

Payables Ledger and Purchase Management

Guide to Integration

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About This Guide

This section includes the following information:

- Intended audience
- Purpose of this guide
- Organization of this guide
- Conventions used in this guide
- Related documentation

Intended audience

This guide is written for the following users:

- Infinium Payables Ledger users who set up controls for integration between Infinium Payables Ledger and Infinium Purchase Management including controls for matching invoices to purchase orders
- Infinium Payables Ledger users who perform daily Infinium PL purchase order invoice processing

Purpose of this guide

This guide shows you how to set up and use functions such as purchase order to invoice matching. These functions are available when you use Infinium Payables Ledger with Infinium Purchase Management.

Organization of this guide

This guide is task oriented. We have grouped related tasks into chapters. Each chapter contains overview information and step-by-step instructions to lead you through the tasks.

Conventions used in this guide

This section describes the following conventions we use in this guide:

- Fonts and wording
- Function keys
- Character-based and graphical-based screens
- Promptable fields
- Prompt and selection screens
- Infinium applications and abbreviations

Fonts and wording

Convention	Description	Example
<i>Italic typeface</i>	Menu options and field names The guide uses the same abbreviations as the screen.	<i>Print summary rpt</i> Note the sequence number in the <i>Seq</i> field.
Bold	Used for notes, cautions and warnings Messages that are displayed Characters that you type or values you specify	Caution: Once you specify Cash in the field and save your entry, the system does not allow you to change the field to Accrual . The system displays the following message: Company not found Log on as PL2000 . Specify Recurring Payments .

Convention	Description	Example
F2 through F24	Keyboard function keys used to perform a variety of commands.	Press F2 to display a list of available function keys.
F13 through F24	Function keys higher than F12 require you to hold down the Shift key and press the key that has the number you require minus 12.	Press F19 to work with project and activity comments.
Select	Choose a record or field value after prompting.	Select a reason code.
Press Enter	Provide information on a screen and when you have finished, press Enter to continue.	Press Enter to save your changes and continue.
Exit	Exit a screen or function, usually to return to a prior selection list or menu. May require exiting multiple screens in sequence.	Press F3 to return to the main menu.
Cancel	Cancel the work at the current screen (page) or dialog box, usually to return to the prior screen.	Press F12 to cancel your entries.
Help	<p>To access online help for the current context (menu option, screen or field), press Help (or the function key mapped for help).</p> <p>To move through the other applicable levels of help, press Enter at each help screen. To return directly to the screen from which you accessed help, exit the help screen by clicking Exit or by pressing F3.</p>	Press Help for more information about the current field.

Convention	Description	Example
[Quick Access Code]	Quick access codes provide direct access to functions. Most quick access codes in Infinium PX consist of the first letter of each word of the menu option name. Quick access codes are listed on the menu tree and in the path for each task next to the executable function.	<i>Work with matching controls [PXWWMC]</i>
Publication and course titles	Unless otherwise stated, titles refer to Infinium applications and use standard name abbreviations.	<i>Infinium Payables Ledger and Purchase Management Guide to Integration</i> is referred to as <i>Infinium PL and PM Guide to Integration</i> .

Function keys

The table below describes Infinium AM function keys and universal Infinium PL function keys for the System i. All Infinium PL function keys are identified at the bottom of each screen.

Function key	Name	Description
F1	Help	Displays help text
F2	Function keys	Displays window of valid function keys
F3	Exit	Returns you to the main menu
F4	Prompt	Displays a list of values from which you can select a valid entry
F10	Quick Access	Enables you to access another function from any screen Type the quick access code in <i>Level</i> . You can change the application designator, such as PA, GL, IC and so forth, by selecting another application.
F12	Cancel	Returns you to the previous screen

Function key	Name	Description
F22	Delete	Deletes selected item(s)
F24	More keys	Displays additional function keys at the bottom of the screen

Character-based and graphical-based screens

The sample screens in this guide may be either character-based or graphical-based. Samples of both are included below.

```

2/11/1998 14:53:26      Work With Budgets      GLGBHM      GLDBHM
                                           Page 6 of 6
Company . . . . . : 001 Century Manufacturing Company
Budget/Year/Type/Currency . . . . . : BUDGET1 1997 M USD
Account . . . . . : 001-001-000-4100-001
Account description . . . . . : Sales: Product Line 1
Annual amount . . . . . : 3,500.00-

Round factor . . . . . _ 10 to the power specified


Period Amounts      Override description . . .
01 3,500.00- .00 .00 .00
05 .00 .00 .00 .00
09 .00 .00 .00 .00

Use field-key for credit amounts.
F2=Function keys F3=Exit F10=Quick access F12=Cancel

```

Figure 1: Sample character-based screen for Infinium FM suite

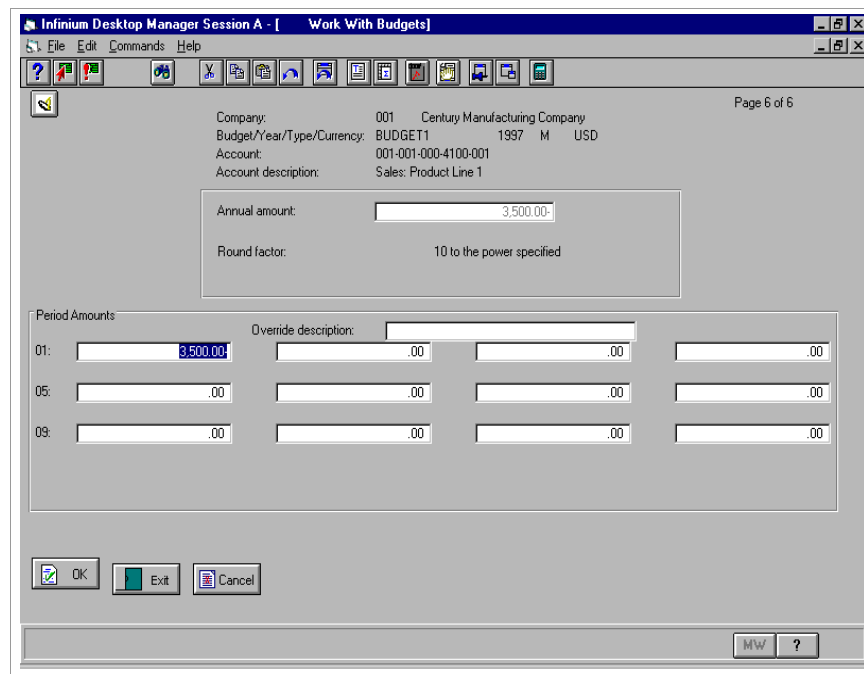


Figure 2: Sample graphical-based screen for Infinium FM suite

Promptable fields

A plus sign displayed next to a field indicates that you can choose your entry from a list of possible values. Place the cursor in the field and press F4 to display a list of values.

To select an entry perform one of the following:

- Position the cursor at the desired value, type 1 and press Enter.
- Type the value in the appropriate field.

Prompt and selection screens

A prompt screen, similar to Figure 3, is the screen in which you type information to access a record or a subset of records in a file.

A selection screen, similar to Figure 4, is the screen from which you select a record or records to perform an action.

When we first explain a task in this guide, we fully document how you access a prompt and selection screen. If a related task uses that prompt or selection screen, we include the prompt and selection steps in that task. However, we do not include the screen(s) again.

```

11/27/2007 09:37:52   Work With Recurring Journals   GLGRHM   GLDRHM
                                                                 Page 1 of 4
Company . . . . . _ +
Journal type . . . . . M   M=Monetary
                                   S=Statistical

F2=Function keys  F3=Exit  F4=Prompt  F10=Quick access  F18=Message line

```

Figure 3: Prompt screen

```

11/27/2007 09:38:53   Display Company Control   GLGCND   GLDCND
Type options, press Enter.  1=Select

```

Opt	Co	Description	Current Year	Period	Total Periods	ACT	COA
-	CK1	Carol Company 001	2007	06	12	1	1
-	001	Century Manufacturing Company	2001	03	12	1	1
-	002	Century Distribution Company	2001	03	12	1	1
-	003	Century Holdings Company	2001	03	12	1	1
-	004	Consolidated US Domestic	2001	03	12	1	1
-	005	MultiCorp Products, Inc	2001	03	12	1	1
-	006	Majesty Holdings, LTD	2001	03	12	1	1
-	007	Century of France	2001	03	12	1	1
-	008	Century of France-TRANSLATED	2001	03	12	1	1
-	009	French Regulatory Co.	2001	03	12	1	1
-	010	Century Enterprises	2001	03	12	1	1
-	020	Century of Paris/Euro	2001	03	12	1	1
-	030	Century of Germany	2001	03	12	1	1
-	040	Century of Europe	2001	03	12	1	1
-	100	AP/AR Training Company	2001	03	12	1	1 +

```

F2=Function keys  F3=Exit  F10=Quick access

```

Figure 4: Selection screen

Infinium applications and abbreviations

The following table lists Infinium names and the corresponding product abbreviations that are associated with this product.

Application	Abbreviation
Infinium Application Manager	Infinium AM
Infinium Application Manager Extended	Infinium AM/X
Infinium Financial Management Suite	Infinium FM
Infinium Accounts Receivable	Infinium AR
Infinium Cash Book	Infinium CB
Infinium Currency Management	Infinium CM
Infinium Financial Products	Infinium FP
Infinium Fixed Assets	Infinium FA
Infinium General Ledger	Infinium GL
Infinium Global Taxation	Infinium GT
Infinium Income Reporting	Infinium IR
Infinium Payables Ledger	Infinium PL
Infinium Project Accounting	Infinium PA
Infinium Purchasing/Payables Exchange	Infinium PX
Infinium Materials Management Suite	Infinium MM
Infinium Cross Applications	Infinium CA
Infinium Electronic Exchange	Infinium EX
Infinium Inventory Control	Infinium IC
Infinium Journal Processor	Infinium JP
Infinium Order Processing	Infinium OP
Infinium Purchase Management	Infinium PM
Infinium Process Manufacturing Suite	Infinium PR
Infinium Advanced Planning	Infinium MP
Infinium Formula Management	Infinium PF
Infinium Laboratory Management	Infinium LA
Infinium Manufacturing Control	Infinium MC
Infinium Regulatory Management	Infinium RM

Related documentation

For additional information, refer to the following:

- *Infinium PL Guide to Controls*
 - *Infinium PL Guide to Processing*, Volume 1 and Volume 2
 - *Infinium PM Guide to Setup and Processing*
 - *Infinium CA Guide to System Controls and Materials Maintenance*
 - *Infinium IC Guide to Setup and Processing*
 - *Infinium JP Guide to Setup and Processing*
 - *Infinium GT Guide to Setup and Processing*
 - *Infinium PL Technical Guide*
 - *Infinium PL Quick Reference Card*
 - Online help
-

Notes

Chapter 1 Infinium PL and Infinium PM Integration: An Overview

1

This chapter provides an overview of using Infinium PL and Infinium PM together through Infinium PX to generate and work with purchase order invoices.

The chapter consists of the following topics:

Topic	Page
Infinium PL and Infinium PM Integration	1-2
Terminology and Concepts	1-6

Infinium PL and Infinium PM Integration

Infinium PL, Infinium PM, and Infinium PX

Infinium PL is a payables ledger application that provides for recording invoices, generating payments, reconciling bank account clearings and performing vendor analysis. Maintenance of this application includes maintenance of certain vendor controls and other kinds of controls.

Infinium PM is a comprehensive purchasing application that provides for:

- Setting up requisition and purchase order type controls
- Creating requisitions, quotes and purchase orders
- Tracking approvals
- Receiving and inspecting purchase order items
- Analyzing vendor information

Infinium PX (Infinium Purchasing/Payables Exchange) allows you to process Infinium PL purchase order invoices using the information from your purchasing application. Using several application interfaces, you set up the controls that allow you to perform purchase order invoicing, matching, and posting.

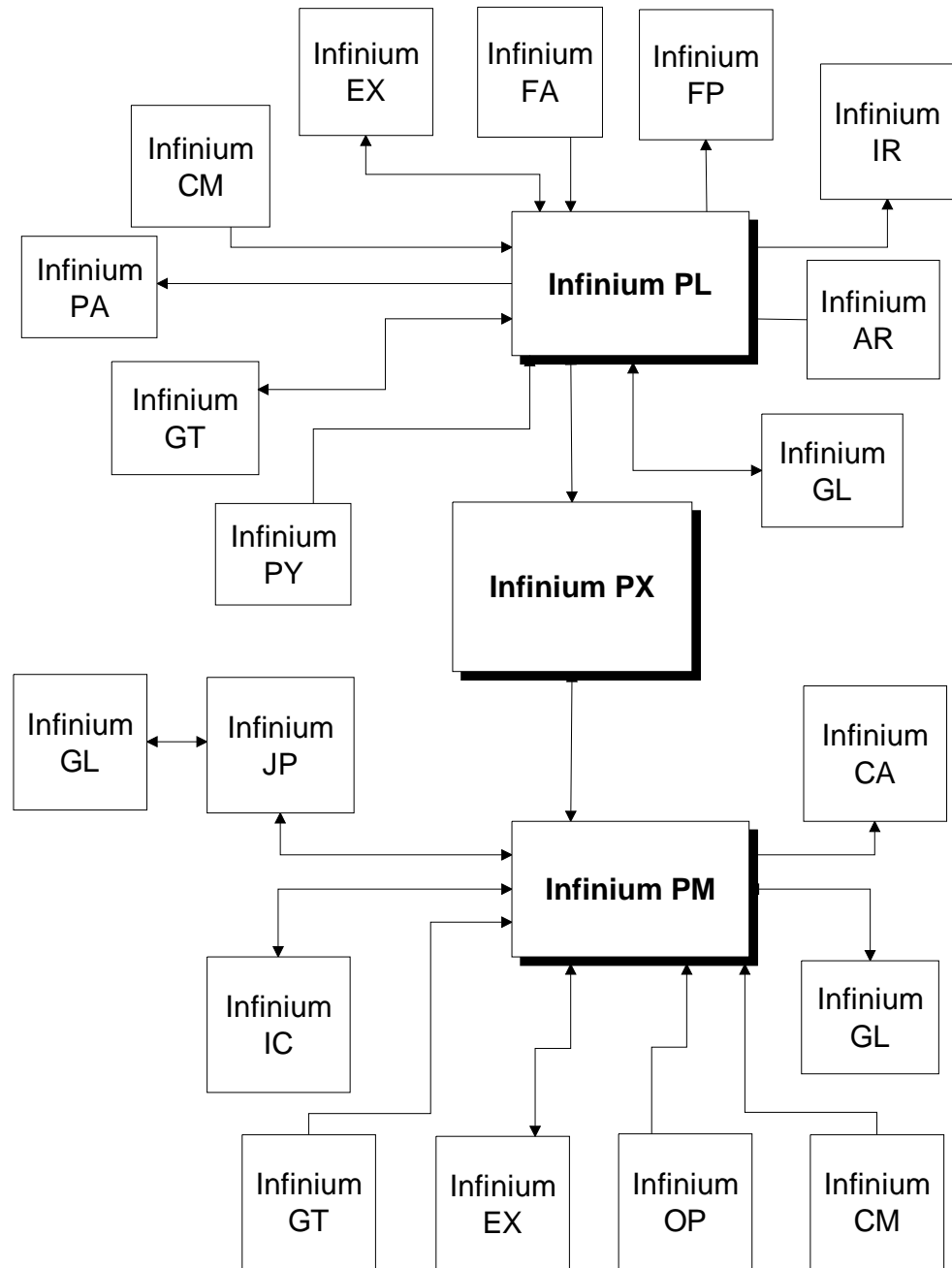


Figure 1-1: Infinium PL and Infinium PM Interfaces

Infinium PL to Infinium PM matching

You can define Infinium PL and Infinium PM controls that determine the criteria the system uses to match invoices to purchase orders, receipts,

inspections, and Material Safety Data Sheet (MSDS) information. During this matching process, the system automatically compares the invoice information with the purchase order and receipt information based on these controls.

The following diagram summarizes these components:

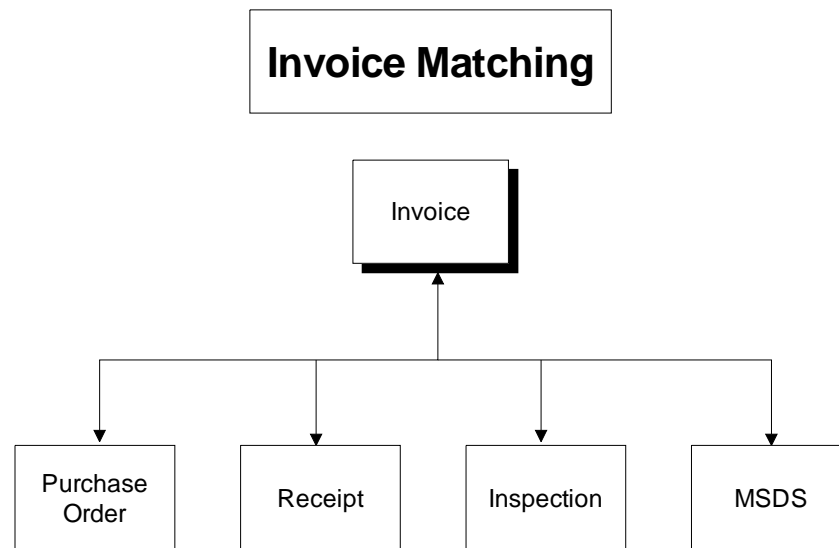


Figure 1-2: Invoice Matching Diagram

Infinium PL to Infinium PM matching flow

Matching ensures that the information on the invoice that you receive from the vendor is consistent with what you ordered and received. Below is a description of the four aspects of the matching process.

Matching at the Invoice Header level

You can define controls to have the system compare the following at the invoice header level:

- Invoice freight terms to purchase order freight terms
 - Invoice payment terms to purchase order payment terms
 - Invoice header additional charges to purchase order header additional charges
-

Matching tolerances

The controls can include tolerances that indicate how large a variance between an invoice value and a purchase order value the system is to allow. If the variances are within the tolerances, the invoice passes this matching check. If the variances are not within the tolerances, the invoice fails this matching check.

Matching at the Invoice Detail level

You can define controls and tolerances to have the system compare the following for each invoice detail line:

- Invoice to purchase order unit of measure

The unit of measure on the purchase order and invoice must match. The system performs this match automatically.
- Invoice detail additional charges to purchase order detail additional charges
- Invoice quantity to received/available-to-invoice quantity
- Invoice quantity to inspected quantity
- Invoice cost per unit to purchase order cost per unit with tolerances
- Invoice extended cost to purchase order extended cost with tolerances

Other matching

The system compares the invoice total invoiced dollar amount at the invoice detail level to the purchase order total invoiced dollar amount using tolerances.

Terminology and Concepts

This section contains terminology you should understand before you continue to the chapters of this guide that provide details.

Code types and code values

Many code types exist in the system to categorize information. A code type is a three character designator defined by the system. For each code type, you assign a list of values; these values are called code values.

Entity

Entity refers to information and controls that are applicable to the entire Infinium PL, Infinium PM, Infinium PX, or Infinium CA system. Entity controls are defined once, per application, regardless of the number of companies defined in your system.

The Infinium PL, Infinium PM and Infinium PX applications use four different sets of Entity controls:

- Infinium PM Entity controls

These controls are specific to Infinium PM.

- Infinium CA Common Entity controls

These controls are shared by all of Infinium MM products, including Infinium PM.

- Infinium PL Entity controls

These controls are specific to Infinium PL.

- Infinium PX Entity controls

These controls are shared by Infinium PM and Infinium PL.

An example of an entity control is the date format that your system uses. Because the date format is defined at the entity level, it is used by all functions within the system.

