

7 Optionally, you can specify a **FSB Account Class** for financial reporting.

8 Do one of the following:

- To map to an existing account from the standard GL Chart of Accounts, select the account on the **GL Accounts** tab.
- For an unmapped account, specify unit code requirements for the account. In each of the **Unit Code 1-4** fields, select one of these options:
  - No Access: The reporting unit field will not be accessible for this account. The system also disables the corresponding **Unit Code** tab on the form.
  - Accessible: The reporting unit field will be accessible for this account.
  - Required: The reporting unit field is required for this account.

9 On the associated **Unit Code** tabs, you can add or remove unit codes.

Deleting Multi-FSB Records

You can use the **Delete** button on the toolbar to delete a selected multi-FSB record on the**Multi-Financial Sets of Books** form.

When a multi-FSB record is deleted, all FSB ledger records and associated data are deleted as well.

About the Multi-FSB Year-End Closing Process

The **Multi-FSB Year-End Closing Journal Entries** form generates multi-FSB fiscal year-end journal transactions to close out all revenue and expense accounts into an income summary account. A journal transaction that shows the net income, or sum of all year-end transactions, is also created. The transactions are generated to the journal only and not posted to the ledger. The transactions may be further modified and must be posted to complete the year-end procedures.

Generally you perform the multi-FSB year-end closing at the end of the company's FSB fiscal year, but it can be performed at any time by specifying the fiscal start and end date without regard to the defined accounting periods. The fiscal calendar and subsequent periods are defined on the **Multi-FSB Accounting Periods** form.

Before running the multi-FSB year-end closing function, you should verify that all outstanding journal transactions for the fiscal calendar are entered and posted to the ledger. This function generates journal transactions that set all revenue and expense account balances to zero. If all journal transactions are not posted to the ledger, the transactions created may not actually set all revenue and expense account balances to zero.

Only one user at a time can have the ledger open. Therefore, if someone is running a financial report or performing year-end closing, this function cannot be performed until the original process is complete.

Closing the Year for Multi-FSB General Ledger

Caution: This procedure creates debit and credit entries to close out all revenue and expense accounts for the date range specified. These entries are placed in the Multi-FSB General Journal. You must then post the Multi-FSB General Journal to the Multi-FSB General Ledger.

Note: This procedure should be run only after all entries made to the fiscal year are posted. Also, to close the journal, it must be writable.

To close the year for the Multi-FSB General Ledger:

1. Open the **Multi-FSB Year End Closing Journal Entries** form.
2. Specify this information:

   Fiscal Year
   Select the fiscal year for which to close a financial set of books. The default value is the current fiscal year from General Parameters.

FSB
Select the financial set of books to close. Only those FSBs active for the specified fiscal year are shown.

Fiscal Year Start Date
The default value for this field is the specified fiscal year start date, taken from the **Multi-FSB Accounting Periods** form. Optionally, you can change this date. This generates year-end transactions for transactions occurring on or after this date.

Fiscal Year End Date
The default value for this field is the specified Fiscal Year end date, taken from the **Multi-FSB Accounting Periods** form. Optionally, you can change this date. This generates year end transactions for transactions occurring up to this date.

Income Summary Account
Select the "Retained Earnings" account for the year-end closing transaction. The account's type must be set up in the **Multi-FSB Chart of Accounts** as Owner's Equity.

Delete Current Journal Entries
To delete all journal entries for this journal before generating the year-end transactions, select this check box. This refers to the existing entries in the Multi-FSB General Journal only. Do not change any of the references generated by the system on the entries in the Multi-FSB General Journal. If this check box is selected, all journal transactions along with any associated text are deleted when the transactions are generated, prior to creating the closing transactions.

Unit Code Detail

To clear unit code balances in the revenue and expense accounts, leave the **Unit Code Detail** check box selected. If this check box is cleared, balances are left in the unit codes and carried forward.

3 Click **Process**.

Note: You can close multi-FSB fiscal years an unlimited number of times. If you have closed the fiscal year and need to enter transactions for that year, you can post the transactions and then run the year-end close again.

See the example in Closing the Year for General Ledger on page 236.

Chapter 13: Taxes

Automatically Create Tax Transactions

The system automatically creates tax transactions for you after you perform this setup.

1. On the **Account Tax Code Defaults** form, assign an account with the proper **Tax Code**, **Exempt Code**, and **Tax Account** set. You cannot leave the **Tax Code** field blank. See the example to determine when the tax entries or references are created.
2. On the **Journal Entries** form, select or clear the **Taxable** check box. If you select this check box, the taxable tax code populates the **Tax Code** field. This is the tax code you set up on the **Account Tax Code Defaults** form. If you clear the **Taxable** check box, the exempt tax code is displayed in the **Tax Code** field. This code also comes from the **Account Tax Code Defaults** form.
3. On the **Journal Entries** form, adjust the tax code in the **Tax Code** field if necessary.
4. On the **Journal Entries** form, adjust the total amount in the **Total Amount** field if necessary.
5. Post the journal transactions. If no journal compression takes places, the records are updated and are eligible to display on the **Consumption Tax Report**. If journals are compressed, the record is deleted.

For example, this table shows when tax entries or references are created.

Taxable	Tax Code	=	Journal Reference Created	Tax Journal Entry Created
Yes	Rate Code	=	Yes	Yes
No	Exempt or 0 Rate Code	=	Yes	No
No	Blank	=	No	No

Recording Tax for Manually Created Journal Transactions

The **Journal Entries** form allows you to define a journal entry transaction as a tax amount. These tax amounts can then be reported on the **EU VAT Report** or **VAT Report**.

1. Specify the accounts for which tax transactions can be created from manual journal entries.

See Defining the Accounts that Can Have Tax Records Created on page 303.