Accounting group

Accounting groups contain accounting defaults as well as information that is necessary to close to your general ledger. Accounting group information defines defaults such as the Accounts Payable Trade, Discount, Purchase Price Variance, and Invoiced Not Received accounts used as offsets to entries in invoice processing.

Accrual accounting

Accrual accounting generates a general ledger transaction at receiving time and at invoice time. At receiving time, the system generates a Received Not Invoiced (RNI) account entry. At invoice time, if receipts exist when you create the invoice, the system retrieves the RNI account entry and reverses it. If no receipts exist at invoice time, the system generates an Invoiced Not Received (INR) account entry. The INR account comes from the accounting group specified on the invoice. When the invoiced goods are received, the INR entry is reversed.

Commodity code

A commodity code is a way of grouping classes of goods. Each purchase order detail line item in the Infinium PM system requires a commodity code. You can use commodity codes to default the normal cost or the vendor item cost into purchase orders.

Division

A division is a functional unit within an Infinium PL company. A division record consists of address information, general ledger closing information, invoice defaults, period controls, and currency controls. You can have several divisions within one company.

Inventoried item

An inventoried item is an item that exists in the Product or Raw Materials Master and you track the item in the warehouse. An inventoried item represents goods that your company sells or uses to manufacture goods that are sold.

Inventory adjustment

An inventory adjustment is a variance amount between the purchase order cost and the invoice cost multiplied by the quantity invoiced. The system

uses the Inventory Adjustment (INA) transaction for companies using adjustment based costing.

Nonitems

Nonitems are typically items that you use one time and do not include in the permanent Infinium CA Master files. You can attach nonitems to a warehouse or ship-to location; however, nonitems are not entered in the Product or Raw Materials Master files in the Infinium CA system.

You establish nonitems in the Infinium PM system by entering an item description and valid commodity code on a requisition or purchase order. The order type you specify on the purchase order determines whether you are allowed to create a purchase order for a nonitem.

Noninventory items

Noninventory items are items that you occasionally buy or sell but do not track in the warehouses. You enter noninventory items in the *Work with Non-inventory Materials* option in the Infinium CA system. You can create non-inventory items or resources in the *Work with Noninventory Materials* or the *Work with Raw Material/Resource* option. Both are Infinium CA options.

Invoice

An invoice is a detailed list of payment due for goods shipped or services rendered with account of all costs. An invoice consists of an invoice header, purchase order information and detailed accounting entries.

Invoice Header

The Infinium PL invoice header contains information such as the invoice number, invoice date, invoice amount, and due date.

Invoice Detail

Infinium PL invoice detail identifies the general ledger accounts to which you are expensing the invoice amount.

Invoice Entry method

You can create invoices in an invoice session in three ways:

- Standard: You create one invoice at a time for a vendor. For each invoice, the system displays the appropriate screens for you to type the vendor, general invoice information, and the invoice distributions.
- High Volume: You type multiple invoices on one screen with a minimal amount of data. Each invoice is one line of information on the screen.
- Purchase order/Receipt: You create one invoice at a time for each set of purchase orders or receipts invoiced for a vendor. Each purchase order can be invoiced in full or by line item detail. For each invoice, the system displays the appropriate screens for you to accept/update the general invoice information and the invoice distributions.

Posting

Posting in the Infinium PL system refers to posting information to the Infinium PL system. It does not refer to posting to the general ledger.

Purchase Order

A purchase order contains purchase order descriptions, line item details, additional charges, ship-to information, and general ledger account information.

Purchase Order type

A purchase order type control allows you to indicate what information you want to require when you create a purchase order.

Purchase Price Variance

A standard cost accounting purchase price variance refers to a variance amount either over or under the cost per unit on the invoice as compared to the cost per unit of either the item or purchase order.

Receipt activity flag

The receipt activity flag indicates how you are processing receipts associated with a purchase order. You can select one of the following:

- No receipts (direct shipments)
 - Regular receipts
 - Prepaid shipments
 - Receipt required
-

This flag is set at the purchase order detail level or on the ship-to location level. The system generates the appropriate accounting transactions based on the value of this field.

Session

For invoice and payment processing, a session is a group of invoices or payments that you type into the Infinium PL system. The system assigns each session a unique number.

Tolerance

A tolerance is an acceptable variance based on an expected performance factor. The Infinium PM system allows you to set invoice tolerances at three levels. These levels are:

- Company
- Commodity
- Item/Warehouse

The system uses a hierarchy based on the three levels listed above to determine the matching tolerances to use. When an item is matched, the system checks for tolerances at the item/warehouse level. If the system fails to find tolerances at this level, it proceeds to the commodity level. If tolerances are not defined at the commodity level, the system looks for tolerances defined at the company level. If the system finds no tolerances, the system considers the acceptable variance to be unlimited.

MSDS

If you match on Material Safety Data Sheet (MSDS) number, the system ensures that an MSDS number exists in Infinium CA for any items denoted as hazardous materials.

Warehouse

A warehouse is a physical or logical area where inventory is stored.

This chapter focuses on controls in Infinium PX that you need to set up for purchase order invoice matching.

The chapter consists of the following topics:

Topic	Page
Overview of Infinium PX controls	2-2
Creating Infinium PX entity controls	2-4
Defining Infinium PX matching controls	2-8
Maintaining Infinium PX code types and code values	2-12

Overview of Infinium PX controls

Infinium PX provides controls and Application Program Interface (API) programs that allow integration with your purchasing and payables application systems. You must define the entity and matching controls before you can perform matching of Infinium PL invoices with Infinium PM purchase orders.

The diagram below illustrates the Infinium PX controls and how they relate to each other and to Infinium PL and Infinium PM.

Note that the horizontal arrows in the second and third rows (entity controls and matching controls) point to information about the purchasing and payables systems that is stored in the Infinium PX controls. The actual communications between the systems occur through the APIs, as indicated in the bottom row of the diagram.

Infinium PX overview

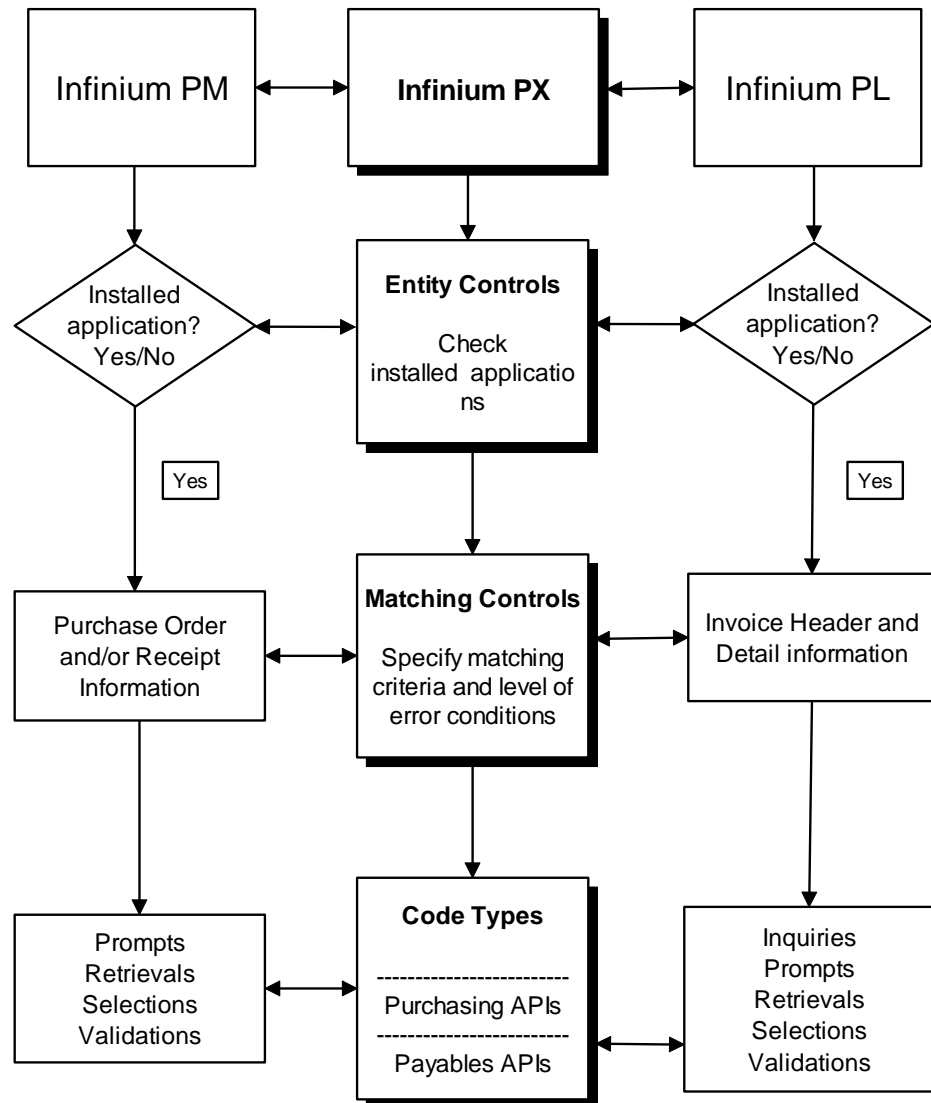


Figure 2-1: Infinium PX Controls Overview

Creating Infinium PX entity controls

Overview of the Infinium PX entity controls

Entity controls contain settings that govern your entire Infinium PX application. The following Infinium PX entity controls are required for the interface between Infinium PX and your purchasing and payables systems:

- Systems installed

These controls identify the purchasing and payables systems with which Infinium PX is to communicate.

- Date controls

Because you define the date format at the entity level, Infinium PX uses that date format throughout the entire system.

To ensure successful and accurate processing, define the same date format for Infinium PX as you have for the following interfacing systems: Infinium CA, Infinium CM, Infinium GL, Infinium GT, Infinium PL, Infinium PM, and Infinium PX.

The Infinium PX entity control user exit programs are optional. These controls allow you to specify additional programs that the system is to execute before or after matching.

Defining Infinium PX entity controls

The following steps are required as part of your one-time system setup:

- 1 From the Infinium PX main menu, select *Control files*.
 - 2 Select *Work with entity controls* [WVEC]. The system displays a screen similar to Figure 2-2.
-

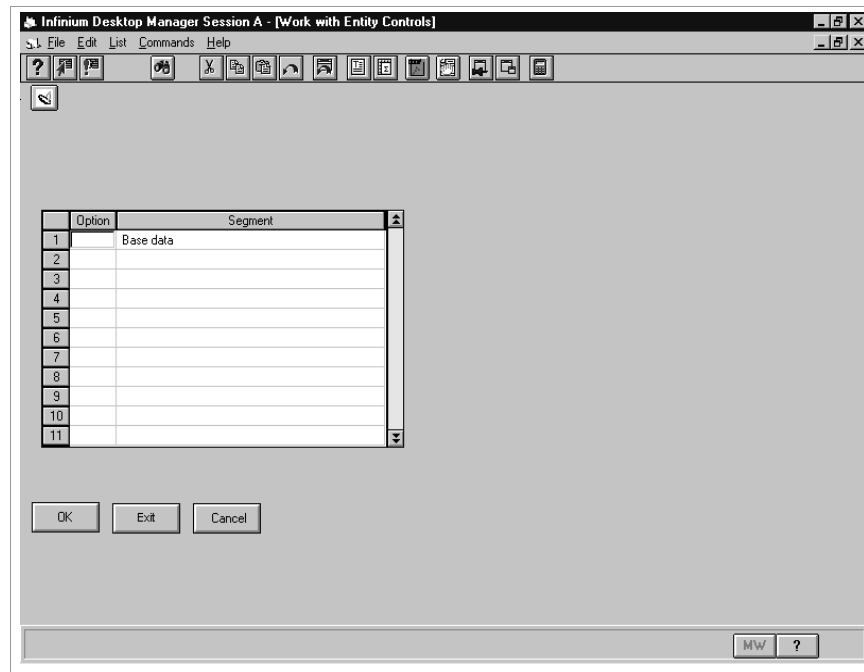


Figure 2-2: Work with Entity Controls screen

- 3 Select *Base data*. Select **Work with** or type **5** and press Enter.

The system displays a screen similar to Figure 2-3.

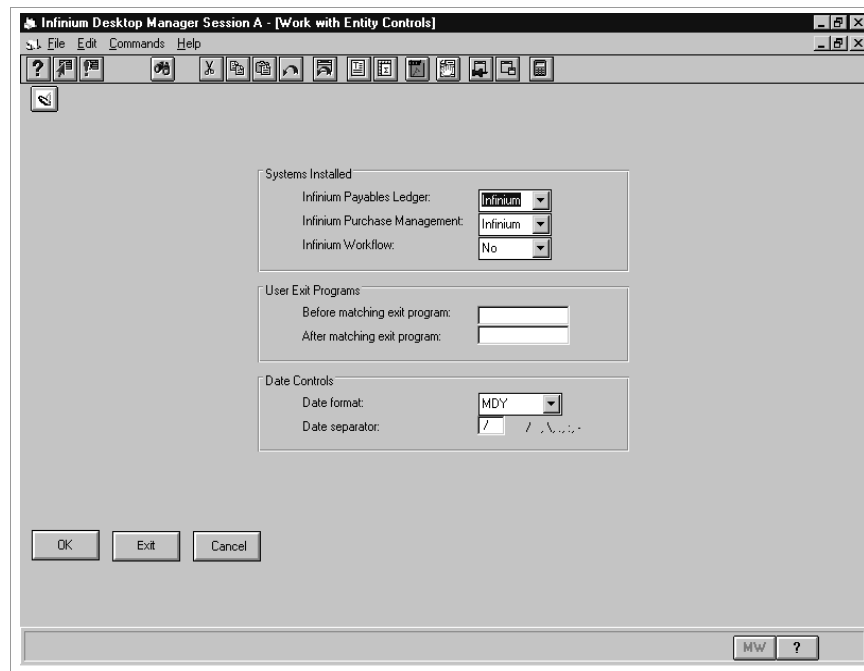


Figure 2-3: Work with Entity Controls screen 2

4 Use the information below to complete the fields at this screen.

Systems Installed

These required values tell Infinium PX whether you are using the standard Infinium purchasing and payables interfacing applications or other applications.

- In the first field in this section, specify **Infinium** if you have installed Infinium PL as your payables system and specify **Other** if you have installed a different payables system.
- In the second field in this section, specify **Infinium** if you have installed Infinium PM as your purchasing system and specify **Other** if you have installed a different purchasing system.
- In the third field, specify **Infinium** if you have installed the Infinium e-business Solutions Invoice-Order Resolution database for automatic communications to resolve matching errors. Specify **No** if you have not installed the e-business Solutions Invoice-Order Resolution database.

For information about using the Infinium e-business Extensions, refer to the Infinium e-business Help database.

If you are using an application other than Infinium PL or Infinium PM, you must update certain code values. Refer to the “Maintaining code values” topic later in this chapter.

User Exit Programs

These are optional fields.

- If you want the system to call an additional program before performing the matching process, type the name of that program in the *Before matching exit program* field.
- If you want the system to call an additional program after performing the matching process, type the name of that program in the *After matching exit program* field.

Date format

Date separator

Specify the format in which you want the system to process and display dates.

You cannot change this setting once you have initially set up the entity controls.

To ensure successful and accurate processing, define the same date format for Infinium PX as for the following directly or indirectly interfacing systems:

Infinium CA, Infinium CM, Infinium GL, Infinium GT, Infinium PL, and Infinium PM.

- In the *Date format* field, specify the order of date elements. You can choose any of the following orders:

month, day, year
year, month, day
day, month, year
- In the *Date separator* field, specify the separation character to be used between those date elements. You can choose any of the following separators:

/ front slash
\ back slash
. period
: colon
- hyphen

5 Press Enter. The system updates the entity controls.

Defining Infinium PX matching controls

Infinium PX matching controls

The Infinium PX matching controls provide a flexible method of defining your criteria for matching Infinium PL invoices with Infinium PM purchase orders. These controls also allow you to establish which matching conditions the system is to consider error conditions and the severity of those error conditions.

The following are examples of matching controls:

- Invoice to purchase order payment terms
- Invoice to purchase order additional charges
- Invoice to purchase order line quantity

You define all the matching controls at the entity level. The system uses these controls for all matching processes.

Infinium PX matching control field values

On the Matching Controls screen, you define the comparisons the system is to perform between the invoice data and the purchase order data during the matching process. You also define whether the system allows you to continue processing when the applicable criteria fail.

Some matching control fields accept only the following values:

- | | |
|----------|--|
| 0 | Do not use this comparison for matching. |
| 1 | Do use this comparison for matching. |

For other matching controls, you also define the error condition level of severity that is to result when matching fails:

- | | |
|----------|--|
| 0 | Do not use this comparison for matching. |
|----------|--|
-

- 1 Use this comparison for matching, and display a warning message if matching fails.

When the system displays a warning message, you can still choose to continue processing the invoice.

- 3 Use this comparison for matching, and display a fatal error message if matching fails.

When the system displays a fatal error message, you cannot continue to process the invoice until you have either corrected the error or overridden the error condition.

Defining the matching controls

To define matching controls, perform the following steps:

- 1 From the Infinium PX main menu, select *Control files*.
- 2 Select *Work with matching controls [WWMC]*. The system displays a screen similar to Figure 2-4.

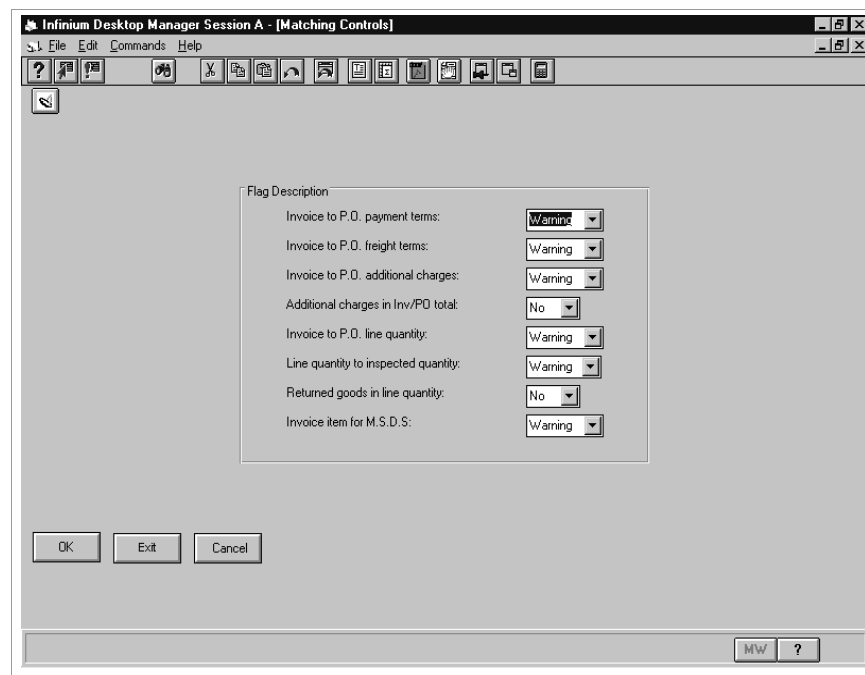


Figure 2-4: Matching Controls screen

Matching controls

This screen enables you to define the matching criteria the system uses to compare invoices with purchase orders.

3 Use the information below to complete the fields on this screen.

Invoice to P.O. payment terms

If you specify this comparison, the system compares the invoice header payment terms to the purchase order header payment terms.

Invoice to P.O. freight terms

If you specify this comparison, the system compares the invoice line item freight terms to the purchase order freight terms for matching purposes.

Invoice to P.O. additional charges

If you specify this comparison, the system compares invoice additional charge amounts to purchase order additional charge amounts at the PO header, PO detail line, and PO multi-ship levels.

For the purposes of matching, the system performs the following calculation to determine the current purchase order additional charges:

Purchase order estimated additional charges

– Previously invoiced actual additional charges

Current available-to-invoice purchase order additional charges

Matching fails if the invoice additional charges exceed the purchase order additional charges.

Additional charges in Inv/PO total

Specifying this comparison tells the system to do the following:

- Add all the purchase order additional charges to the purchase order total
- Add all the invoice additional charges to the invoice total
- Compare the resulting PO and invoice totals

The system uses the tolerance limits specified in Infinium CA to determine the acceptable percentages or amount ranges between the invoice total and the purchase order total. Refer to the “Defining Infinium MM Product Controls” chapter for more information on tolerances.

Invoice to P.O. line quantity

If you specify this comparison, the system compares the invoice quantity with the available-to-invoice quantity.

The system calculates the available-to-invoice quantity as follows:

Ordered or received quantity

– Previously invoiced quantity

Current available-to-invoice quantity

Line quantity to inspected quantity

If you specify this comparison, the system compares the invoice line quantity to the purchase order or receipt quantity that has been accepted through final inspection.

Returned goods in line quantity

If you enable this control, the system subtracts the number of returned items from the purchase order or receipt available-to-invoice quantity before comparing to the invoice line quantity.

Invoice item for M.S.D.S.

M.S.D.S. refers to the official Material Safety Data Sheet required by the government for certain products that the government classifies as hazardous materials.

- If you enable this control, the system checks the PO line that corresponds with the invoice line to determine whether this item is a hazardous material as defined by the government.
- If the PO specifies that this item is a hazardous material, the system checks the Infinium CA controls for an M.S.D.S. number for the item. If the value for this number is blank, meaning that there is no M.S.D.S., the line fails matching.

4 Press Enter. The system updates the matching controls.

Maintaining Infinium PX code types and code values

Infinium PX code types

Infinium PX code types are for maintaining the Application Program Interface (API) controls in Infinium PX. These API programs control how the interfaces between the systems work.

Infinium provides you with pre-set code types and values for interfaces among Infinium PX, Infinium PL, and Infinium PM.

If you are using purchasing and payables applications other than Infinium PL and Infinium PM, you need to modify one or both of the following code type controls:

- Payables system API programs
- Purchasing system API programs

An example of a payables code value control is PIC. The system calls the API program you designate for the code value PIC when a user displays a prompt selection list for a payables ledger company field from Infinium PM.

WARNING! If you are using Infinium PL and Infinium PM, do not update the code values. Updates to the code values can cause your system to retrieve incorrect data or prevent the system from properly processing data.

Maintaining Infinium PX code values

To maintain code types and code values, perform the following steps:

- 1 From the Infinium PX main menu, select *Control files*.
 - 2 Select *Work with code values* [PXWWCV]. The system displays a screen similar to Figure 2-5.
-

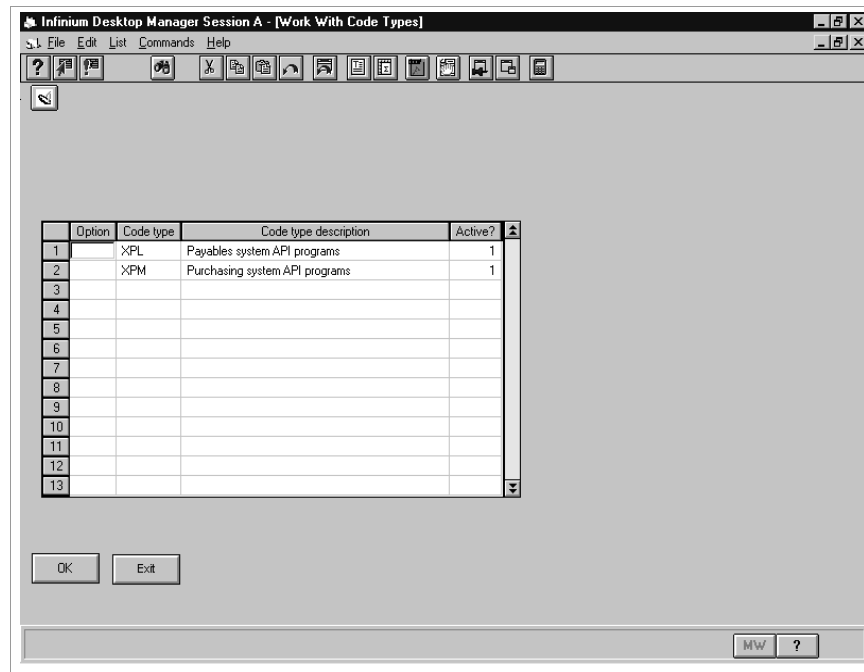


Figure 2-5: Work With Code Types Prompt screen

- 3 Select a code type. Select **Work with code values** or type 5 and press Enter.

If you are using a payables application system not provided by Infinium, select code type **XPL**.

If you are using a purchasing application system not provided by Infinium, select code type **XPM**.

The system displays a screen similar to Figure 2-6.

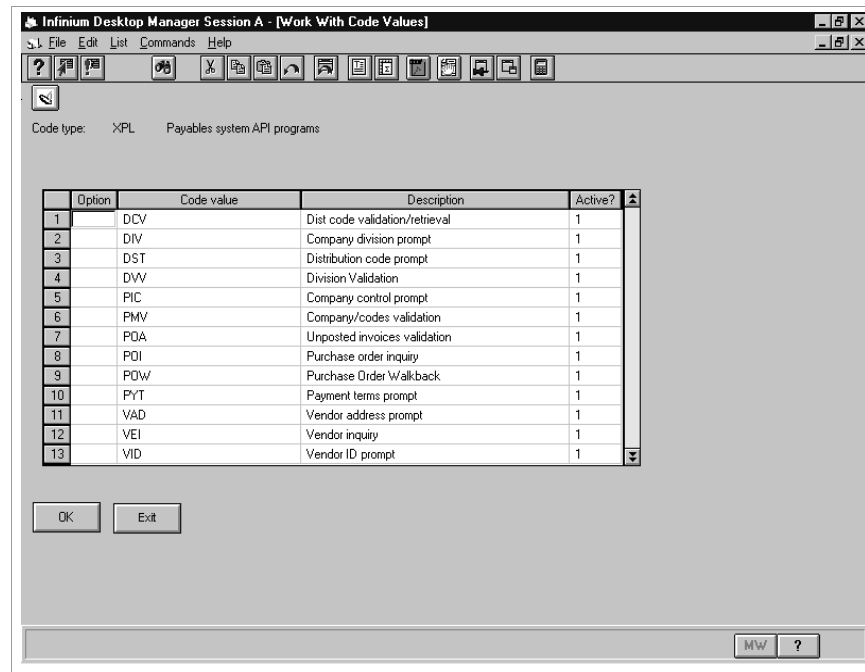


Figure 2-6: Work With Code Values screen

Code values

The system lists the code values associated with the code type you selected (XPL or XPM). If using an application system not provided by Infinium, you must update the API programs for all the listed code values.

- 4 Select a code value. Select **Change** or type **2** and press Enter to change the API program for the code value.

The system displays a screen similar to Figure 2-7.

Infinium Desktop Manager Session A - [Maintain Code Values]

File Edit Commands Help

Code type: XPL Payables system API programs

Code value: DST

Code value description: Distribution code prompt

Program name: PLGMHDT

OK Cancel

MW ?

Figure 2-7: Maintain Code Values screen

Code value information

Use this screen to identify the alternative program the system is to call for the payables or purchasing interface process identified by the code value you selected.

- 5 Type a valid description and program name.

Members of your MIS staff can provide you with the correct program name to specify for this code value.

- 6 Press Enter. The system updates the code value.

Notes

This chapter focuses on controls in Infinium PL that you need to set up for purchase order invoice processing.

The chapter consists of the following topics:

Topic	Page
Overview of Infinium PL controls	3-2
Maintaining Infinium PL entity controls	3-4
Maintaining Infinium PL payment terms	3-9
Maintaining Infinium PL company controls	3-13
Maintaining Infinium PL user security	3-23
Creating distribution groups	3-31
Creating Infinium PL vendor controls	3-35

Overview of Infinium PL controls

In this chapter you learn how to set up entity, payment terms, company, user security, and vendor control files in Infinium PL.

Infinium PL control file overview

Infinium PL provides you with several functions that enable you to tailor your system to meet your processing needs. Through control file functions, you define system-wide and company specific values that help you manage your payables.

The diagram in Figure 3-1 illustrates Infinium PL controls and how they relate to each other. The controls related to matching are highlighted.

Infinium PL Control File Overview

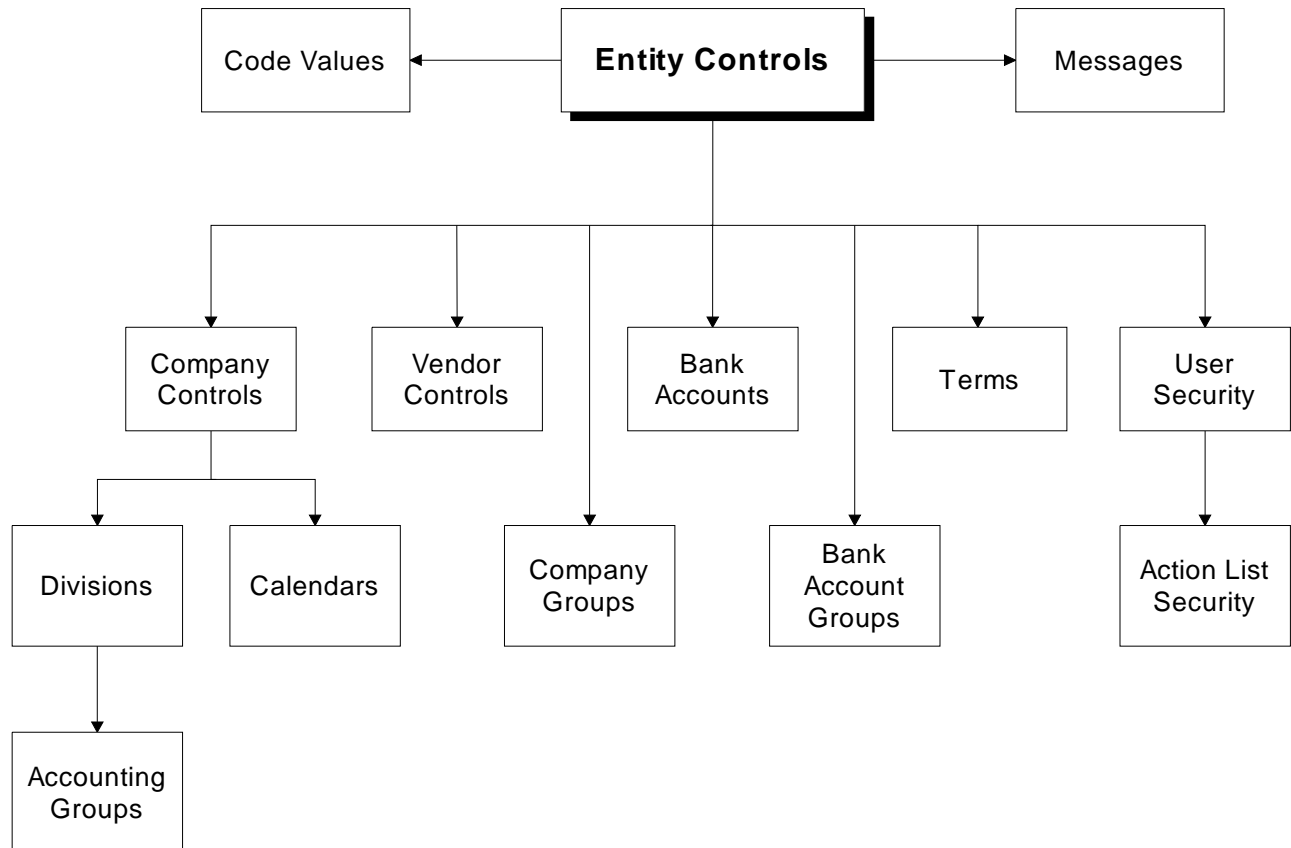


Figure 3-1: Infinium PL Control File Overview

Maintaining Infinium PL entity controls

Infinium PL entity controls

Entity controls are the highest level controls in Infinium PL. Before you can enter any information into the system, you must create your entity controls. Some controls you establish at the entity level are:

- Date format
- Invoice posting method default
- Infinium applications that interface with Infinium PL
- User-defined fields

An example of an entity control is the date format that your system uses. Because the date format is defined at the entity level, it is used by the entire system. Entity controls are defined once for each system.

Infinium PL entity controls affecting integration with Infinium PM

Identifying Infinium PM as installed

The Infinium PL entity base data controls allow you to specify which related applications you have installed and plan to use with Infinium PL.

If you are using Infinium PM with Infinium PL, you must activate the integration of the two applications by selecting Infinium PX in these base controls.

Defining expense user fields to receive Infinium PM data

User fields are fields that you define to supplement the standard Infinium PL fields. Infinium PL allows you to define entity controls to add vendor, invoice, and expense user fields.

When you use Infinium PL with Infinium PM to process purchase order invoices, the system retrieves the Infinium PM purchase order user field data and populates the corresponding Infinium PL expense user fields. In order to

receive these field values from Infinium PM you must define these corresponding Infinium PL expense user fields.

The following table provides information that helps you decide how to set up the user fields in the two applications to work best for you when you integrate the two applications.

Infinium PM	Infinium PL	Integration
Four alphanumeric fields (PDUDF1 through PLUDF4): maximum of 30 characters	Four alphanumeric fields (V3USR1 through V3USR4): maximum of 20 characters	The system supplies up to the first (leftmost) 20 characters of each Infinium PM value in Infinium PL.
Two numeric fields (PDUDF5 and PDUDF6): 15 digits followed by 6 decimal positions	Two numeric fields (V3USR5 and V3USR6): 17 digits followed by 2 decimal positions	The system rounds the Infinium PM decimals to two positions and supplies the resulting values in Infinium PL.
Two date fields. The first is PDUDF7. The second date value is stored in several formats in PDUF8D, PDUFED and PDUFHD.	No field corresponding to the first date field. The single Infinium PL date field has the date value stored in several formats in V3USR8, V3USRA and V3USR7.	The system supplies the date value from the second Infinium PM date field in the Infinium PL date field (storing the value in each of the three formats).
Four additional one character user fields flags (PDUFL1 - PDUFL4)	No corresponding Infinium PL flags	The system does not bring these values over to Infinium PL.

Consider also the following when defining the Infinium PL and Infinium PM user fields:

- You can specify the length of each Infinium PM and Infinium PL alphanumeric detail user field.

Consequently, we recommend ensuring that you define the corresponding fields to have the same lengths in order to avoid either truncation or excess field value lengths in Infinium PL.
- The Infinium PL entity controls allow you to specify that an alphanumeric expense user field value is to be validated against certain code values for a specified code type.

The system supplies whatever value is in the corresponding Infinium PM field, whether or not that value is an Infinium PL code value for the specified code type.

- Both Infinium PM and Infinium PL allow you to make expense user-defined fields required. When the system supplies values from Infinium PM, the system accepts blank Infinium PM values in the required Infinium PL expense user-defined fields.

If you required values in the Infinium PL fields, you can avoid these blanks by also requiring values in the corresponding Infinium PM fields.

- The Infinium PL entity controls define the date format actually used in Infinium PL records, such as 01/01/1998 or 01011998. The system also stores the dates in hundred year format for efficient calculation of time periods.

Defining entity controls that affect Purchase Order processing

Perform the following steps to maintain the entity controls that affect purchase order processing:

- From the Infinium PL main menu, select *Controls*.
- Select *Work with entity* [WWE]. The system displays the screen shown in Figure 3-2.

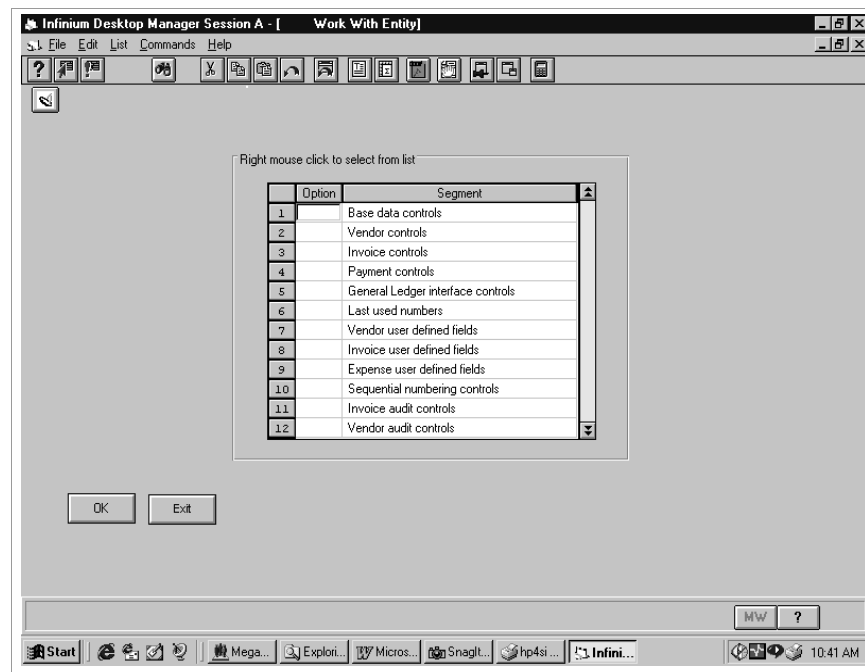


Figure 3-2: Work With Entity selection screen

- Select *Base data controls*. Select **Change** or type 2 and press Enter. The system displays the screen shown in Figure 3-3.

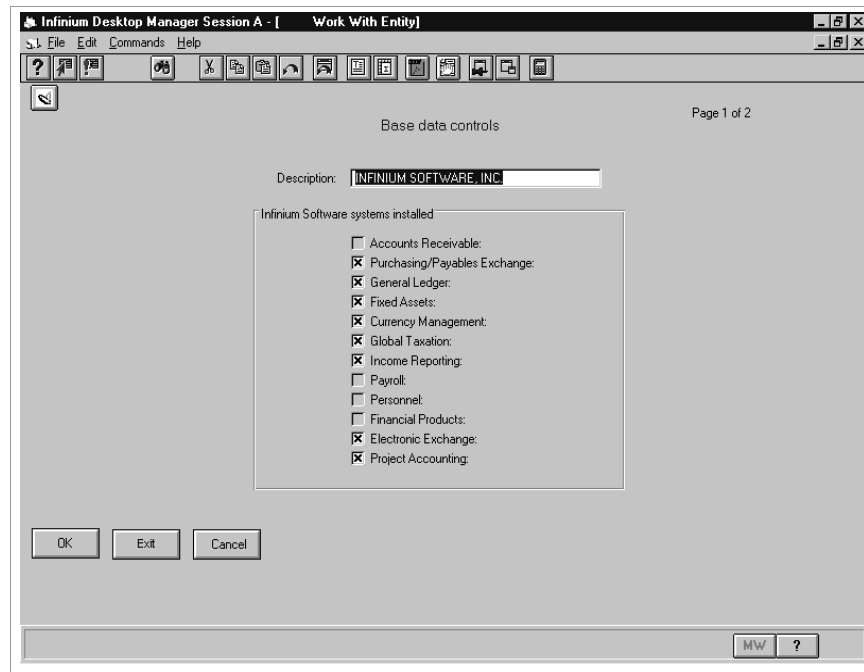


Figure 3-3: Work With Entity Base Data Controls screen 1

This screen allows you to indicate which Infinium applications you have installed for use with Infinium PL.

- 4 Specify that Infinium PX is installed and is to be used with Infinium PL in the *Purchasing/Payables Exchange* field in order to establish a link to Infinium PX, which in turn uses the Infinium PM and Infinium CA systems. Infinium PL requires this link to obtain data for matching, tolerance processing, PO currency, and PO tax information.