2 Specify the tax amounts in journal entries.

To specify a journal entry that includes tax:

a On the **Journal Entries** form, create a manual journal entry transaction into the General journal, or another user-defined journal.

b Select **Taxable**. This indicates that the transaction uses the **Tax Code** or the **Exempt Code** from the **Account Tax Code Defaults** form that is specified for the account. When this field is selected, the **Tax Amount** and **Total Amount** fields are disabled and any values in them are deleted.

Or, to specify a tax amount as a separate journal entry transaction:

a On the **Journal Entries** form, create a manual journal entry transaction into the General journal, or another user-defined journal.

Note: The account you specify for this type of transaction must be set up on the **Account Code Tax Defaults** form.

b Select **Taxable**. This indicates that the transaction uses the **Tax Code** or the **Exempt Code** from the **Account Tax Code Defaults** form that is specified for the account.

c Select **Entry is Tax**. to indicate that the journal entry you are creating is an entry for the actual tax amount. When this field is selected, the **Tax Amount** and **Total Amount** fields are disabled and any values in them are deleted.

d Specify the **Tax Code**. (The **Tax Account** is not used.)

If the tax amount is automatically calculated, the amount is calculated as the debit or credit amount, multiplied by the tax rate of the tax code. The journal transaction created for the tax record is for this amount. If a debit amount is entered, this value is a debit amount. If a credit amount is entered, this value is a credit.

3 Save your changes.

Defining the Accounts that Can Have Tax Records Created

Use the **Account Tax Code Defaults** form to specify the accounts for which tax transactions can be created from manual journal entries. This is similar to the A/P and A/R Tax Accounts that are defined to temporarily hold VAT tax amounts for invoices and vouchers, but the accounts you specify here are used for transactions that are not based on invoices or vouchers.

1 On the **Account Tax Code Defaults** form, select an account for which you want to allow tax records in the journal entries. The account description is displayed.

2 Select the appropriate tax code to use.

3 In the **Exempt** field, select a tax code with a tax code type of **`Exemption`**.

4 Select the tax account and unit codes to use. In the case of tax journal entry transactions, you would use the same account number in the **Account** and **Tax Account** fields.

5 Save your changes.

Setting up Value-Added Tax Information

Use these general steps to set up value-added (VAT) tax code information in the system for use with the EU VAT Report.

If you plan to use the VAT Report instead, see Setting Up Tax Information for the VAT Report on page 304.

1. In the **Tax Systems** form:
   - Set up a Tax System 1 with **Tax Mode** set to **`Item`**.
   - Specify the **Transfer A/R VAT Tax Code** and **Transfer A/P VAT Tax Code**.
2. On the **Tax Codes** form:
   - Select the **Transfer VAT** check box.
   - Specify the **A/R Account** and **A/P Account**.
   - Specify the **VAT A/R Received Account** field and **VAT A/P Paid Account**.

Setting Up Tax Information for the VAT Report

Use these general steps to set up value-added (VAT) tax code information in the product so you can later run the **VAT Report**:

1. On the **General Parameters** form, select **Activate EU Reporting**. Also, specify the **EU Weight Conv Factor**, which is used to convert item weights to kilograms on the EU SSD Report.
2. On the **Workflow Event Handler Activation** form, select **Active for this Site** for the **Validate EU VATIN** event handler. This enables the application to call a web service to validate the VAT ID on the **Customers**, **Vendors**, or **Customer Ship-Tos** forms
3. If you plan to send EU SSD reports as ASCII or XML files, specify the **SSD File Logical Folder** and the dispatch and arrival interchange IDs in the **Tax Parameters** form. You can get the IDs from the appropriate federal statistical office in countries where this is required, for example, Germany. The user who runs the report must have authorization to create files in the logical folder.
4. If a state tax office value is required for use with intrastat SSD data files, specify the value in the **Prov/States** form. You can get the state tax office IDs from the appropriate federal statistical office in countries where this is required, for example, Germany.
5. Use the **EU VAT Reporting Categories** form to view and further define the available VAT tax categories, and to determine whether each category requires offsetting tax entries. The categories that are listed cannot be changed; however, you can specify a category description that is displayed in the **VAT Report**.
6. On the **Tax Systems** form, set up a Tax System 1 with **Tax Mode** set to **`Item`**. An item-based tax system allows sales taxes to be charged at the line item level and tax codes to be specified in the Items form. The system looks at the tax rate of the order line item and overrides the tax code on the order header.

   On the **General** tab, select the **Tax Discount/Allowance** field for Tax System 1. This allows the system to calculate tax adjustments in payments due to discounts and allowances. It also disables the **Next Level Tax Code** field on the **Tax Codes** form.

Caution: The fields on the **General** tab should not be changed after there are valid transactions in the system. This can invalidate your data and compromise integrity. For example, if the **Active For Purchasing** field is set to **Yes** after purchase orders have already been entered into the system, the current purchase orders will not contain the proper tax codes, and the tax records on the PO side will be nonexistent.

7 On the**Tax Codes** form, set up codes:
   - Allocate each tax code to a category.
   - Select the **Transfer VAT** check box.
   - Specify the **A/R Account** and **A/P Account**.
   - Specify the **VAT A/R Received Account** field and **VAT A/P Paid Account**.

8 Return to the **Tax Systems** form. On the Tax Codes tab, define the default tax code information for Tax System 1. Specify the **Transfer A/R VAT Tax Code** and **Transfer A/P VAT Tax Code**.

   Use the **Labels** tab to customize labels for tax codes, tax amounts, and tax IDs.

9 On the **Account Tax Code Defaults** form, set up tax codes to use as the default tax account when creating manual journal entry transactions that are not based on invoices or vouchers.

10 Use the **Tax Parameters** form to set your company's specific reporting and functionality requirements, including SSD information.

11 Set up the **Tax Line Numbers** form to allocate tax codes to the appropriate lines of the fiscal authority report. The line numbers in this form refer to the lines in the fiscal department tax formula. If line numbers are assigned, you can later sort the **VAT Report** by line number, which allows you to more easily fill in the required fiscal authority report.