Indicate the status of *Purchasing/Payables Exchange* on this screen, as follows.

- | | |
|---|--|
| 0 | The application is installed and to be used with Infinium PL. Infinium PL automatically performs validation and update procedures on the installed applications. |
| 1 | The application is not installed, or is installed but not to be used with Infinium PL. |

- 5 Press Enter twice. The system returns you to the Work With Entity selection screen shown in Figure 3-2 and updates the entity controls.
- 6 Select *Expense user defined fields*. Select **Change** or type 2 and press Enter. The system displays the Work With Entity expense user defined fields screen illustrated in Figure 3-4.

Expense user defined fields

Code name	Code type	Minimum length	Maximum length	Entry required	Edit code	Exit program
Alpha Fields						
EXPALPHA1	Eh1:	1	20	0	0	
EXPALPHA2	Eh2:	1	20	0	0	
EXPALPHA3	Eh3:	1	20	0	0	
EXPALPHA4	Eh4:	1	20	0	0	
Numeric fields						
EXPNUM5				0		
EXPNUM6				0		
Date field						
EXPDATE7				0		

OK Exit Cancel

Figure 3-4: Work With Entity expense user defined fields screen

- 7 Use this screen to define the expense user field names to be used to receive the corresponding Infinium PM purchase order user-defined field values.

These fields are also used for other kinds of invoices. Ensure that you use field labels that work for processing both purchase order invoices and other kinds of invoices.

You can also specify additional information for each user-defined field such as whether the field must contain a code value for a specific code type, the minimum and maximum length for an alphanumeric user field, and whether the field is required.

- 8 Press Enter to return to the Work With Entity selection screen.
- 9 Exit or Cancel to exit entity controls.

Maintaining Infinium PL payment terms

Infinium PL payment terms

Infinium PL allows you to create three different types of payment terms.

- Custom

Uses a custom program created by your technical staff to calculate discounts and due dates

- Proximo

Indicates specific calendar days of a month for discount and net payable days

- Standard

Indicates a specific number of days for a discount and net due date

The payment terms type Chain is for future use.

Payment terms are valid for all companies and vendors on the system. You can define the default payment terms for invoices by attaching the terms to vendors or divisions or both. If you attach terms to both a vendor and a division, the system uses the terms from the vendor.

This section uses the standard payment terms as an example.

Refer to the *Infinium PL Guide to Controls* and the *Infinium PL Guide to Processing* for more information on creating payment terms.

Establishing payment terms

To maintain payment terms, perform the following steps:

- 1 From the Infinium PL main menu, select *Controls*.
 - 2 Select *Work with terms* [WWT]. The system displays the screen shown in Figure 3-5.
-

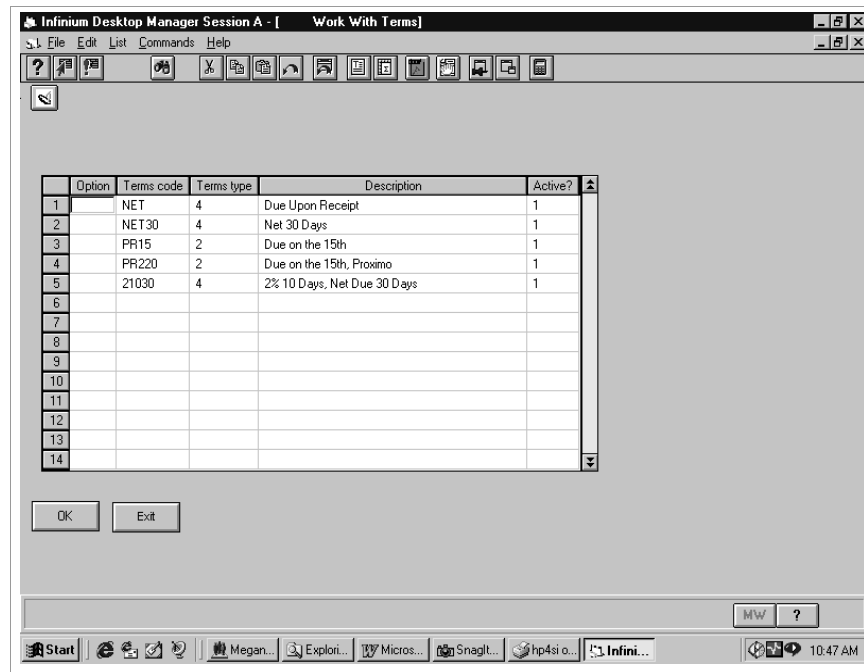


Figure 3-5: Work With Terms selection screen

The system displays all existing terms on this screen.

- 3 You can press F6 to create a terms code or change an existing terms code. The system displays the screen shown in Figure 3-6 if you press F6.

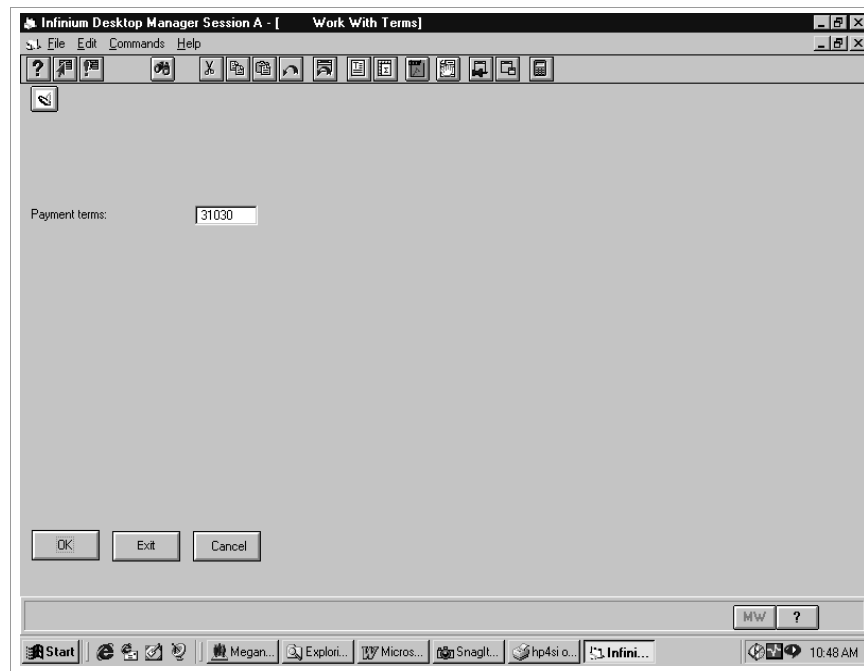


Figure 3-6: Work With Terms creation screen

- 4 Type a name for the new payment terms in the *Payment terms* field.

The name that you type is the default value in applicable purchase orders. Therefore, ensure that you give the code a name that will be meaningful to payables and purchasing clerks, as well as to the vendors who receive the POs.

- 5 Press Enter. The system displays the screen shown in Figure 3-7.

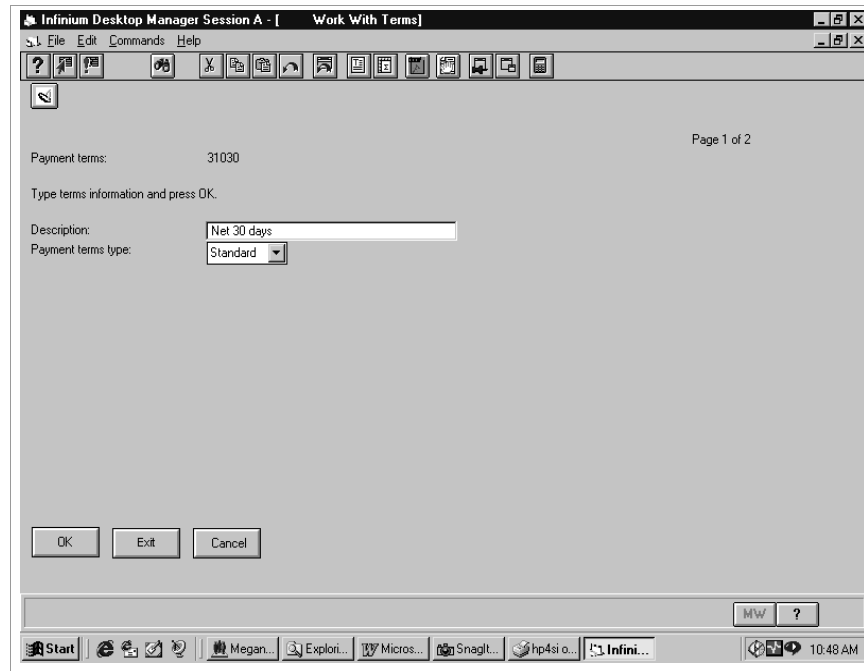


Figure 3-7: Work With Terms screen 1

Selecting payment terms type

- 6 Assign a description to the new terms. Then select a payment terms type. The default is the payment terms type from the last payment terms you created.

The payment terms type Chain (type 3) is for future use.

- 7 Press Enter. The system displays the screen shown in Figure 3-8.

Payment terms: 31030

Page 2 of 2

Type terms information and press OK.

Standard Terms

Discount percentage: 5.0000 %

Discount days: 10

Net payable days: 30

☐ Lose discount?

Discount basis: Gross

Annual discount percentage: .0000 %

OK Exit Cancel

Figure 3-8: Work With Terms screen 2 - Standard

When you create standard terms, the required fields on this screen are *Net payable days*, *Lose discount?*, and *Discount basis*.

- 8 Use the information below to complete the fields on this screen.

Discount percentage

If you type a discount percentage and specify no in the *Lose discount?* field, the system always takes the discount even if you pay the invoice after the net payable days.

Discount basis

If you specify **Net** in this field to base the discount on the net invoice amount, the system calculates the discount on the invoice amount less any freight and taxes.

Annual discount percentage

The system displays the discount percent as an annual rate. The system calculates the annual discount cost percent based on the discount percent, number of discount days, and number of net payable days.

- 9 Press Enter. The system creates the payment terms.

Maintaining Infinium PL company controls

Overview

Through the Infinium PL *Work with Company Controls* function, you define controls for the individual companies within your organization. Some controls you establish at the company level are:

- Calendar
- Currency
- Divisions and their accounting groups
- Intercompany processing

Defining company controls

This section highlights how to set up company controls that affect the integration with Infinium PM for processing purchase order invoices.

To maintain company controls, perform the following steps:

- 1 From the Infinium PL main menu, select *Controls*.
 - 2 Select *Work with companies* [WWC]. The system displays the screen shown in Figure 3-9.
-

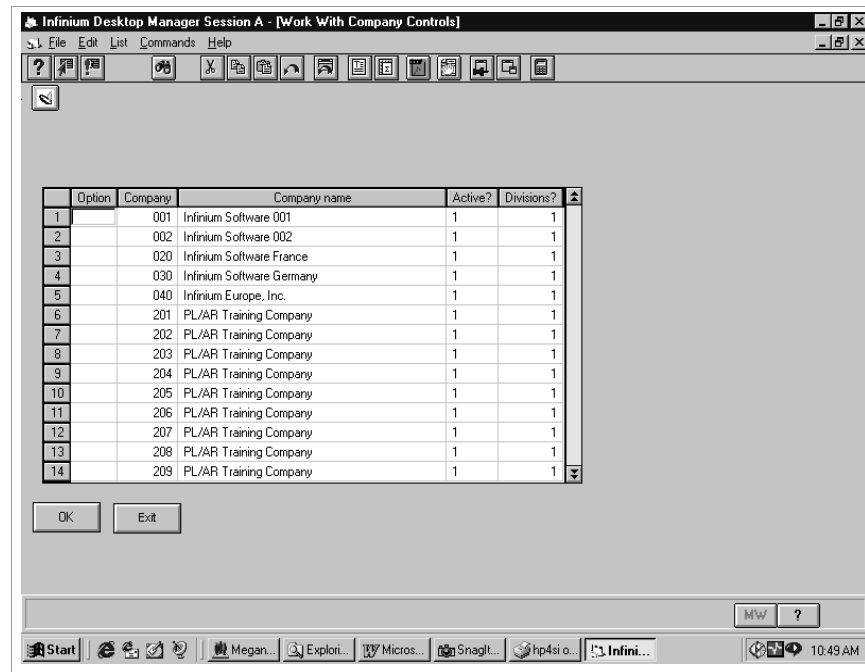


Figure 3-9: Work With Company Controls screen

- 3 Select the company you want to update. Select **Change** or type **2** and press Enter.
- 4 Press Enter. The system displays the screen shown in Figure 3-10.

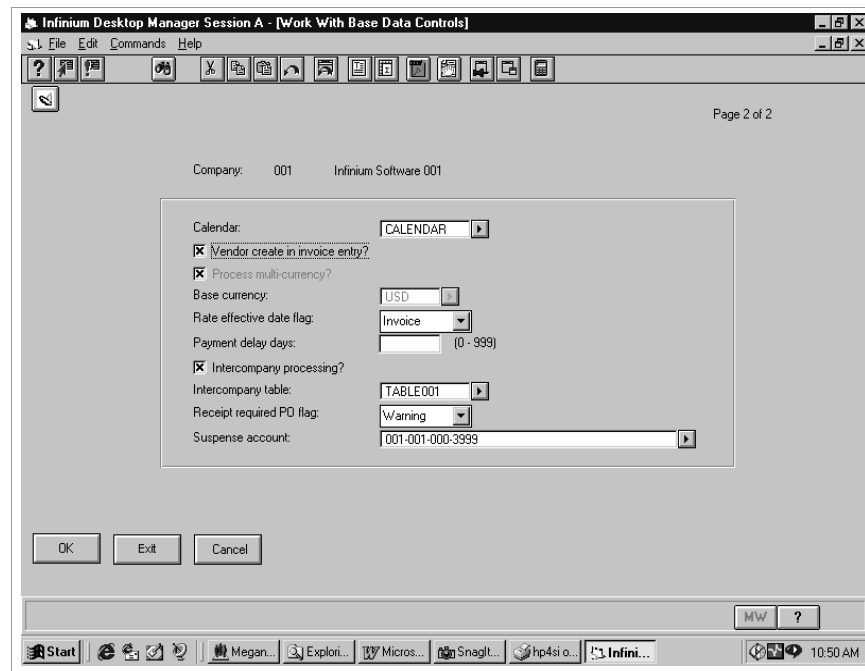


Figure 3-10: Work With Base Data Controls screen

Base data matching information

This screen applies to the matching process. This screen contains information that controls use of a company and its divisions.

- 5 Use the information below to complete the fields on this screen. This step describes only those fields that are key to purchase order and invoice processing.

Vendor create in invoice entry?

The system does not allow users to create vendor controls during purchase order invoice entry. Vendors are assigned to purchase orders during purchase order entry in Infinium PM.

Process multi-currency?

Specify yes in this field to allow the company to process in a currency other than the base currency.

Base currency

If you use Infinium GL, the base currency of the general ledger company defaults into this field and you cannot change this value.

If you do not use Infinium GL, you must type a valid currency code value in this field. If you use Infinium CM, the currency code value must be valid in Infinium CM. Otherwise, the currency code value must be valid in Infinium PL.

Receipt required PO flag

This field indicates how you want the system to proceed when the purchase order receipt activity flag is set to required and receipts are missing during purchase order selection.

The system processes purchase orders without receipts based on one of the following values:

- 1 Allows you to select the purchase order for invoicing.
- 2 Displays a warning message during purchase order selection. You can override the warning message and select the purchase order for invoicing.
- 3 Displays an error message and you cannot select the purchase order for invoicing.

If there are receipts for the purchase order, the system allows selection for invoicing. The system checks to ensure that the invoiced quantity does not exceed the received quantity. If the received quantity does not exceed the invoiced quantity for a receipt required purchase order, the system uses the above flags to determine if the invoice can be posted, as follows:

- Displays an error message and you cannot select the purchase order for invoicing. If you specify **No warning**, the invoice can be posted even if the invoice quantity exceeds the received quantity. The invoice is posted on hold for payment.
- If you specify **Warning**, you receive a warning message during invoice entry and invoice proofing. You can ignore the warning and post the invoice. The invoice is posted on hold for payment.
- If you specify **Error**, you receive a hard error message when the invoice quantity exceeds the received quantity. The invoice cannot be posted unless the invoice quantity is changed to equal or less than the received quantity.

6 Press Enter. The system updates the company base data controls.

Accounting groups for a company division

Division controls include controls for the company's divisions. Some controls you establish at the division level are:

- Address
- Invoice defaults
- Period controls
- Accounting groups

Accounting groups contain accounts and other information the system needs to close to the general ledger. This topic explains how to maintain the accounting group information that particularly affects purchase order invoice processing.

To maintain accounting group control information for a company division, perform the following steps:

- 1 At the Work with Company Controls screen similar to Figure 3-9, select a company. Select **Divisions** or type **15** and press Enter. The system displays a screen similar to Figure 3-11.
-

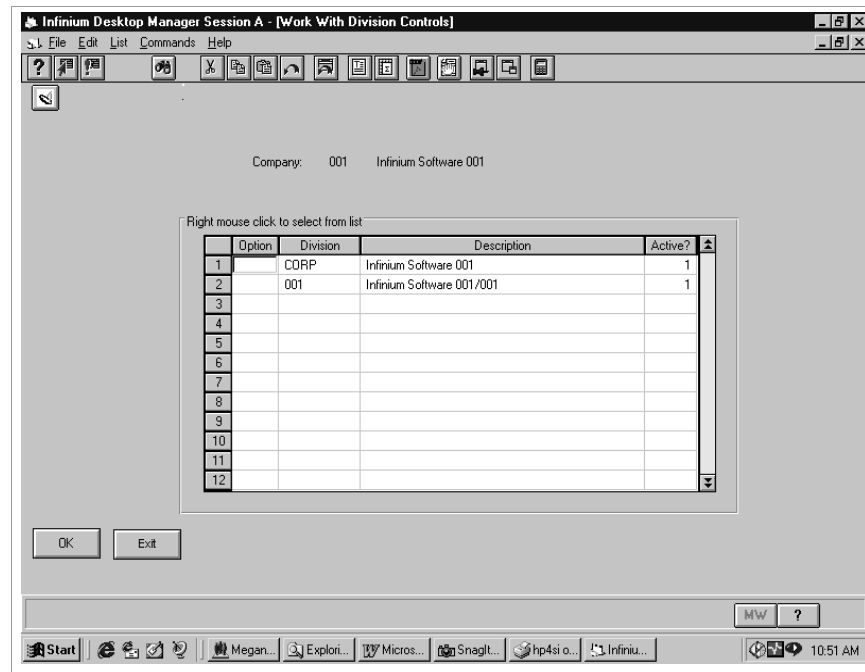


Figure 3-11: Work With Division Controls selection screen

- 2 Select a division. Select **Accounting groups** or type **18** and press Enter to update the accounting groups for that division. Refer to Chapter 3 “Defining Company, Division and Company Group Controls” in the *Infinium PL Guide to Controls* for more information about creating and working with a division’s accounting groups.

The system displays a screen similar to Figure 3-12.