Calculating Value-Added Tax Information

After VAT information is set up in the system, VAT is recognized at the time of payment for service invoices, and at the time of invoicing for merchandise invoices. For PO vouchers, VAT is recognized when the voucher is submitted for payment. VAT for manual journal entries is also recognized.

VAT amounts paid are placed into the appropriate A/P or A/R tax account at the rate specified by the assigned tax code. Upon bank reconciliation of the payment or deposit, the system determines the VAT amount to transfer after bank reconciliation. The VAT amount is then transferred to either the VAT A/R Received Account or VAT A/P Paid Account. The VAT is paid to the taxing authority from this account.

Setup

See Setting Up Tax Information for the VAT Report on page 304.

Processing VAT

For A/R, after you reconcile a deposit on the **Bank Reconciliations** form, the system:

- Calculates the VAT amount to be transferred.

- Creates journal entries by debiting the A/R tax account with the calculated VAT amount and crediting the VAT A/R Received Account.
- Transfers the VAT amount from the A/R tax account to the VAT A/R Received Account.

For A/P, after you reconcile a payment on the **Bank Reconciliations** form, the system:

- Calculates the VAT amount to be transferred.
- Creates journal entries by crediting A/P tax account with the VAT amount and debiting the VAT A/P Paid Account.
- Transfers the VAT amount from the A/P tax account to the VAT A/P Paid Account.

The system automatically updates A/P payments during bank reconciliation. However, the system does not automatically update A/R deposits during bank reconciliation. Customer A/R deposits must be manually entered on the **Bank Reconciliations** form.

Organizing VAT Information for Reporting to Tax Authorities

EU VAT reporting information is generated through these forms:

- **VAT Report**, which is used to sort and display accounts, categories, and VAT amount information that must be included on EU VAT tax return documents
- **EU VAT Report**, which is an alternative to the **VAT Report**
- **EU Sales List Report**, also known as the EC Sales List Report
- **EU Supplementary Statistical Declaration (SSD) Report**, also known as the Intrastat Report

These reports detail intra-EU trade only.

Verifying Customer and Vendor VAT Numbers

For customers or vendors in European Union countries, you can enter the customer or vendor VAT number in the **[Tax ID Label 1]** field on the **Customers**, **Customer Ship-Tos**, or **Vendors** form. The EU mandates that all VAT numbers must be verified yearly.

Click the validation button next to the **[Tax ID Label 1]** field to pass the specified VAT number to the VAT Information Exchange System, which verifies that the number is valid for each EU member. A success or failure message is returned, and the date when the verification expires is stored in the customer table. When the validation is successful and you save the record, all customer ship-to records with the same VAT number, EU code and tax code are also updated with the new date.

The icon next to the button indicates whether the VAT number has been verified within the last year (green check mark) or needs to be verified (red X).

These forms determine if a customer's VAT number is valid at the time of an order due date or shipment date:

- **Customer Order Lines**
- **Customer Order Blanket Releases**
- **Customer Orders Quick Entry**
- **EDI Customer Order Lines**
- **EDI Customer Order Blanket Releases**
- **Order Shipping**
- **Shipment Master**

If the number is not valid at the ship date/due date, a warning message is displayed. However, you are still allowed to ship the order.

Purging VAT Transactions

Run the **Bank Reconciliation - Compression** utility occasionally to purge transactions related to deposits.

Setting up VAT Tax Line Numbers

Each year, companies in some countries, for example, Germany, must submit a VAT advance tax return to the fiscal authority. The format of this return changes from year to year.

Use the **Tax Line Numbers** form to define the line numbers on the tax return for a specific year. Map each line number to the tax system and tax code that are used to derive the amount that goes in that line of the report.

The **VAT Report** output can then be sorted by Line Number, and you can use the subtotals for each line number as the amounts to enter for those lines on the VAT advance tax return.

To set up the VAT tax line numbers:

1 On the **Tax Line Numbers** form, specify this information:

Line Number
Specify the line number from the VAT advance tax return document. These are the numbered lines on the left side of the tax document. Specify only line numbers where an amount must be entered.

Description
Specify the description for that line from the tax document.

Effect Year
Specify the effective year for the tax document that uses these line numbers.

Tax Type
Specify the tax type for the line number: **S** (Sales) or **P** (Purchase).

Number for Tax Basis
If this line number includes an amount entry box in the first column on the tax document, specify the box number here.

Number for Tax
If this line number displays an amount entry box in the second column on the tax document, specify the box number here.

Tax System
Specify the tax system associated with the line number. If there is only one tax system, this field is disabled.

Tax Code

Specify the tax code associated with the line number. For example, if the **Tax Type** is set to **P**, specify the tax code that is defined for purchasing transactions.

If the same tax code is used for both Tax Type S and P tax lines, the tax type for a particular transaction is determined by the tax account that was used for the transaction. (The tax account is defined in the Tax Code.) For example, if a transaction uses the tax account defined as the A/R Tax Account for the tax code, the transaction is included in a tax line with Tax Type S. If the transaction uses the tax account defined as the A/P Tax Account, the transaction is included in a tax line with Tax Type P. This situation occurs in the EU.

2 Save your changes.

About EU VAT Reporting Categories

The categories that are described in this topic are defined on the **EU VAT Reporting Categories** form.

If **Activate EU Reporting** is selected on the **General Parameters** form and the Germany Country Pack is licensed and enabled, you can use the categories in these forms:

- **Tax Codes** form: You can specify a category for each tax code.
- **VAT Report** form: You can choose to sort the report by tax code categories, and have subtotals for the categories.