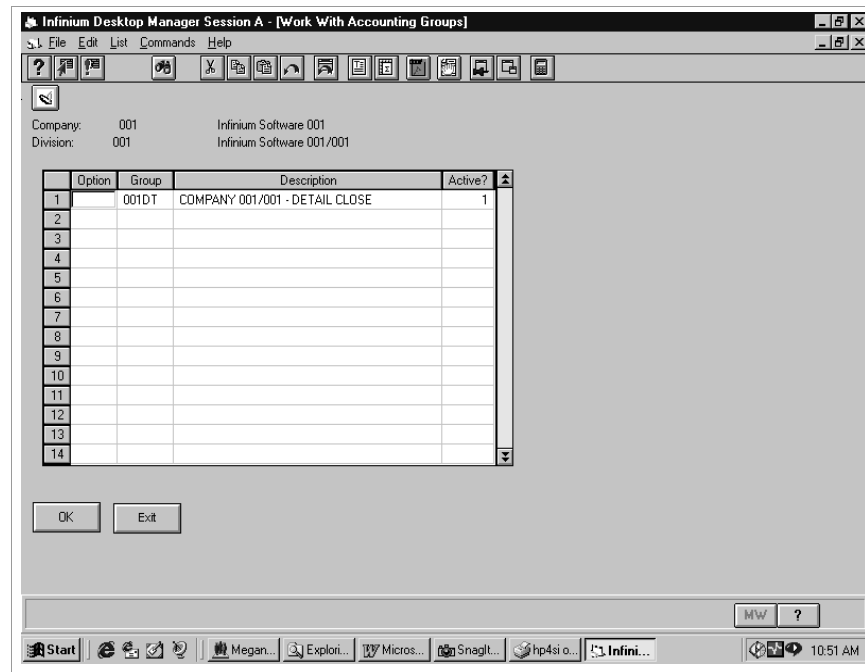


Figure 3-12: Work with Accounting Groups Selection screen

- 3 Select an accounting group that you want to update for use with purchase order invoices. Select **Change** or type **2** and press Enter.
- 4 Press Enter. The system displays a screen similar to Figure 3-13.

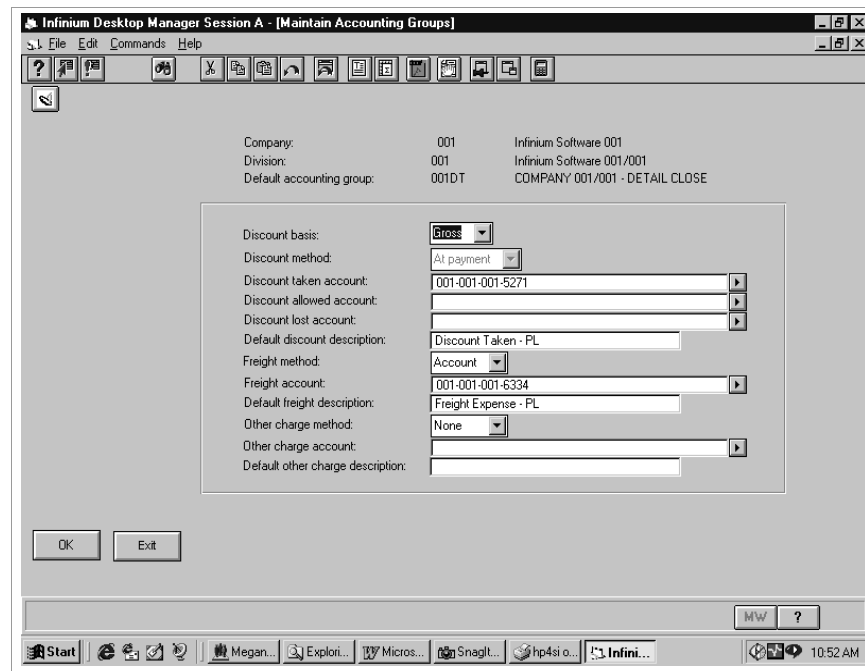


Figure 3-13: Maintain Accounting Groups: Discount and Freight Data

This screen allows you to specify discount information and how to handle both freight and other non-tax additional charges.

5 Use the information below to complete the fields on this screen.

Discount basis

If the invoice does not use payment terms but does specify a discount percentage, the system uses this field to identify the amount on which to base the discount calculation.

- Specify **Gross** to base the discount on the gross invoice amount.
- Specify **Net** to base the discount on the net invoice amount (the gross total minus freight and tax).

Discount method

Specify the “At payment” method in this field.

- The system performs a preliminary discount calculation when you post the invoice to Infinium PL.
- The system recalculates and creates the actual accounting transaction for the discount taken account at payment time. The system does not use the discount allowed or discount lost accounts.

Once you have created the accounting group, the system does not allow changes to this field if there are any open invoices associated with this combination of company, division and accounting group.

Freight method

Freight account

You can specify using a particular account for the freight charge or prorating the freight expense over the invoice’s expense accounts.

- Specify **None** if you do not want to specify either of these actions.
- Specify **Account** to specify distributing the freight charges to the account you identify in the *Freight account* field.
- Specify **Prorate** to specify prorating the freight charges over the invoice’s applicable expense accounts proportionally to each account’s amount. The system identifies the applicable expense accounts as follows.

Freight Charge Level	Applicable Expense Accounts
Invoice header	All expense accounts on the invoice
Purchase order header	All expense accounts specified for this purchase order, including each detail line and its multi-ship lines

Freight Charge Level	Applicable Expense Accounts
Purchase order detail line	All expense accounts specified for this detail line, including any multi-ship lines for this detail line
Purchase order multi-ship line	All expense accounts specified for this multi-ship line

If you specify prorating, you must also specify an account in the *Freight account* field. The system uses this account if the invoice has no applicable expense accounts over which to prorate the freight charges.

Other charge method
Other charge account

For purchase order invoices, you have the same choices for miscellaneous additional charges (other than taxes and freight) as you have for freight charges.

- Specify **None** if you do not want to specify a particular account or prorating for the other additional charges.
- Specify **Account** to specify distributing the other additional charges to the account you identify in the *Other charge account* field.
- Specify **Prorate** to specify prorating the other additional charges over the invoice's applicable expense accounts proportionally to each expense account's extended cost amount. The system identifies the applicable expense accounts as follows.

Other Charge Level	Applicable Expense Accounts
Invoice header	All expense accounts on the invoice
Purchase order header	All expense accounts specified for this purchase order, including each detail line and its multi-ship lines
Purchase order detail line	All expense accounts specified for this detail line, including any multi-ship lines for this detail line
Purchase order multi-ship line	All expense accounts specified for this multi-ship line

If you specify prorating, you must also specify an account in the *Other charge account* field. The system uses this account if the invoice has no applicable expense accounts over which to prorate the other additional charges.

- 6 After completing the applicable fields, press Enter. The system displays a screen similar to Figure 3-14.

Figure 3-14: Maintain Accounting Groups: Purchasing and Inventory Data

Purchase order invoice additional accounts

The system requires specific accounts for creating purchase order invoices. You identify accounts such as the Purchase Price Variance, Invoiced Not Received, and Inventory Adjustment accounts based on your costing method.

If you are using multi-currency processing, you also specify exchange accounts to record exchange rate fluctuations, based on your costing method.

For more information about related accounting entries, refer to the “Understanding Accounting Entries” appendix at the end of this guide.

- 7 Use the information below to complete the fields on this screen. Only those fields that are key to purchase order invoice processing are described here.

Purchase price variance account

Type a Purchase Price Variance account if you are using the standard cost method to account for cost differences between the invoice cost as compared to the cost of either the item or purchase order.

Purchase price variance exchange

If you specified a purchase price variance account in the preceding field and you process in multiple currencies, specify a purchase price variance exchange account in this field to record variances from exchange rate fluctuations for the inventory items in the standard cost companies.

Invoiced not received account

The system uses the Invoiced Not Received account when you use the accrual method of accounting and you select a purchase order for invoicing, but the goods for the purchase order have not been received.

Inventory adjustment account

Type an Inventory Adjustment account if you are using a non-standard cost method to account for differences between the invoice cost of an item and the purchase order item cost.

Inventory exchange account

If you specified an inventory adjustment account in the preceding field and you process in multiple currencies, specify an inventory exchange account in this field to record variations from exchange rate fluctuations for the inventory items for adjustment based costing companies (such as current cost or weighted average cost companies)

Expense currency exchange account

If you process in multiple currencies, specify an expense currency exchange account to record variations from exchange rate fluctuations for non-inventory items.

- 8 Press Enter. The system updates the accounting group.

After you define your Infinium PL company, you can link it to the appropriate Infinium CA company to enable matching.

Maintaining Infinium PL user security

Overview of Infinium PL user security

User security determines which users have the authority to use which functions and function keys and which users can work with which accounts, companies, vendors, and accounting periods.

- Base data
- Account security
- Company security
- Vendors
- Accounting period security

The base data and vendor security segments of Infinium PL user security controls are the only segments that affect purchase order invoice matching and subsequent processing.

A user's profile must first be set up in Infinium AM before you can create Infinium PL security controls for that user.

Maintaining purchase order invoice user security

Some Infinium PL user security fields affect the purchasing/payables integration. This section highlights how to set up those fields.

Purchasing users that need to create or maintain vendor controls must have a user security profile in Infinium PL.

To maintain user security, perform the following steps:

- 1 From the Infinium PL main menu, select *Supervisor Tasks*.
 - 2 Select *Work with user security* [WWUS]. The system displays the screen shown in Figure 3-15.
-

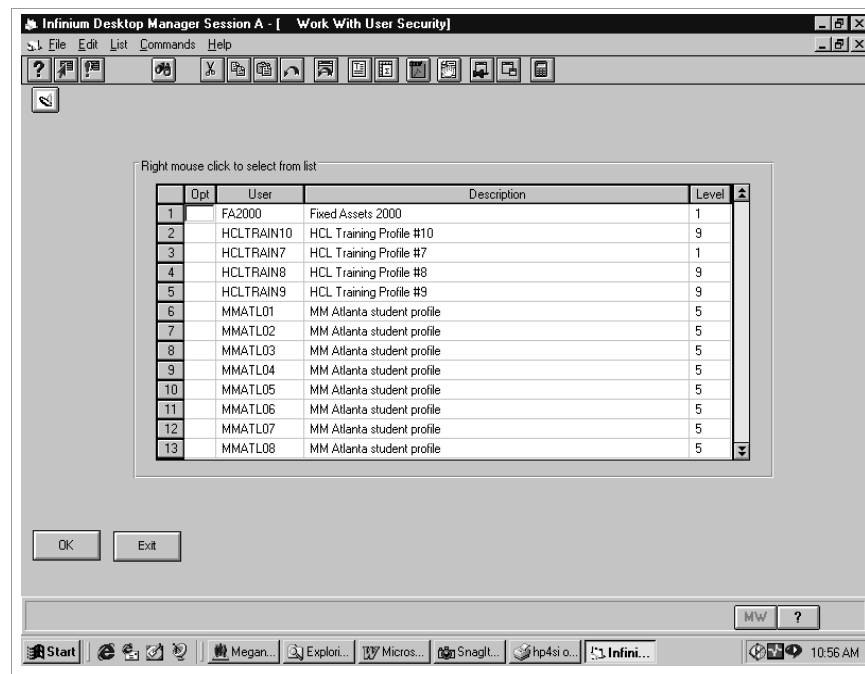


Figure 3-15: Work With User Security screen

User selection

The system displays an entry for all users that

- Have a lower authority level than you do
- Currently have Infinium PL security established

You can create new Infinium PL security records only for users that are authorized in Infinium AM to access Infinium PL.

- 3 Select a user. Select **Work with** or type **5** and press Enter that user's security.

The system displays the screen shown in Figure 3-16.

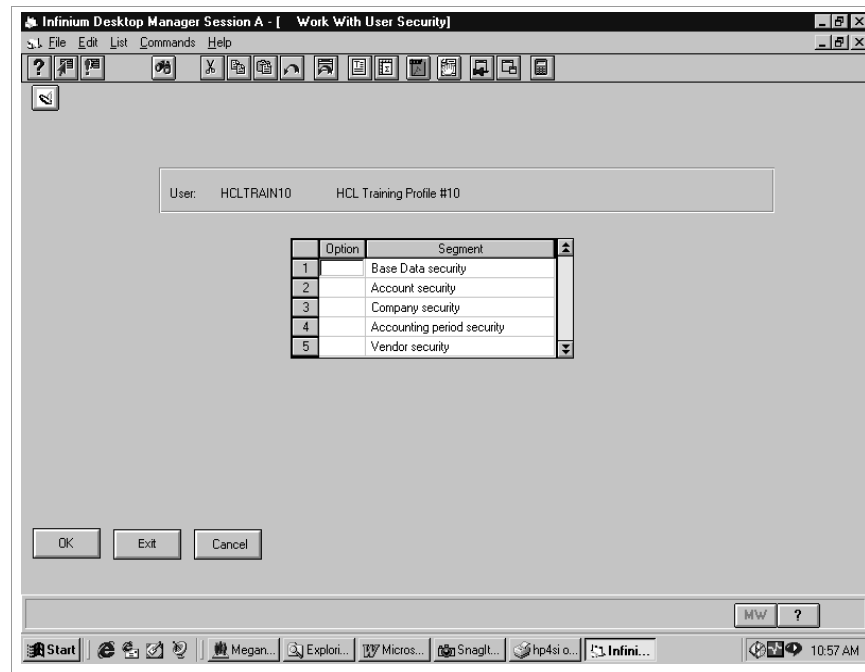


Figure 3-16: Work With User Security screen 2

User security segment selection

You can select multiple user security segments for change or display. *Base Data security* and *Vendor security* are the only options that affect the Infinium PL and Infinium PM integration for matching and invoice system processing.

- 4 Type 2 in the *Option* column next to *Base Data security* and *Vendor security*.
- 5 Press Enter. The system displays the screen shown in Figure 3-17.

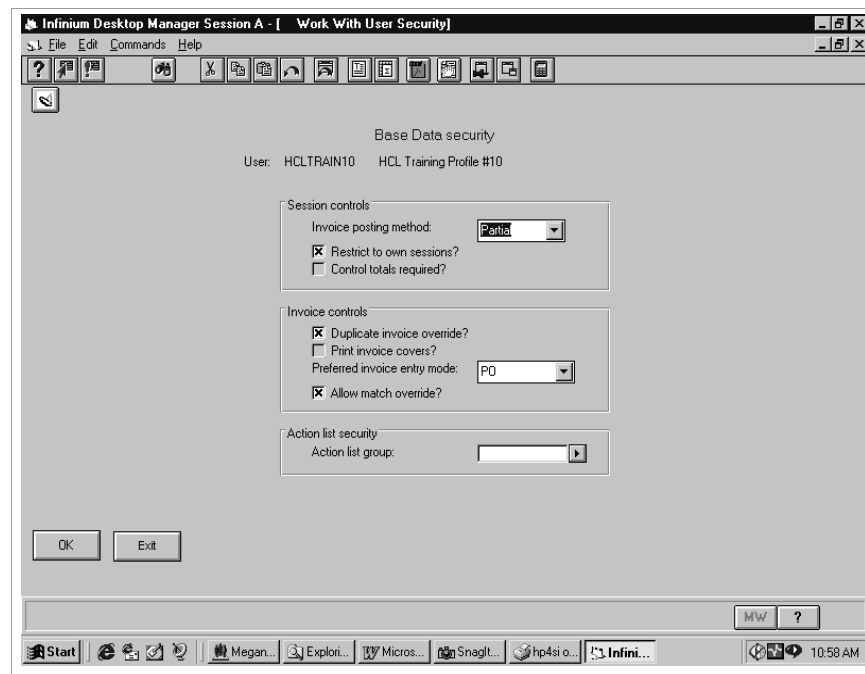


Figure 3-17: Work With User Security Base Data Security screen

User security base data

This screen allows you to specify the user's invoice session controls, invoice controls, and action list security group.

Action list security identifies which actions a user is allowed to perform at which screens.

- 6 Use the information below to complete the fields on this screen. This step describes only those fields that are key for purchase order invoice processing.

Invoice posting method

For purchase order invoice entry, select either batch or partial interactive posting. Interactive posting is not allowed for purchase order invoice entry.

Preferred invoice entry mode

Specify **PO** to specify that this user's preferred mode of invoice entry is entry of purchase order invoices.

Purchase order invoice entry is not valid if the *Invoice posting method* field specifies **Interactive**.

This field identifies the user's default invoice entry mode. The user can change this default during invoice entry.

Allow match override?

Indicate whether the user can override fatal matching errors.

Specify yes if this user is allowed to override a fatal matching error in order to post an invoice.

Even if you specify yes, the user cannot override a mismatch error for the currency and the unit of measure. The invoice and the purchase order must always have the same values for currency and for the unit of measure.

Action list group

If you do not assign an action group to a user, the user can perform all actions for all menu options on that user's Infinium PL menu.

- Actions include such steps as selecting an item with **2** to change that item's data, or pressing F6 to create a new record.
- Even if you do not control a user's actions with Infinium PL action list security, you can prevent a user from accessing a menu option by using Infinium AM to remove that menu option from that user's menu.

Refer to the "Setting Up Action List Security" topic in the *Infinium PL Guide to Controls* for more information about how to create and maintain action lists.

- 7 Press Enter. The system updates the base data security information and continues to the Work With User Security screen similar to Figure 3-18.

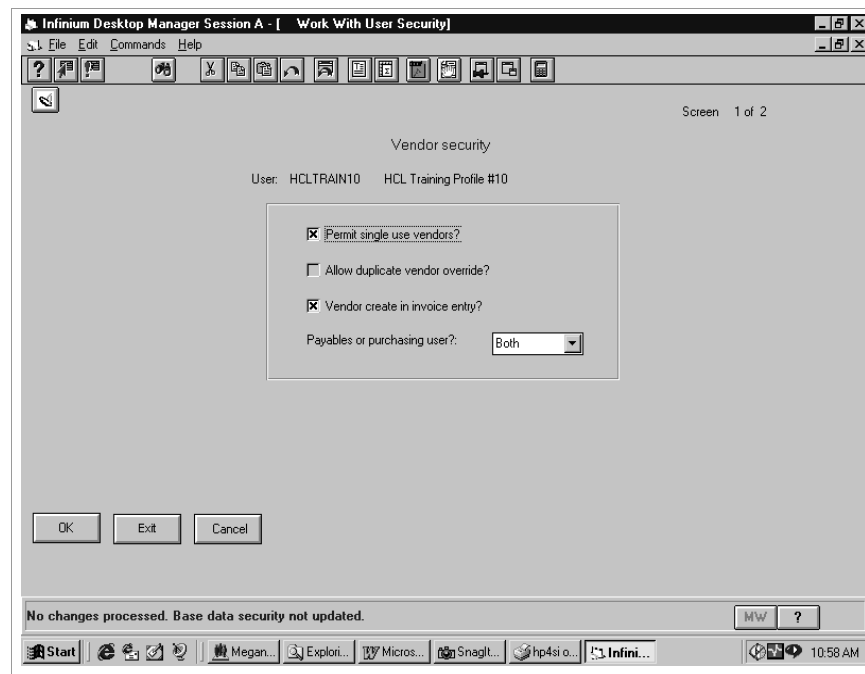


Figure 3-18: Work With User Security vendor security screen 1

User security vendor controls

This screen contains security controls that affect the following:

- How and when the user can work with vendor controls information
 - Whether this is a purchasing or payables user or both; the user's role affects what kinds of vendor data the user can maintain
- 1 Use the information below to complete the fields on this screen. This step describes only those fields which apply to purchase order invoicing.

Vendor create in invoice entry?

The system does not allow a user to create vendor controls during purchase order invoice entry. The creator of the purchase order identifies the vendor directly in the Infinium PM purchase order.

Payables or purchasing user?

Use this field to specify whether this user is a payables user, a purchasing user, or both. This role affects how this user can work with vendor controls as follows.

User Type	Security Result
Payables	<p>The user can create only payables related vendor data.</p> <p>The user cannot work with vendor purchasing controls.</p> <p>The user cannot work with purchase order buy from addresses.</p>
Purchasing	<p>The user can work with purchasing vendor controls.</p> <p>The user cannot work with vendor invoice remit to addresses.</p>
Both	The user can work with all types of vendor control data.