Category Descriptions

These predefined categories are included:

Category	Description	Create offsetting tax entries?
Tax	Can be both sales tax and purchase tax, but only for domestic transactions.	No
Sales Tax	Domestic sales tax.	No
Purchase Tax	Domestic purchase tax.	No
EU Sales	EU sales tax for goods. The base amounts must also be reported in the EU Sales List Report with a blank **Process Indicator**.	No
EU Purchase	Tax must be calculated with the populated percentage for each posting. One tax account is posted in the debit and another tax account in the credit.	Yes
EU Triangular Sales	EU sales tax for triangular transactions, where three different EU countries are affected by one order. The base amounts must also be reported in the **EU Sales List Report** with a **Process Indicator** of **2**.	No

Category	Description	Create offsetting tax entries?
Tax on Import	EU tax on a purchase from outside the EU countries. There is only an invoice from Customs with the tax, and nothing else. When you post this invoice in the application, the tax amount goes directly to the tax line and thus into the tax report.	No
Old Part Tax	Tax where only part of the invoice net amount is valid for the tax calculation.	No
Manual Tax	Same as the Tax on Import, but for a domestic purchase tax.	No
Reverse Charge	Tax on special domestic transactions such as import of services. The tax must be calculated with the populated percentage for each posting. One tax account is posted as a debit, and another tax account is posted as a credit. This charge is used to create offsetting entries for goods between countries, when you want to record the transaction but not make a payment.	Yes
EU Services	EU sales tax for services. The base amounts must also be reported in the **EU Sales List Report** with a **Process Indicator** of `1`.	No

Offsetting Tax Entries

For some categories of VAT tax, the system must create offsetting debit and credit entries.

When tax codes that are assigned these categories are used in some areas of the system, special processing occurs:

- When generating a voucher on the **Generate A/P Transactions** form, the system generates two distributions against the tax code at the same time, on the **Taxes** tab and in the aptrxd table.
- When generating a voucher in the **Voucher Builder**, the system generates two distributions against the tax code at the same time, in the aptrxd table.
- When automatically generating a voucher during **Purchase Order Receiving**, the system generates two distributions against the tax code at the same time, in the aptrxd table.
- Offsetting tax entries are triggered by using a VAT exempt tax code on the PO header and VAT rate code on lines. In this case, the offsetting entries create the values based on the lines, but then offset each other to ensure that the total VAT on the voucher is still zero.

In all of these cases, one tax distribution is calculated as (tax basis * tax rate) payable, and the other is calculated as (tax basis * tax rate) deductible. No matter what tax rate is defined, the calculated sales is zero.

This functionality is used with the **Exempt Tax Code** on the purchase order header.

Generating the VAT Report

On invoicing, a company in the EU must charge VAT when your customer is domestic or located in another member state, and when the customer is not registered and arranges for the transport of goods from another location. These cases are identified by a blank tax code on the customer order and for the customer. Otherwise, enter a zero-rated tax code in the customer order and for the customer. If you can define the transaction as distance selling, you must know the threshold of the customer, and fill in the tax codes when appropriate.

Use the **VAT Report** form to extract information from invoice and voucher sales tax information, from the Invoice Register and A/P Voucher Register line items, and from the manual journal entries tax table. The information can be grouped in various ways to provide subtotal amounts that can be used to fill in the VAT reports that are required by tax authorities.

Note: If the Process Indicator is set to **3** for a transaction, then that amount is not included in the total of invoice register and A/P voucher register line items.

To set up the report:

1. On the **VAT Report** form, specify the tax system, if there is more than one. Otherwise the tax system defaults to **1**.
2. Specify a tax jurisdiction.
3. Specify the way in which the report is sorted and subtotaled:
   - **Category**: Sort by category and then by tax code. Categories are defined on the **EU VAT Reporting Categories** form and are assigned to tax codes on the **Tax Codes** form.
   - **Tax Code**: Sort by the codes that are defined on the **Tax Codes** form.
   - **Tax Account**: Sort by the actual tax account numbers.
   - **Tax Base Account**: Sort by the account that is being taxed, for example the sales order account.
   - **Line Number**: Sort by the line numbers and boxes on certain tax documents, as defined on the **Tax Line Numbers** form.
4. Specify the date range of the tax period to include on the report.
5. Select **Increment Date** to have the system automatically increment date ranges and re-run the report.
6. Click **Preview** to preview the report output or **Print** to print the report.

In the report output, each VAT amount is broken down to show the relevant transactions, including voucher or invoice number and the tax breakdown.

About Consumption Tax Reporting

Use the **Consumption Tax Report** to report consumption tax data according to posted activity during a specified fiscal period. You can then use information from the report to fill out your Consumption Tax (CT) returns.

With the Consumption Tax, companies are taxed on the supplies they purchase, and taxes are withheld on goods the companies sell. Companies must periodically pay the difference between the CT paid on supplies and the CT charged on goods or services.

The frequency of filing Consumption Tax returns depends on your turnover. The tax return lists all of your company's transactions related to the supply of relevant goods or services. Any tax due must be paid simultaneously with the filing of the tax return. In the case of a tax credit, where the CT incurred by the company exceeds the CT charged on its sales and services in the reporting period, documentary proof related to the transactions is often requested.

Consumption Tax is recognized upon invoicing for both goods and services.

If the Japan Country Pack is licensed and enabled, the amount can be computed on either the invoice header or on the invoice lines. In large companies, where the unit prices tend to be large, they may prefer line-level tax calculations. In smaller companies, where the unit prices tend to be smaller, they may prefer header-level tax calculations. You set this preference on the **Customers** form.

If the Japan Country Pack is licensed and enabled, the calculated tax amount can be rounded off (for example, 4.4 becomes 4.0 and 4.5 becomes 5.0) or it can be rounded up (for example, 4.4 becomes 5.0). The rounding rule must be agreed upon by the customers and vendors and is also set on the **Customers** form.