2 Press Enter. The system displays a screen similar Figure 3-19.

Vendor security

User: HCLTRAIN10 HCL Training Profile #10

Specify the creation and maintenance authority for each of the vendor file components.

1 = Yes, present segment, 0 = No, do not present segment

	Creation?	Maintenance?
Vendor base data:	0	1
Vendor address:	0	1
Vendor pay method controls:	0	1
Vendor contact controls:	1	1
Vendor user field controls:	1	1
Vendor tax controls:	1	1
Vendor 1099 controls:	1	1
Vendor purchasing controls:	0	1

OK Exit Cancel

Figure 3-19: Work With User Security Vendor Security screen 2

Vendor segment user security

This screen allows you to determine which vendor control segments the user can create or maintain.

3 Use the information below to complete the fields on the screen.

Creation?

If you type 1 in the *Creation?* column, the system displays this segment for the user during vendor creation. If you type 0 in the *Creation?* column, the system does not display this segment for the user during vendor creation.

Action list security affects a user's authority to create vendor controls. Refer to the "Setting Up Action List Security" section in the *Infinium Payables Ledger Guide to Controls*.

The *Vendor base data*, *Vendor address* and *Vendor pay method controls* do not allow input in the *Creation?* column because these segments are always required for vendor creation. The *Vendor purchasing controls* segment does not allow input in the *Creation?* column because it is required if you are a purchasing only or both (payables and purchasing) user and prohibited if you are a payables only user.

Maintenance?

If you type 1 in the *Maintenance?* column, the user can update this segment for a previously created vendor. If you type 0 in the *Maintenance?* column, the user is not allowed to update this segment for existing vendors.

Certain automatic restrictions apply to vendor maintenance based on the user type selected on the first Vendor Security screen as follows:

- A payables only user cannot maintain the vendor purchasing controls. Also, when the payables user reaches the vendor address screen, the user can create and maintain only remit-to addresses.
- A purchasing only user is not specifically restricted from maintaining any segment. When the purchasing user reaches the vendor address screen, the user can create and maintain only "buy from" addresses.
- A user identified as both a purchasing user and a payables user is not automatically restricted from maintaining any segment.

4 Press Enter. The system updates the vendor security for the user.

Creating distribution groups

Overview

Distribution groups provide you with a way to automatically distribute the invoice amount of an invoice or line item amount of a purchase order across multiple general ledger expense accounts. For each account you add to the distribution group, you can tell the system what portion of the invoice amount you want booked to that account. This is called the prorate factor.

You create distribution groups for accounts that you use often on invoices or purchase orders.

If you assign a distribution group to a vendor, the distribution group is the default in all invoices you create for the vendor. You can edit the default. You can also specify distribution groups on invoices during invoice entry whether or not there is a default.

Creating a distribution group

To create a distribution group, perform the following steps:

- 1 From the Infinium PL main menu, select *Invoices*.
- 2 Select *Work with distribution groups* [WWDG]. The system displays the screen shown in Figure 3-20.

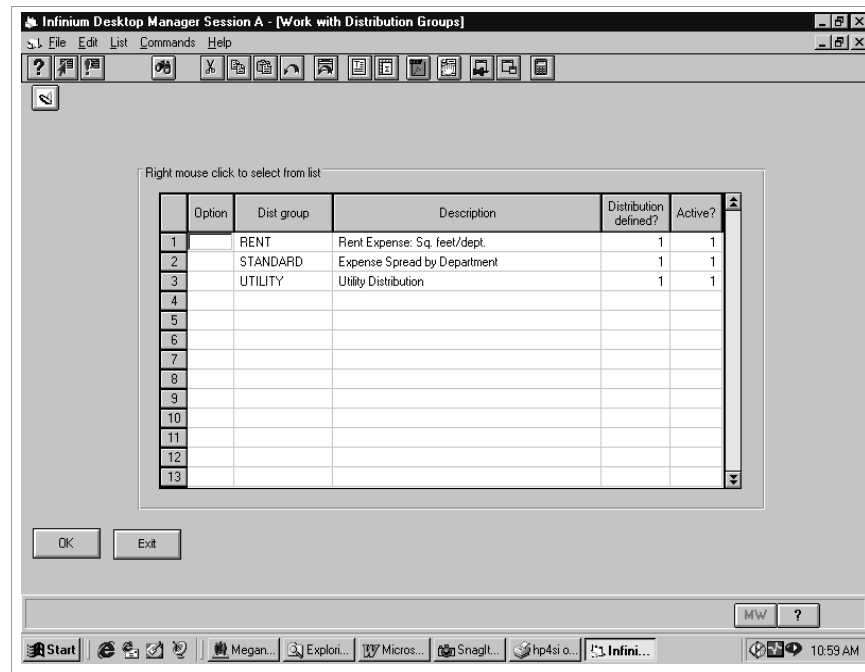


Figure 3-20: Work with Distribution Groups selection screen

Distribution groups

The system displays all existing distribution groups on this screen.

- 3 You can press F6 to create a distribution group. You can also select an existing distribution group and select **Change** or type **2** and press Enter. The system displays the screen shown in Figure 3-21 if you press F6.

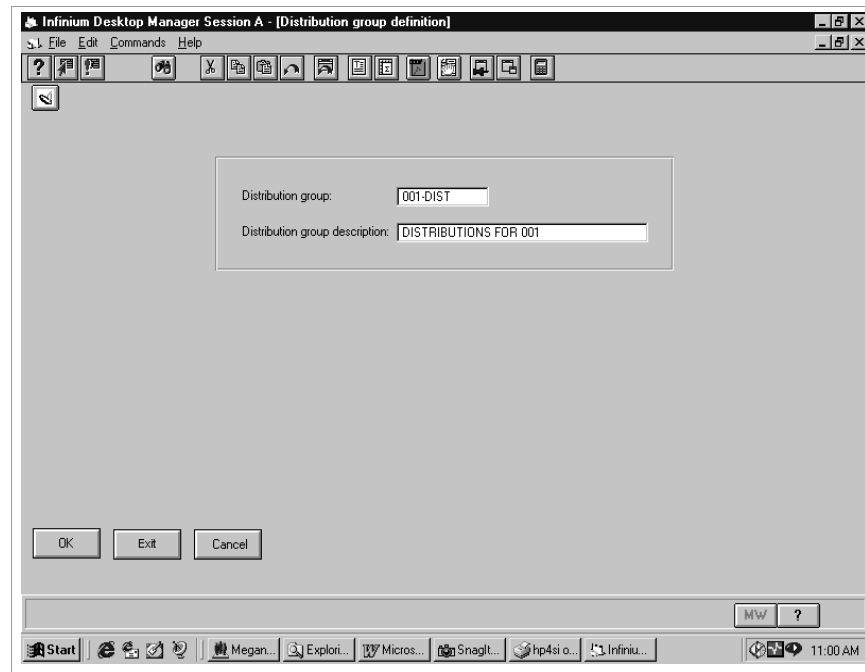


Figure 3-21: Distribution group definition creation screen

- 4 To create a distribution group, type the new distribution code in the *Distribution group* field and a description in the *Distribution group description* field.
- 5 Press Enter. The system displays the screen shown in Figure 3-22.

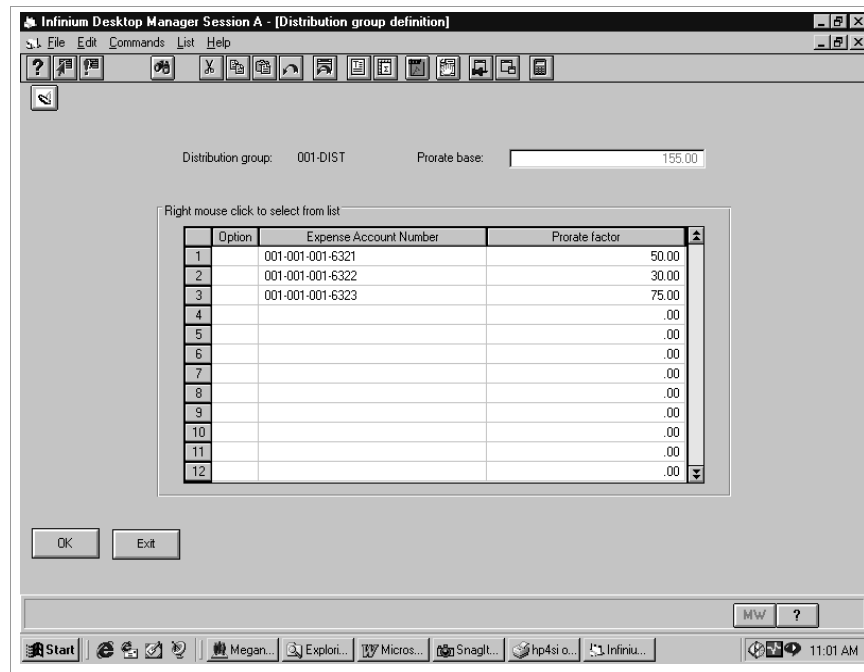


Figure 3-22: Distribution group definition screen

- 6 Use the information below to complete the fields on this screen.

Expense Account Number

Prorate factor

To add an account, type the account number in the *Expense Account Number* field and a proration amount in the *Prorate factor* field. The system adds all of the prorate factor amounts and updates the *Prorate base* field.

If you press F4 to select an account, you can select multiple accounts and the system returns all accounts you select to this screen.

The sum of the prorate factors does not have to equal 100 and prorate factors should not be confused with percentages. You can press F8 to display the prorate amounts as percentages.

When you use the distribution group on an invoice, the system charges each account according to its prorate factor. For example, if an account's prorate factor is 2 and the prorate base is 9, the system charges the account with 2/9ths of the total invoice amount.

- 7 You must press Enter twice to update the distribution group. The first time you press Enter the system validates the accounts and updates the prorate base field. The second time you press Enter the system saves your changes.

Creating Infinium PL vendor controls

Infinium PL vendor controls

Through the Infinium PL *Work with Vendors* function, you define controls for vendors. Some controls you establish at the vendor level are:

- Addresses
- Payment methods
- Invoice controls
- Payment controls

Vendor controls contain information that both Infinium PL and Infinium PM share. The diagram in Figure 3-23 summarizes the Infinium PL vendor control segments.

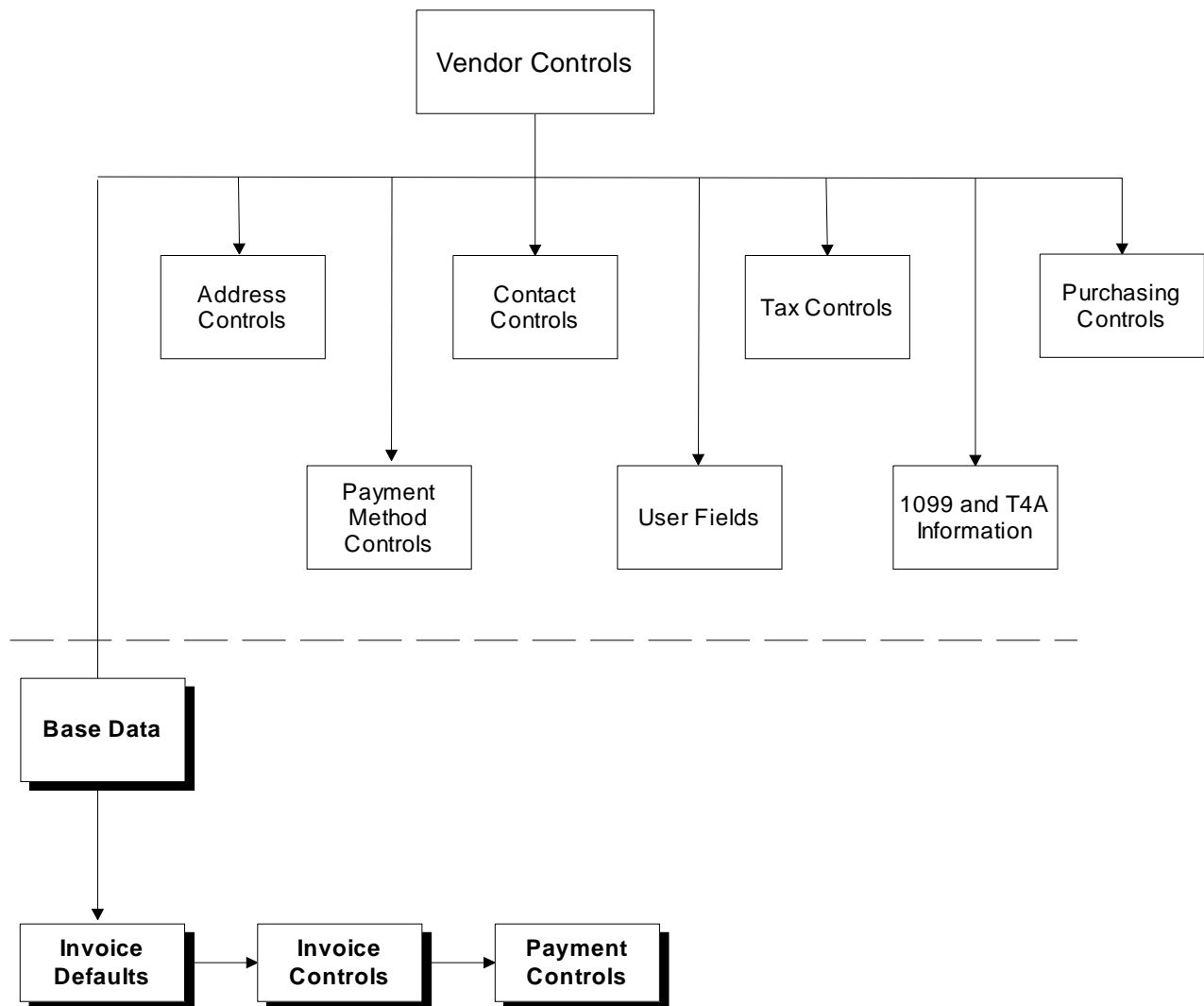


Figure 3-23: Vendor Controls Overview diagram

Defining vendor controls

When you create vendor controls, you must complete at least the following vendor control segments:

- Base Data
- Address Controls
- Payment Method Controls (at least one payment method)
- Purchasing Controls

You should not delete the Infinium PL controls for a vendor if there are any open Infinium PM purchase orders for that vendor.

To define vendor controls, perform the following steps:

- 1 From the Infinium PL main menu, select *Controls*.
- 2 Select *Work with vendors* [WWV]. The system displays the screen shown in Figure 3-24.

6/09/2005 09:31:10		Work with Vendors		PLGVUE	PLDVUE
Type information and press Enter.					
2=Change 4=Delete 6=Print 8=Display 9=Activate/deactivate					
15=Audit trail					
Opt	Short Name	Vendor Name	Vendor Doing Business As		Act
Loc					
—	INFM	Infinium	SP22		1
—	IRT1	IR Test Vendor	IRTEST		1
—	IRT2	IR Test Vendor 2	IRTEST2		1
—	IRT3	IR TEST THREE	IRTESTTHRE		1
—	IRVENDOR	IR Vendor	IR VENDOR		1
—	IRVEND01	IR Vendor 01	IRVEND01 MR. INCOME REPORTIN		1
—	J/A2	John and Andrew's Co #2	JANDA2		1
—	JANDA1	John and Andrew's Company	JANDA1		1
—	JEANS	jean's meats and desserts	JS1 simply meats and ca		1
—	JERRY	Jerry's Ice Cream	JERRY		1
—	JOEJOE	joejoe	JOEJOE		1
—	JOWEE	Jowee Pte Ltd	JOWEE software		1
					More...
F2=Function keys F3=Exit F5=Refresh F6=Create F24=More keys					

Figure 3-24: Work with Vendors vendor selection screen

Vendors

The system displays all existing vendors on this screen.

- 3 You can press F6 to create a vendor. You can also select an existing vendor and select **Change** or type **2** and press Enter. The system displays the screen shown in Figure 3-25 if you press F6.

Figure 3-25: Work With Vendors prompt screen

- 4 To create controls for a new vendor, type the new vendor code in the *Vendor* field.

If the system is set up to generate vendor numbers automatically, you can leave this field blank and have the system assign the vendor number. Automatic generation of vendor numbers is set up in the Infinium PL entity controls.

Vendor model code

To create this vendor using a vendor model, type the vendor model in the *Vendor model code* field. The system uses default values set up in the vendor model for the base data segment of the vendor you are creating.

For more information on vendor models, refer to the “Creating Vendor Models” topic in the *Infinium PL Guide to Processing*.

- 5 Press Enter. The system displays the screen shown in Figure 3-26.

Base data controls

There are four base data screens. If you create vendor controls without using a vendor model, the system automatically displays each base data screen as you press Enter at the preceding base data screen.

If you use a vendor model to create the vendor controls, the system supplies default values for most of the base data screens' fields. You can press Shift + F2 to access the remaining three screens, which contain invoice defaults, invoice controls and payment controls.

6/09/2005 10:52:21		Base Data Controls		PLGVEM1	PLDVEM1
Vendor	:	AMS		Page 1 of 4	
Vendor name	:	AMS			
Short name	:	AMS			
Doing business as	:				
Single use vendor?	:	0	1=Yes, 0=No		
Litigation pending?	:	0	1=Yes, 0=No		
Restrict to company / division	:		+		
- or restrict to company group	:		+		
Master vendor	:		+		
Alternate vendor	:		+		
Factor	:		+		
Invoice approval required?	:	0	1=Yes, 0=No		
Approval amount	:		400.00		
Dun & Bradstreet	:				
SIC code	:		+		
Category code	:		+		
A/R company/customer	:		+		
Employer/employee number	:				
F2=Function keys F3=Exit F4=Prompt F14=Defaults F24=More keys					

Figure 3-26: Base Data Controls screen 1

- Use the information below to complete the fields on this screen. Only those fields that are key to processing are described.

Short name

A short name is an abbreviation of the vendor's name. You can search for vendors by short name if you cannot recall the vendor number. You can also sort payment and report information by vendor short name or vendor ID.

Single use vendor?

If you specify yes in this field, the system does not allow you to create more than one invoice for this vendor. You can change the status of a single use vendor to specify no if you need to use the vendor again. You cannot change the status of a non-single use vendor to a single use vendor.

Restrict to company/division

All companies can use this vendor unless you restrict its use to a company division or company group.

The system checks for duplicate vendors when you press Enter at this screen, if the appropriate entity controls are set. The system displays a screen of the potential duplicate vendors if any are found. You can then determine whether the vendor is truly a duplicate.

If you are not authorized, you cannot override this warning. Duplicate vendor security is set through the *Work with user security* function.

- 7 Press Enter. The system displays the screen shown in Figure 3-27.

6/09/2005 10:57:19		Base Data Controls		PLGVEM1	PLDVEM1
Vendor	:	AMS		Page 2 of 4	
Vendor name	:	AMS			
Invoice Defaults :					
Default approval code	:		+		
Default routing code	:		+		
Default remit to address type	:	BOTH	+	Buy From and Remit to Address	
Default buy from address type	:	BOTH	+	Buy From and Remit to Address	
Default terms code	:	AMS	+	AMS 2% DISCOUNT ON GROSS	
Default payment method	:	01	+	Checks	
Default account number	:		+		
Default distribution group	:	AMS	+	AMS	
Default job code	:		+		
Default P.O. number	:				
Default reason code	:		+		
Critical level	:			0,Lowest through 9,Highest	
Hold new invoices?	:	0		1=Yes, 0=No	
Separate payment?	:	0		1=Yes, 0=No	
F3=Exit F4=Prompt F10=Quick access F12=Cancel F16=Expand F18=Message line					

Figure 3-27: Base Data Controls screen 2

Invoice default information

When you create controls for a vendor without using a vendor model, the system automatically displays this screen. If you create controls for a vendor using a vendor model or if you select an existing vendor for updating, the system displays this screen when you press Shift + F2 at the Base Data Controls screen 1.