The Consumption Tax has three components:

- Input tax on vendor vouchered amounts
- Output tax on customer invoiced amounts
- Automatic tax entries

You must set up separate A/R and A/P tax accounts to record the amounts for these components.

Example ledger transactions created for sales, purchasing, and the manual journal entries could look as follows:

Ledger Transaction	Account	Amount
Manual Entry	30000	1000
Manual Entry	15000	50
Manual Entry	30000	500
Invoice	40000	2000
Invoice	20200	100
Invoice	40000	350
Voucher	50000	500
Voucher	50100	50
Voucher	50000	2500

The tax records in the various tables that correspond to these ledger records would be:

Table	Tax Account	Tax	Tax Basis	Tax Code	Tax Rate
Japan Journal Tax Table	15000	50	1000	OH	5
Japan Journal Tax Table	15000	0	500	NT	0
Invoice Sales Tax Table	20200	100	2000	OH	5
Invoice Sales Tax Table	20200	0	350	NT	0
Voucher Sales Tax Table	50100	50	500	US	10
Voucher Sales Tax Table	50100	0	2500	NT	0

For the Consumption Tax Report, you create records in the Consumption Tax Report Account Setup form for accounts 30000, 40000, and 50000, and give them a description to describe what kind of transactions they represent. The report generated would show:

Account	Description	Total Amount	Non-Taxable Amount	Taxable Amount	Tax Amount
30000	Travel	1550	500	1000	50
40000	Sales	2450	350	2000	100
50000	Purchases	3050	2500	500	50

If the Japan Country Pack is licensed and enabled, then for these same transactions, the **Tax Control Report** would show:

Tax Code: OH	Description: Ohio		Type: Rate	Rate: 5
Account	Description	Date	Tax Basis>	Tax Amount
15000	Travel Tax	11/12/13	1000	50
20200	Sales Tax Payable	11/5/13	2000	100

Tax Code: US	Description:United States		Type: Rate	Rate: 10
Account	Description	Date	Tax Basis	Tax Amount
50100	Sales Tax Expense	11/13/13	2000	100

Tax Code: NT	Description:Non-Taxable		Type: Exempt	Rate: 0
Account	Description	Date	Tax Basis	Tax Amount
15000	Travel Tax	11/12/13	500	0
20200	Sales Tax Payable	11/1/13	350	0
50100	Sales Tax Expense	11/4/13	2500	0

Using the Consumption Tax Report

Use the **Consumption Tax Report** form to report consumption tax data according to posted activity during a specified fiscal period. You can then use information from the report to fill out your consumption tax (CT) returns.

1 Specify this information:

Translate to Domestic Currency
Select this check box to translate amounts in the report to the domestic currency. Clear this check box to leave amounts in the transaction currency.

Display Report Header
Select this check box to display report headers in the report. Report headers display on the first page of the report and list the parameters by which you generated the report.

Fiscal Year
Specify the fiscal year for which tax information is to be included on the report.

Period

Specify the accounting period, within the specified **fiscal year**, for which tax information is to be included on the report.

Display
Specify the level of data to include in the report: **`summary`** or **`detail`**.

2 To preview and print a report:

- Click **Preview** to preview the report.
- Click **Print** to print the report.

Filing Forms 1095C and 1094C

To prepare IRS forms 1095C and 1094C:

1. Ensure that the **Offer of Coverage Codes** and **Safe Harbor Codes** forms list the correct codes.
2. On the **Employee Insurance** form, specify this information on the ACA tab:
   - **Plan Year**
   - **Offer Date**
   - **Type of Coverage**
   - The **Offer of Coverage Code** for each month, if the **Type of Coverage** is **`Monthly`**, or for the entire year, if **Type of Coverage** is **`Annual`**
   - The **Share of Coverage** for each month, if the **Type of Coverage** is **`Monthly`**, or for the entire year, if **Type of Coverage** is **`Annual`**
   - The **Safe Harbor Code** for each month, if the **Type of Coverage** is **`Monthly`**, or for the entire year, if **Type of Coverage** is **`Annual`**

   Note: The **Offer of Coverage Code** and **Safe Harbor Code** must be specified, even if the employee is ineligible for coverage.
3. On the **Self Insurance** tab, specify this information:
   - Name
   - Social Security Number
   - Date of Birth
   - Which months the employee was self-insured
4. On the **1095 Form Printing Report** form, specify this information:
   - Employee range
   - Fiscal Year
   - Site
   - Date range
   - Employer identification and contact information
   - Whether or not the filer is a designated governmental entity
5. In the **1094** group box, Specify the checkboxes that apply to your company to enable the corresponding fields and tabs at the bottom of the form.

   Note: Selecting the **Authoritative Transmittal** checkbox enables the remaining checkboxes in the **1094** group box.
6. Specify the **Filing Method**. If you are filing 250 returns or more, you must file electronically.
7. If you are filing electronically, click **Files** and specify a logical folder where the returns will be stored.
8. If you selected **`ALE Member Group`** in the **1094** group box, specify the appropriate information on the **ALE Member Information** and **Other ALE Members of Aggregated ALE Group** tabs.
9. If you selected **`Section 49890H Transition Relief`** in the **1094** group box, specify the appropriate information on the **ALE Member Information** tab.
10. If you are filing electronically, specify the manifest information on the **Manifest** tab.
11. If the **Designated Government Entity** field is selected, specify your identification and contact information on the **Designated Government Entity** tab.
12. If the **Filing Method** is **`Paper`**, perform these steps:

a Select **Print 1095C Paper Form**, then click **Preview**.
b When you are satisfied with the preview, click **Print** to print the paper forms.
c Select **Print 1094C Paper Form**.
d Specify the number of 1095-C forms that were printed.
e Click **Preview**.
f When you are satisfied with the preview, click **Print** to print the paper forms.