If you use a vendor model to create controls for a vendor, all of the fields on this screen have default values from the vendor model.

The values you type on this screen are defaults in each invoice you create for this vendor. If you do not type an approval code, routing code, terms code, or reason code for this vendor, the system takes the default value from the division, if any, when you create an invoice.

- 8 Use the information below to complete the fields on this screen. Only those fields that are key to invoice processing are described.

Address Types

When you create controls for a new vendor:

- If you leave the *Default remit to address type* field blank, the system automatically supplies the value later when you create a default remit to address for this vendor.
- If you leave the *Default buy from address type* field blank, the system automatically supplies the value later when you create a default buy from address for this vendor.

Each vendor can have multiple addresses. Only one address can be the default remit to address. Each address for the vendor is associated with a unique address type.

- The system uses the default remit to address type to determine which address to print on the payment. The default remit to address type is the default in each invoice you create for this vendor. You can change the remit to address type on the invoice.
- You must specify a default buy from address to indicate the location from which you purchase the vendor's goods and services. This can be the same as or differ from the remit to address. The default buy from address type is the default in each purchase order you create for this vendor.

Default terms code

You can type a default terms code for the invoices that you create for this vendor.

Default account number or distribution group

You can type either a default account or a distribution group to use to expense the invoice amount for all invoices you create for the vendor.

For purchase order/receipt invoice entry, the system uses the accounts associated with the purchase order or receipt.

Critical level

Use this field to prioritize payments to vendors. That is, you can use this field to specify that payments to one vendor are high priority while payments to another vendor are low priority.

Hold new invoices?

If you specify yes in this field, the system automatically places all new invoices for this vendor on hold. You cannot pay these invoices until you change the invoices' status to take the invoices off hold.

Separate payment?

If you specify yes in this field, the system issues separate payments for each invoice you create for this vendor. This value is the default for each invoice you create for this vendor. You can override the default in individual invoices.

Codes

You create valid code values for approval codes, routing codes, address types, job codes and reason codes through the *Work with codes* function. You create valid payment terms codes through the *Work with terms* function.

You can use approval codes, routing codes and critical levels to select invoices for payment.

- 9 Press Enter. The system displays the screen shown in Figure 3-28.

6/09/2005 10:57:44		Base Data Controls		PLGVEM1	PLDVEM1
Vendor	:	AMS		Page 3 of 4	
Vendor name	:	AMS			
Invoice controls :					
Check duplicate invoice number . . .	:	<u>1</u>	1=Yes, 0=No		
Check duplicate amount, date	:	<u>0</u>	1=Yes, 0=No		
Check duplicate amount, P.O. number .	:	<u>0</u>	1=Yes, 0=No		
Check duplicate against all vendors .	:	<u>1</u>	1=Yes, 0=No		
Minimum invoice amount					
Maximum invoice amount					
Invoice number required?	:	<u>0</u>	1=Yes, 0=No		
P.O. number required?	:	<u>0</u>	1=Yes, 0=No		
Restrict to invoice currency	:		+		
Default invoice currency	:		+		
Default invoice document subtype . .	:		+		
F3=Exit F4=Prompt F10=Quick access F12=Cancel F18=Message line					

Figure 3-28: Base Data Controls screen 3

- 10 Use the information below to complete the fields on this screen.

If you use a vendor model to create controls for a vendor, all of the fields on this screen have default values from the vendor model.

Duplicate Invoice Checking

When checking to see if an invoice is a duplicate, the system uses the following fields independently from each other:

- *Check duplicate invoice number*
- *Check duplicate invoice amount, date*
- *Check duplicate amount, P.O. number*
- *Check duplicate against all vendors*

When you create invoices for this vendor, the system uses the settings you specify here to determine which values to check against the vendor's other invoices in order to identify potential duplicates. If your Infinium PL user security allows you to override warnings about potential duplicate invoices, you can continue to create an invoice that the system flags as a potential duplicate.

Minimum invoice amount

Maximum invoice amount

If you type a minimum or maximum invoice amount, or both, the system warns you when you create an invoice for this vendor that is outside of these limits.

Currency

If multi-currency processing is not enabled in your entity controls, the system does not display any currency fields.

Values that you type in the currency fields must be valid Infinium CM currency code values or, if you do not use Infinium CM, they must be valid Infinium PL currency codes.

If you specify a default invoice currency, that currency is the default in all invoices that you create for this vendor. If you do not type a default invoice currency, the system uses the invoice company's base currency as the default in the invoices.

Default invoice document subtype

The system displays this field only if you are using Infinium FP to assign sequential numbers. For information about using sequential numbering, refer to the *Infinium PL Guide to Processing*.

- 11 Press Enter. The system displays the screen shown in Figure 3-29.
-

6/09/2005 10:58:09		Base Data Controls	PLGVEM1	PLDVEM1
Vendor	:	AMS		Page 4 of 4
Vendor name	:	AMS		
Payment Controls :				
Hold all payments?	:	0 1=Yes, 0=No		
Minimum vendor payment amount	:			
Maximum vendor payment amount	:			
Preferred pay from bank	:	AMS	+	
- or -	:			
Preferred pay from Bank Account	:		+	
Default payment currency	:		+	
Restrict to currency	:		+	
- or - restrict to currency group	:		+	
Default language code	:	ENU	+	American English
Default payment document subtype	:		+	
F3=Exit F4=Prompt F10=Quick access F12=Cancel F18=Message line				

Figure 3-29: Base Data Controls screen 4

12 Use the information below to complete the fields on this screen.

If you use a vendor model to create a vendor, many of the fields on this screen have defaults from the vendor model.

Hold all payments?

If you specify yes in this field, the system does not select this vendor's invoices for inclusion in a payment session.

Preferred pay from bank

Preferred pay from Bank Account

To have the system pay this vendor only from a specific bank or bank account, type a preferred bank or bank account in the appropriate field.

When working with payment cycles, you can indicate whether the system uses the preferred bank or bank account as one of the criteria for selecting a payment session's invoices.

Default payment currency

You can type * in the *Default payment currency* field to allow this vendor to be paid in any currency or you can specify a particular currency. The asterisk or particular currency is the default in the invoices that you create for this vendor.

If you do not specify a currency or type an asterisk in this field, the default payment currency is the invoice company's base currency.

You can change the default on the invoice.

Default language code

The system uses the default language code to determine in which language to print messages that are attached to invoices or payments for this vendor. If you do not type a default language code on the vendor's remit to address, the system uses the language code you type here.

In order for the system to print the message, you must type a default language code in this field or on the remit to address for the vendor.

Default payment document subtype

The system displays this field only if you are using Infinium FP to assign sequential numbering.

- 13
- Press Enter. The system updates the Base Data Controls screen and continues to the Vendor Address Controls screen illustrated in Figure 3-30.

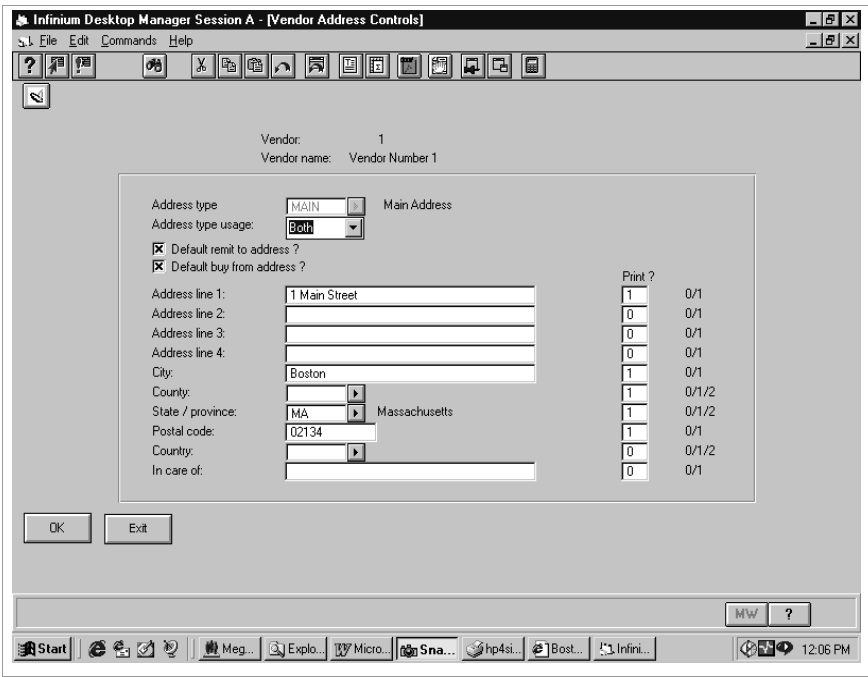


Figure 3-30: Vendor Address Controls screen 1

Vendor address controls

The system automatically displays the screen shown in Figure 3-30 when you create vendor controls. You can create multiple addresses for a vendor. Your user security profile determines which address types you can create.

If you specified a default remit to address type at the Base Data Controls screen 2 illustrated in Figure 3-27, that address type is the default at this screen. Otherwise, you must type an address type. You create address types as values for the code type **ATP** through the *Work with codes* function.

- 14 Use the information below to complete the fields on this screen.

Address type usage

A remit to address type informs the system that this address can be printed on payments. Buy from address types inform the system that the address can be used for purchase orders.

Default remit to address?

When you specify yes in the *Default remit to address?* field, the system supplies this address as the default in all invoices that you create for this vendor. If you want the payment to be sent to a different remit to address, you can change the remit to address on the invoice.

Default buy from address?

When you specify yes in the *Default buy from address?* field, the address is the default for purchase orders you create for this vendor.

Print?

The *Print?* column determines what the system prints on the payment forms. Press Help for specific information on what the system prints.

- 15 Press Enter. The system displays either the screen shown in Figure 3-31 or the screen shown in Figure 3-32, depending on the *Address type usage* value.
-

Vendor: 1
Vendor name: Vendor Number 1
Address type: MAIN Main Address

Override invoice currency:
Restrict to invoice currency:

Payment overrides

Payment method:
Payment currency:
Restrict to currency:
- or - restrict to currency group:

☐ Special handling
Default language code:
Payment mailing days:
Payment delay days:
Comment:

OK Exit

Figure 3-31: Vendor Address Controls screen 2

Vendor address payment controls

The system displays this screen during creation of vendor controls if this is a remit to address or both a remit to and a buy from address. This screen allows you to specify information that applies only to this address for this vendor.

- 1 Use the information below to complete the fields on this screen.

Override invoice currency

If the remittance currency for this address differs from the default currency, you can override the currency for those locations. When you enter an invoice, this currency is the default currency. You can change the default.

This field is mutually exclusive with the *Restrict to invoice currency* field.

Restrict to invoice currency

Type a valid currency in this field to restrict this address remittance currency.

This field is mutually exclusive with the *Override invoice currency* field.

Special handling

If you specify yes in this field, this vendor's payments are placed near the top of the payment batch during payment sorting. For information about payment sorting, refer to the *Infinium PL Guide to Processing*.

*Payment mailing days**Payment delay days*

When determining whether to include an invoice into a payment session, the system subtracts payment mailing days from the net due date of invoices and adds payment delay days to the net due date of invoices.

2 Press Enter. The system either:

- Updates the vendor address if this is a remit to only address type, or
- Continues to the screen shown in Figure 3-32 if this is both a remit to and a buy from address type.

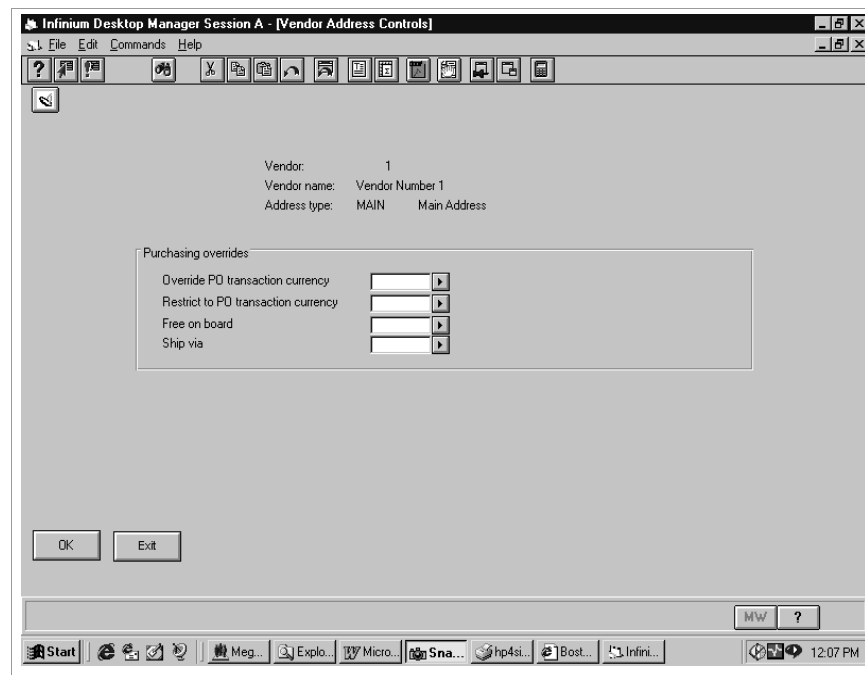


Figure 3-32: Vendor Address Controls screen 3

Vendor address purchasing controls

The system displays this screen during creation of vendor controls if this is a buy from address or both a remit to and a buy from address. This screen lets you specify information that applies only to this address.

- 3 Use the information below to complete the applicable fields on this screen.
None of these fields is required.

Override purchasing currency
Restrict to purchasing currency

Use these fields as for standard invoices.

Free on board
Ship via

You can type values in these fields to provide defaults on purchase orders for this vendor address.

- 4 Press Enter to proceed to the screen shown in Figure 3-33.

2/19/2003 13:21:12 Vendor Payment Controls PLGVEM3 PLDVEM3

Vendor. : AMS

Vendor name : AMS

Default payment method : ACH

Type options and press Enter.

1=Select as default 2=Change 8=Display 9=Activate/deactivate

Option	Payment Methods	Active
-	Checks	1
-	Girobank Transfer	0
-	Cash	1
-	Bills of exchange	0
-	Letters of Credit	0
-	Letters of Credit - Electronic	0
-	ACH	1
-	Bankers Automated Clearing Society	0
-	Electronic Payment Order	1

F2=Function keys F3=Exit F10=Quick access F12=Cancel F18=Message line

Figure 3-33: Vendor Payment Controls screen 1

Payment method controls

This screen displays a selection list of the payment methods that are specified as valid in your entity controls.

- 1 You must select one payment method to be the default payment method for this vendor. Choose **Select as default** or type **1** and press Enter. The system highlights the default payment method.

- 2 When you select a payment method for the first time and select the **Change** or **Activate/deactivate** action, the system displays the screen shown in Figure 3-34. On this screen you can type information and automatically activate the payment method for the vendor.

When you select a payment method thereafter to make changes to the information about that method, the system does not automatically activate that method. If the method is inactive, you must explicitly select the method and then select **Activate/deactivate** or type **9** and press Enter to activate the method.

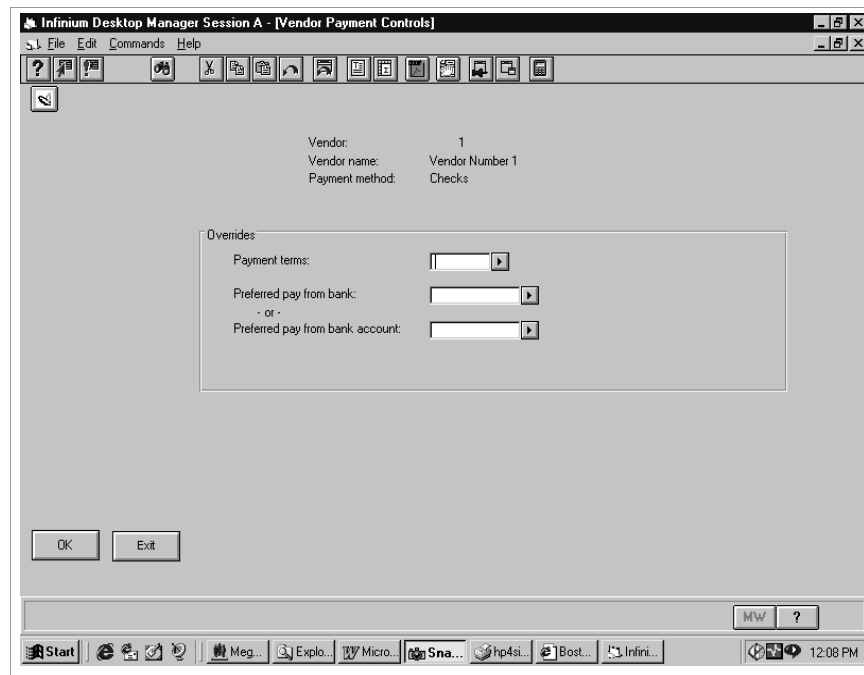


Figure 3-34: Payment Method Controls Override screen

Vendor payment controls

The system displays this screen anytime you change a payment method or when you activate a payment method for the first time.

- 3 You can override the payment terms or the preferred bank information, or both, for this payment method.

For payment methods Girobank Transfer, Bankers Automated Clearing Society and Electronic Payment Order, the system displays another screen where you must also specify a bank account number and short name.

- 4 Press Enter. The system activates the payment method for the vendor. Press Enter. The system continues to the vendor purchasing controls as shown in Figure 3-35.

Figure 3-35: Purchasing Controls screen

Purchasing controls

The system displays this screen when you select *Vendor purchasing controls* from the Work with Vendors Selection screen.

You use this screen to type control information for purchases of goods and services from a vendor. These controls provide defaults in purchase orders at creation time in Infinium PM.

You have access to this screen if your user type is set to a purchasing user only or both a payables and a purchasing user. Refer to the “Maintaining Infinium PL user security” topic earlier in this chapter.

- 1 Use the information below to complete the fields on this screen. Only those fields that are key to processing are described.

Restrict to purchasing company

Type a valid purchasing company that is liable for the purchases made from the vendor.

or purchasing company group

Type a valid purchasing company group that is liable for the purchases made from this vendor.

You must type either a purchasing company or purchasing company group. You set up purchasing companies in Infinium CA and purchasing company groups in Infinium PM. Refer to the *Infinium CA Guide to System Controls and Materials Maintenance* and the *Infinium PM Guide to Setup and Processing* for more information.

Purchasing currency

Type a valid currency code value to be the default in purchase orders created for this vendor. If you use Infinium CM, the currency code value must be valid in Infinium CM. Otherwise, the currency code value must be valid in Infinium PL.

Free on board

Ship via

Freight terms

You set up valid codes for *Free on board*, *Ship via*, and *Freight terms* through the Infinium CA *Work with code tables* function.

- 2 Press Enter. The system creates the vendor control records.

Chapter 4 Defining Infinium MM Product Controls

4

This chapter focuses on the Infinium CA, Infinium PM, and Infinium JP controls that you must set up for purchase order invoice entry matching and accounting transactions.

The chapter consists of the following topics:

Topic	Page
Overview of Infinium MM product controls	4-2
Defining Infinium CA entity controls	4-3
Defining Infinium CA company controls	4-9
Defining Infinium PM Purchase Order types	4-20
Defining Infinium JP action definitions	4-26

Overview of Infinium MM product controls

This chapter explains how to set up Infinium PM, Infinium CA, and Infinium JP controls that affect matching and accounting.

The diagram in Figure 4-1 illustrates some of the related system interfaces.