13 If you are filing electronically, perform these steps:

a Select **Generate 1094-1095C XML**.
b Click **Generate**.
c Click **Files** to open the **File Maintenance** form.
d Select the filing documents and click **Download**; then select the local drive and folder where you want to place the documents.
e Submit your filings via any IRS-approved product.
f Note the Receipt ID on your transmission confirmation. For example, 1095C-16-00001234. If errors are returned by the IRS, match this ID with the **Current Record ID** field, on the **Employee Insurance** form, to locate the erroneous record.
g If errors are returned, use the error report descriptions to identify, and correct, any errors on the **Employee Insurance** form. After correcting each record, select the **Corrected** field and save the record. When each record is saved, its Receipt ID automatically moves from the **Current Record ID** field to the **Previous Record ID** field. This provides historical visibility if an additional error report is returned after submitting your corrections.
h Open the **1095 Form Printing Report** form.
i Specify the appropriate identification information.
j Locate the Submission ID and Record ID on your IRS error report. These IDs are located at the end of the Receipt ID. For example, 1095C-16-00001234|01|03. In this example, the Submission ID is 01 and the Report ID is 03.
k Select the **ACA** tab.
l Specify the **Submission ID** and **Record ID**
m If a tax filing was accepted, but contained errors, after correcting the errors, select **1094C Corrections Only**, **1095C Corrections Only**, or both, depending on the nature of the corrections.
n If a tax filing was rejected, and contained the error code AIREX, AIRBR, AIRTN, or BIRTH, after making the appropriate corrections, specify the type of replacement. If the entire transmission must be replaced, specify **Transmission**. If only specific submissions withing a transmission must be replaced, specify **Submission**.
o Select **Generate 1094-1095C XML**.
p Click **Generate**.
q Submit your corrected filings via any IRS-approved product.
r If additional errors are reported, click **Reset Corrected Employees** on the **1095 Form Printing Report** form before attempting to correct the errors.

Chapter 14: Unit Codes

About Unit Code Reporting

These are the basic assumptions of unit code reporting throughout the system.

Account Structure

The account structure in the system is:

- Account - Main account
- **Unit Code 1** is predefined as tied to the department code. Payroll and Shop Floor Control use this field when reporting hours. If Unit Code 1 is defined, it must be tied to a valid department number. To make this connection on the **Departments** form, fill in the **Unit Code 1** value for each department you want.
- **Unit Code 2** represents the product code, and, if defined, must be tied to a valid product code. As inventory related transactions are produced, the transactions are automatically updated with the value that appears in **Unit Code 2** on the **Product Codes** form for that item.
- **Unit Code 3** and **Unit Code 4** are user-defined. They can carry any valid unit code that has been defined on the appropriate **Unit Code** form. For example, you could use them for work centers or for a cost center that is grouped differently than what is defined as Department in **Unit Code 1**. You could use these for reporting on different currency codes, vendor statistics or customer statistics.

Account is part of the account template, unit codes are not. Any unit code can be tied to a main account, provided the Chart of Accounts setup allows that chart record access to that unit code.

You can use the same unit code for more than one reporting unit, although the codes would not necessarily mean the same thing. For example, a unit code value of **`ABCD`** could be set up for both **Unit Code 3** and **Unit Code 4**, because each unit code is a separate table.

Chart of Accounts

On the **Chart of Accounts**, you can set each unit code with one of these attributes:

- **`Not Accessible`**: The reporting unit field is not accessible for this account in the application. If this option is selected, the unit code will not be posted. The corresponding **Unit Code** tab on the **Chart of Accounts** form is disabled.
- **`Accessible`**: The reporting unit field is accessible for this account everywhere in the application If this option is selected, you can specify that unit code for the associated account, but it is not mandatory.
- **`Required`**: The reporting unit field is required for this account everywhere in the system. If this option is selected, you are required to enter the unit code for the associated account. An error

occurs if you leave the unit code blank when one is required. If no unit code is entered, posting will fail.

Areas of the system that provide default account numbers also allow the entry of reporting units to be used as defaults. In places where the default account numbers can be overwritten, so can the reporting units.

Inventory Transactions

For transactions involving inventory distribution accounts, the system pulls unit codes from Item Stockroom Locations.

Job Transactions

WIP transactions pull Acct, Unit Code 1, Unit Code 3, and Unit Code 4 from the Product Codes - WIP tab. Unit Code 2 comes from the **Product Codes - General** tab.

For example, a job is created for Item A. Item B is the material issued to that job. Unit Codes 1, 3 and 4 are defined on the **Product Codes - WIP** tab. For a job material issue, the following accounts and unit codes are used.

	Acct	UC 1	UC 2	UC 3	UC 4
(Debits) from Job Header WIP Accounts (Cost Detail					
WIP Material	XXXX	XXX	XXX	XXX	XXX
WIP Labor	XXXX	XXX	XXX	XXX	XXX
WIP Fixed Overhead	XXXX	XXX	XXX	XXX	XXX
WIP Variable Overhead	XXXX	XXX	XXX	XXX	XXX
WIP Outside Services	XXXX	XXX	XXX	XXX	XXX
Credits (from Item Stock-room Loca-tions)					
Inventory Ma-terial	XXXX		XXX		
Inventory La-bor	XXXX		XXX		
Inventory Fixed Over-head	XXXX		XXX		

	Acct	UC 1	UC 2	UC 3	UC 4
Inventory Variable Overhead	XXXX		XXX		
Inventory Outside Services	XXXX		XXX		

Labor Posting

	Acct	UC1	UC2	UC3	UC4
(Debits) From Job Header WIP Accounts (Cost Detail)					
WIP Material	XXXX	XXX	XXX	XXX	XXX
WIP Labor	XXXX	XXX	XXX	XXX	XXX
WIP Fixed Overhead	XXXX	XXX	XXX	XXX	XXX
WIP Variable Overhead	XXXX	XXX	XXX	XXX	XXX
WIP Outside Services	XXXX	XXX	XXX	XXX	XXX
(Credits) From Work Center of Operation (Dept. of WC) Departments record					
Direct Labor Expense	XXXX	XXX	XXX	XXX	XXX
Fixed Labor Overhead Applied	XXXX	XXX	XXX	XXX	XXX
Variable Labor Applied	XXXX	XXX	XXX	XXX	XXX

In standard costing, variance transactions use Unit Code 2 from the **Product Codes - General** tab. For labor rate variance, it also uses Unit Code 1 from the **Departments** form. Other unit codes are pulled from the Product Codes - Variance tab.

CO Shipping Transactions

Customer order unit codes can be handled in one of two ways. On the **Customers** form there is an**End User Type** field. End User Type accounts can then be set up on the **End User Types** form. The accounts defined here are Sales, Sales Discount, Accounts Receivable, Cost of Goods Sold Material, Cost of Goods Sold Labor, Cost of Goods Sold Fixed Overhead, Cost of Goods Sold Variable Overhead, and Cost of Goods Sold Outside. If End User Type is defined on the **Customers** form, that type is pulled into the order and the default values for Acct, Unit Code 1, Unit Code 2, Unit Code 3, and Unit Code 4 are used from the **End User Types** form. If there is no Unit Code 2 on the **End User Type** form, it is pulled from the **Product Codes - General** tab.

If End User Type is not used, the system pulls the Acct, Unit Code 1, Unit Code 2, Unit Code 3, and Unit Code 4 from the **Sales/COGS** tab on the **Distribution Accounts** form for all accounts listed above except Accounts Receivable. If there is no Unit Code 2 on the **Sales/COGS** tab of the **Distribution**

Accounts form, it is pulled from the Product Codes - **General** tab. Accounts Receivable is pulled from the **Accounts Receivable Parameters** form and uses all Acct, and all Unit Codes.

See Where Unit Codes Come From on page 319 for more information.

Where Unit Codes Come From

Use this table to see where unit codes come from when performing certain activities. For example, in the table you see that when performing an RMA Return Transaction with No End User Type, the Credit Cost Of Goods Sold unit codes come from Product Code Distribution Accounts.

Activity	Account	Where unit codes come from
Customer Payments	DR Cash	Bank Rec of Bank Code
	CR Accounts Receivable	Unit Code designated on artran record for type "Invoice"
	CR	Unit Code designated on **A/R Payment Distributions** form for type "Open Credit", "Finance Charge" and "Non-A/R". The Unit Code defaults from **Accounts Receivable Parameters** form, but can be overwritten at A/R Payment Distribution level.
Customer Shipment - No End User Type	CR Inv.	Item Stockroom Locations
	DR COGS	Product Code Distribution Accounts
Customer Shipment - With End User Type	CR Inv.	Item Stockroom Locations
	DR COGS	End User Type, then Product Codes (Unit Code 2 only)
Cycle Count and Physical Inventory	DR or CR Inv.	Item Stockroom Locations
	DR or CR Inv. Adj.	Product Codes Misc, tab then Product Codes General Tab (Unit Code 2 only)
Invoicing (with End User Type)	DR Accounts Payable	Unit Code 1,3,4 from End User Type, Unit Code 2 from Product Code General

Activity	Account	Where unit codes come from
	CR Sales	Unit Code 1,3,4 from **End User Types** form, and Unit Code 2 from **General** tab on **Product Codes** form
Invoicing (without End User Type)	DR Accounts Receivable	Unit Code from **Accounts Receivable Parameters** form, and Unit Code 2 from **Product Codes** form
	CR Sales	Unit Code from Product Code Distribution Account, then **General** tab on **Product Codes** form
JIT Transactions	DR Inv.	Item Stockroom Locations
	CR WIP	Work Center WIP Accts, then Product Codes (Unit Code 2 only)
Job Close	DR or CR WIP	Job Orders
	DR or CR Inv. Adj. Or Routing Variance	**Product Codes Variance** tab for Standard Cost item or **Product Codes Misc** tab for Actual Cost item, then **Product Codes General** tab (Unit Code 2 only)
Job Labor Transactions	DR WIP	Job Orders Cost Detail tab
	CR Exp.	Unit Code 1 from Dept. UC field, all other codes from Dept. DL & OH applied defaults, then Product Codes (Unit Code 2 only)
Job Material Issues	DR WIP	Job Orders
	CR Inv.	Item Stockroom Locations
Job Move to Inventory (includes Job Receipt	DR Inv.	Item Stockroom Locations
	CR WIP	Job Orders
Manual LIFO/FIFO Adjustment Utility	DR or CR Inv.	Item Stockroom Locations
	DR or CR Inv. Adj.	Product Codes Misc, tab then Product Codes General Tab (Unit Code 2 only)
Miscellaneous Issue	CR Inv.	Item Stockroom Locations

Activity	Account	Where unit codes come from
	DR Misc.	Product Code Misc. tab Inventory Adjustment account
Miscellaneous Receipt	DR Inv.	Item Stockroom Locations for existing locations; Inventory Distribution Accounts for new locations
	CR Misc.	Product Code Misc. tab Inventory Adjustment account
Payroll Transactions	DR Labor Exp.	Wage account on Employee General, then Departments (Unit Code 1 only), then Payroll Parameters for Unit Codes 2, 3, and 4
	DR All Other Exp.	Unit Code 1 from Employee Dept. UC Field, all other codes from Payroll Parameters and PR Tax Tables
	CR Tax Payable	Unit Code 1 from Employee Dept. UC Field, all other codes from Payroll Parameters and PR Tax Tables
	CR Cash	Unit Code 1 from Employee Dept. UC Field, all other codes from Payroll Parameters and PR Tax Tables
Project Labor Transactions	DR Proj Labor	All unit codes from Product Codes form, Project tab
	DR Proj Overhead	All unit codes from Product Codes form, Project tab
	DR Proj G & A	All unit codes from Product Codes form, Project tab
	CR Labor Exp.	Unit Code 1 from Employee Dept, all other codes from the Accounts on the Employee Dept
	CR Applied Ovhd	Unit Code 1 from Employee Dept, all other codes from the Accounts on the Employee Dept
	CR Applied G & A	Unit Code 1 from Employee Dept, all other codes from the Accounts on the Employee Dept.

Activity	Account	Where unit codes come from
Project Resource Transactions	DR WIP	Unit Code on Project Header (Defaults from Product Code associated with Project)
	CR Inv.	Unit Code from Stockroom Location of item being issued
	CR	Unit Code entered during Resource Transaction for "Non-Item Master" issues
PS Complete Transactions	DR Inv.	Item Stockroom Locations
	CR WIP	Work Center WIP Accts, then Product Codes (Unit Code 2 only)
PS Scrap Transactions	DR Scrap Exp.	Product Codes Misc tab, then Product Codes General Tab (Unit Code 2 only)
	CR WIP	Work Center WIP Accts, then Product Codes (Unit Code 2 only)
Purchase Order Receiving	DR Inv.	Item Stockroom Locations
	CR Vouchers Payable	Purchasing Parameters, then Product Codes (Unit Code 2 only)
Purchase Order Variance	DR or CR Vouchers Payable	Purchasing Parameters, then Product Codes (Unit Code 2 only)
	DR or CR Inv. Adj. or PPV	Product Codes Variance tab for Standard Cost item or Product Codes Misc tab for Actual Cost item, then Product Codes General tab (Unit Code 2 only)
Quantity Adjustment Transactions	DR or CR Inv.	Item Stockroom Locations
	DR or CR Inv Adj	Product Codes Misc, tab then Product Codes General Tab (Unit Code 2 only)
RMA Return Transaction - No End User Type	DR Inv.	Item Stockroom Locations
	CR COGS	Product Code Distribution Accounts

Activity	Account	Where unit codes come from
RMA Return Transaction - With End User Type	DR Inv.	Item Stockroom Locations
	CR COGS	End User Type, then Product Codes (Unit Code 2 only)
Transfer Orders (Single Site) Quantity Move	DR To Loc	Transit account, then Item Stockroom Locations for existing locations; Inventory Distribution Accounts for new locations, then Product Codes (Unit Code 2 only)
	CR From Loc	Transit account, then Item Stockroom Locations for existing locations; Inventory Distribution Accounts for new locations, then Product Codes (Unit Code 2 only)
Transfer Orders (Multi-Site, Inter-Entity), MS Quantity Move	(From Site) CR Inv.	Item Stockroom Locations
	(From Site) DR I/E A/R	Intersite Parameters, then Product Codes (Unit Code 2 only)
	(From Site) DR I/E COGS	Intersite Parameters, then Product Codes (Unit Code 2 only)
	(From Site) CR I/E Sales	Intersite Parameters, then Product Codes (Unit Code 2 only)
	(From Site) CR I/E Profit	Intersite Parameters, then Product Codes (Unit Code 2 only)
	(To Site) DR Inv.	Item Stockroom Locations
	(To Site) CR I/E A/P	Intersite Parameters, then Product Codes (Unit Code 2 only)
Transfer Orders (Multi-Site, Intra Entity	(From Site) CR Inv.	Item Stockroom Locations
	(From Site) DR I/E Clear Ship	Intersite Parameters, then Product Codes (Unit Code 2 only)
	(To Site) DR Inv.	Item Stockroom Locations

Activity	Account	Where unit codes come from
	(To Site) CR I/E A/P	Intersite Parameters, then Product Codes (Unit Code 2 only)
Vendor Payments	CR Cash	Bank Rec of Bank Code
	DR Accounts Payable	Unit Code designated on aptrxp record for type "Voucher"
	DR	Unit Code designated on A/P Payment Distributions form for type "Open Payment", "Commission" and "Non-A/P". The Unit Code defaults from Accounts Payable Parmeters form, but can be overwriteen at A/P Payment Distribution level.
Voucher (with Vendor Category)	DR Vouchers Payable	**Purchasing Parameters** form, then Unit Code 2 from **General** tab on **Product Codes** form
	CR Accounts Payable	**Vendor Categories** form
Voucher (without Vendor Category)	DR Vouchers Payable	**Purchasing Parameters** form, then Unit Code 2 from **General** tab on **Product Codes** form
	CR Accounts Payable	**Purchasing Parameters** form
WC Labor Transactions	DR WIP	Work Center WIP Accts
	CR Labor Exp.	Unit Code 1 from Dept. UC field, all other codes from Dept. DL & OH applied defaults
WC Material Transactions	CR Inv.	Item Stockroom Locations
	DR WIP	Work Center WIP Accts, then Product Codes (Unit Code 2 only)

Using Unit Code 1-4 Detail on Financial Statements

These examples show how to use the **Unit Code 1-4 Detail** field on the **Financial Statements** forms.

Example 1

This example applies to the **Year End Closing Journal Entries** and **Multi-FSB Year End Closing Journal Entries** forms and the **Financial Statement Output** form.

For a given account you could have these transactions for Unit Codes 1, 2, and 3:

UC1	UC2	UC3	Amount
100	50		50.00
100	50		55.00
200	50		35.00
300	30		65.00
300	30		15.00

Example 2

This example applies only to the **Financial Statement Output** form.

Using the amounts from the previous example, if all the **Unit Code Detail** check boxes on the form have been cleared, the report shows one line for a total of 220.00. If the **Unit Code 1 Detail** check box is selected, you see three lines:

100, 105.00

200, 35.00

300, 80.00

If the **Unit Code 1 Detail** and **Unit Code 3 Detail** check boxes are selected, you see four lines:

100, 105.00

200, 35.00

300, 65.00

300, 15.00