Infinium CA Interfaces

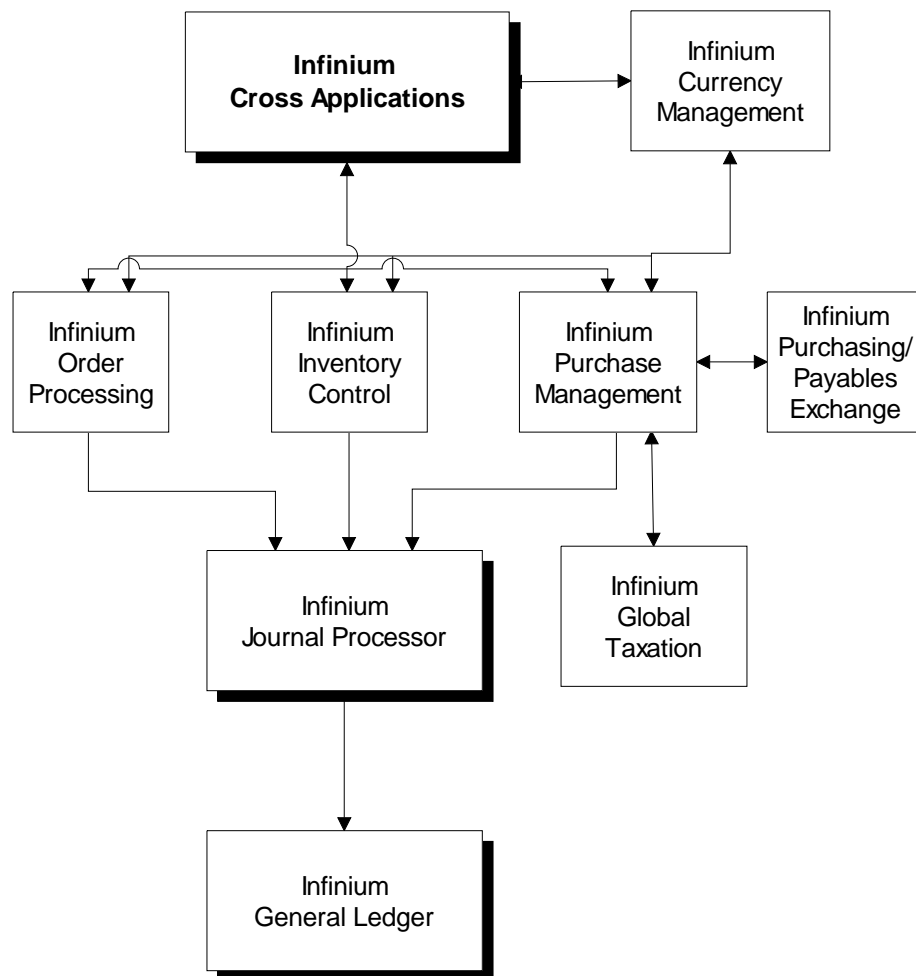


Figure 4-1: Infinium CA Interfaces

Defining Infinium CA entity controls

Entity controls are the highest level of Infinium CA controls. Some controls you establish at the entity level are:

- Date format
- Software applications that interface with Infinium CA

Before you can process purchase order invoices, you must specify the interfacing payables system.

Defining Infinium CA entity controls

The entity controls allow you to indicate which applications you are using with Infinium CA. In order to match invoices to purchase orders, the system needs to know if you have installed Infinium PL.

To define the entity controls, perform the following steps:

- 1 From the Infinium CA main menu, select *Control files*.
- 2 Select *Work with entity controls* [WWE]. The system displays the screen shown in Figure 4-2.

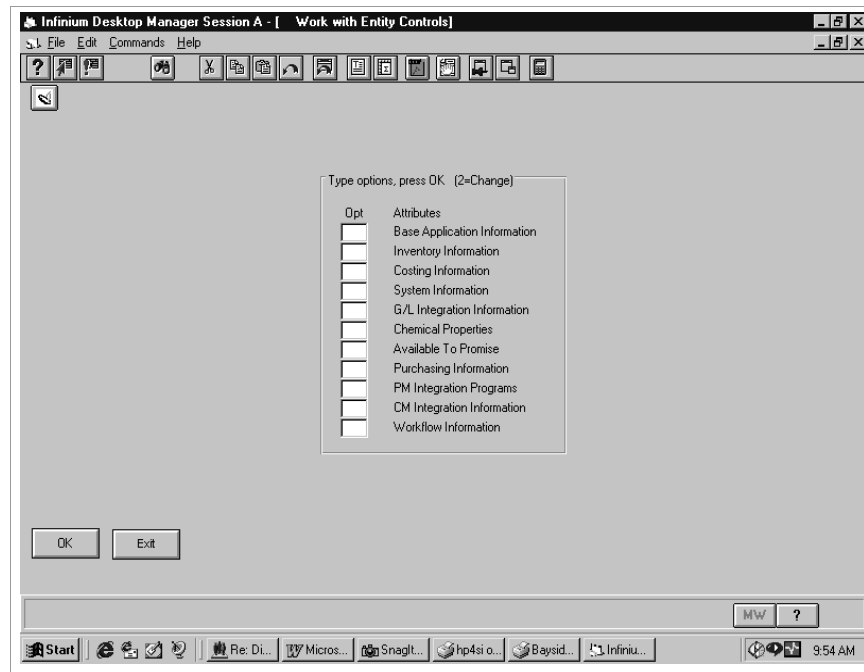


Figure 4-2: Work with Entity Controls Selection screen

- 3 Type 2 in the Opt column to select *Base Application Information*, *Costing Information*, and *System Information*.
- 4 Press Enter. The system displays the screen shown in Figure 4-3.

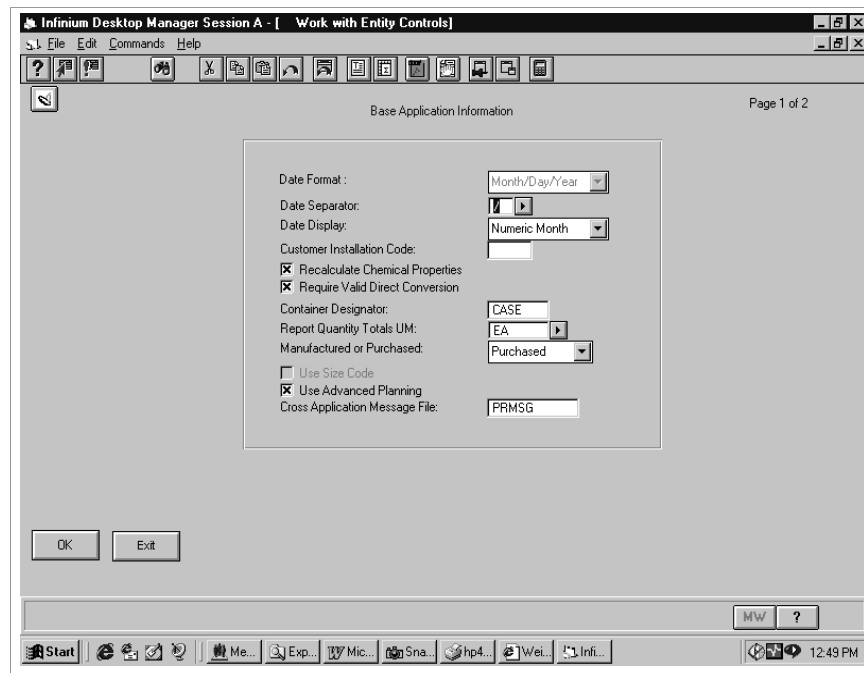


Figure 4-3: Work with Entity Controls Base Application Information screen 1

Entity controls base application information

On this screen you set up miscellaneous entity controls.

- 5 Use the information below to complete the fields on this screen. Only the fields that are applicable to the matching process are described.

Date Format

Date Separator

The date format determines how you can enter and display dates throughout the system. You cannot change the *Date Format* and *Date Separator* fields once you have set up entity controls.

Ensure that your date formats are consistent across the following applications: Infinium CA, Infinium PL, Infinium PM, and Infinium PX.

- 6 Press Enter. The system displays the screen shown in Figure 4-4.

Figure 4-4: Work with Entity Controls Base Application Information screen 2

- 7 Use the information below to complete the fields on this screen. Only the information that is applicable to the matching process is described.

Split Purchase Price Variance

This field applies only to standard cost companies. The field does not apply to weighted average cost companies.

Type one of the following values. Specifying **None** has the same meaning as specifying **PL** for a standard cost company.

- If you specify **PL** in this field and are using the standard cost method, the system calculates the purchase price variance in Infinium PL at invoice time based on the difference between the standard cost and the invoice cost.
- If you specify **PM receiving & PL** in this field and are using the standard cost method, the system calculates the purchase price variance in Infinium PM when you process a receipt and in Infinium PL when you process an invoice.

The receipt variance is the difference between the standard cost and the purchase order cost. The invoice variance is the difference between the purchase order cost and the invoice cost.

If you are using non-standard (adjustment based) costing, the system creates an inventory adjustment entry instead of a PPV entry for any difference between the purchase order cost and the invoice cost when you create an invoice for an inventoried item.

- 8 Press Enter. The system updates the base data information and continues to the screen shown in Figure 4-5.

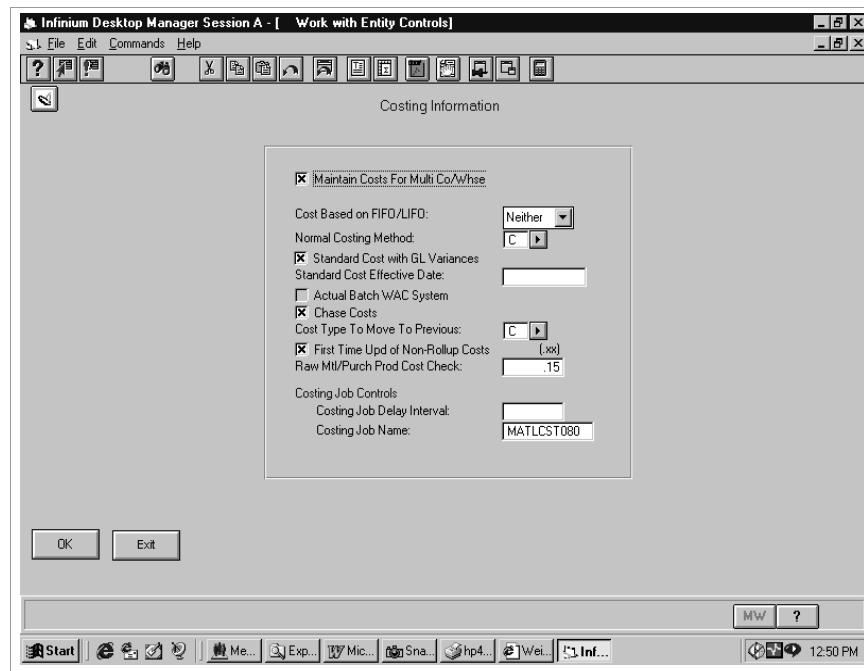


Figure 4-5: Work with Entity Controls Costing Information screen

- 9 Use the information below to complete the fields on this screen. This step describes only those fields that are key to processing purchase order invoices.

Cost Based on FIFO/LIFO

Specify **FIFO** or **LIFO** in this field if your cost method is FIFO/LIFO.

Otherwise, specify **Neither** and make an entry in the *Normal Costing Method* field to identify whether your costing method is standard, weighted average, or current cost.

Normal Costing Method

The costing you define here at the entity level becomes the default costing method. You can define costing at the company level to override the costing that you define here at the entity level.

Similarly, costing that you define at the warehouse level overrides the costing that you establish at the company and entity levels.

Standard Cost with GL Variances

Infinium MM users employ this field to generate an Infinium JP transaction if the standard cost for an item has changed. Refer to the *Infinium CA Guide to System Controls and Materials Maintenance* for details.

This field is not used by Infinium PX. Infinium PX uses the value in the *Split Purchase Price Variance* field to determine the accounting to perform for recording your purchase price variance transactions.

- 10 Press Enter. The system updates the costing information and continues to the screen shown in Figure 4-6.
-

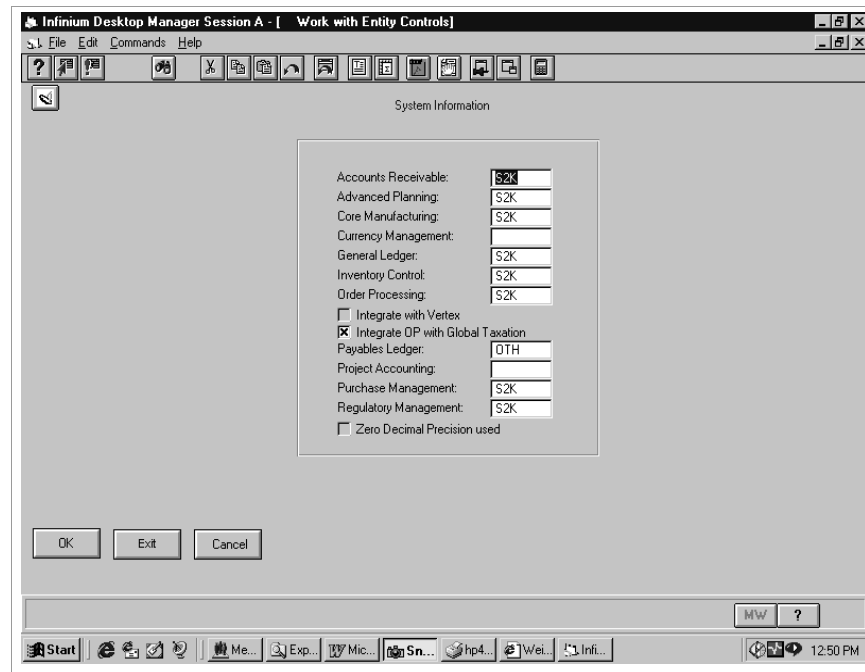


Figure 4-6: Work with Entity Controls System Information screen

- 11 On this screen you indicate which software systems are installed. You must type **S2K** next to *Payables Ledger* to establish a link to the Infinium PL system. Infinium CA requires this link to obtain setup data for purchase order invoice processing.
- 12 Press Enter. The system updates the system information.

Defining Infinium CA company controls

Company Controls define how the system should store information for each company. Some controls that you establish at the company level are:

- Costs and inventory balances
- Base data
- Tolerances

An example of company controls is the accounting method. Because the accounting method is defined at the company level, it is used for all accounting transactions for the company.

Defining Infinium CA company controls

This section highlights the fields that affect Infinium PL/Infinium PM invoice processing.

To maintain company controls, perform the following steps:

- 1 From the Infinium CA main menu, select *Control Files*.
- 2 Select *Work With Company Controls* [WWCO]. The system displays the screen shown in Figure 4-7.

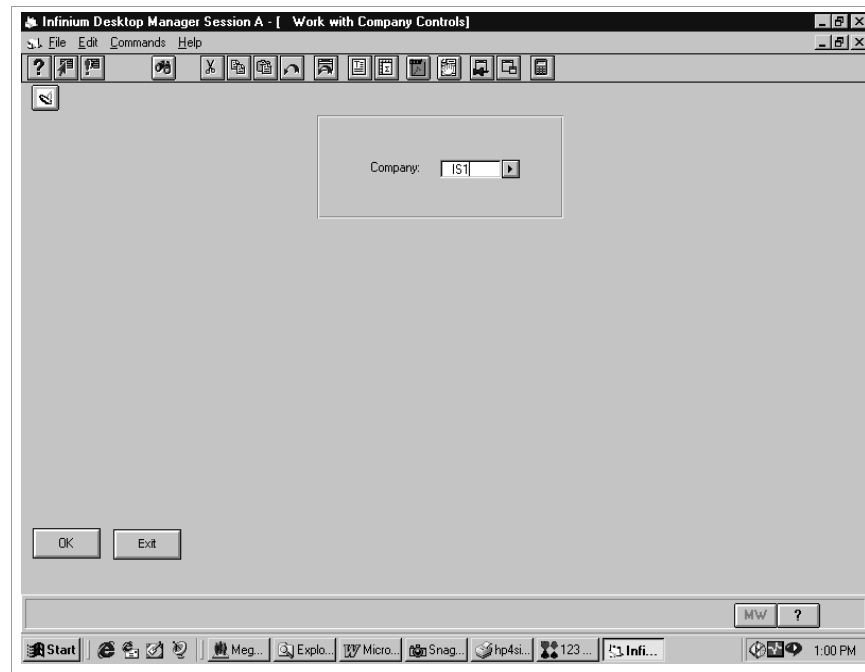


Figure 4-7: Work With Company Controls Prompt screen

- 3 Specify the company that you want to work with in the *Company* field. Press Enter. The system displays the screen shown in Figure 4-8.

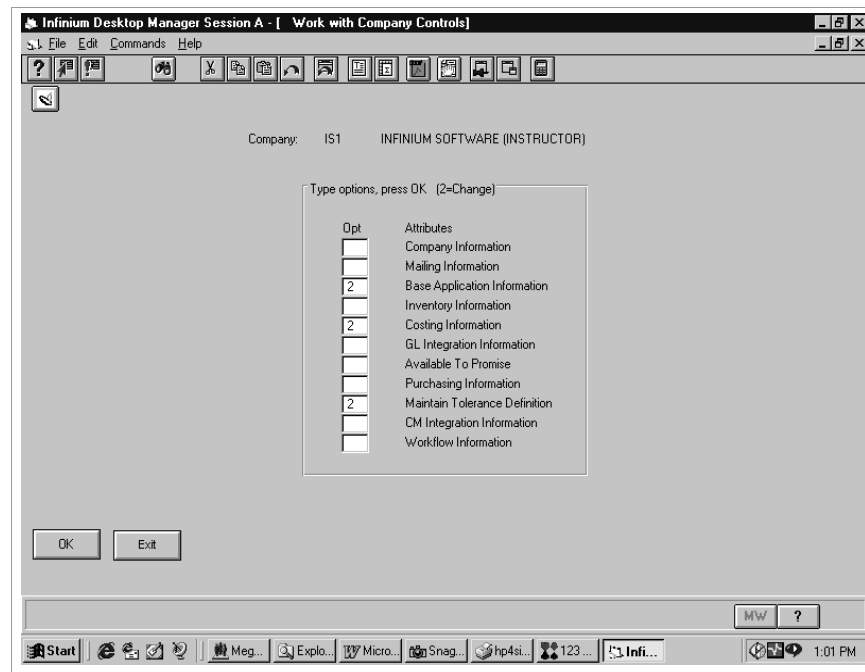


Figure 4-8: Work With Company Controls Selection screen

Company controls information

You define controls that apply to matching and invoice processing within the *Base Application Information*, *Costing Information*, and *Maintain Tolerance Definition* segments.

- 4 Type 2 in the *Opt* column next to each segment to work with the applicable screens.
- 5 Press Enter. The system displays the screen shown in Figure 4-9.

Figure 4-9: Work With Company Controls Base Application Information screen

Base application information

The following fields on the Base Application Information screen apply to Infinium PL or Infinium PM, or both, as explained in this section:

- *Split Purchase Price Variance*
- *Payables Integration Company/Division*
- *Accounting Method*

- 1 Use the information below to complete the fields on this screen. This step describes only those fields that are key to processing purchase order invoices.

Split Purchase Price Variance

This field affects the accounting for purchase price variance transactions. This field applies to companies that use standard costing.

Type one of the following values. Specify **None** has the same meaning as specifying **PL** for a standard cost company.

- If you specify **PL** in this field and are using the standard cost method, the system calculates the purchase price variance in Infinium PL at invoice time based on the difference between the standard cost and the invoice cost.
- If you specify **PM receiving & PL** in this field and are using the standard cost method, the system calculates the purchase price variance in Infinium PM when you process a receipt and in Infinium PL when you process an invoice.

The receipt variance is the difference between the standard cost and the purchase order cost. The invoice variance is the difference between the purchase order cost and the invoice cost.

Payables Integration Company

You must type a valid entry in this field if you are using Infinium PL with Infinium PM.

The Infinium PL integration company is the company from which you are recording the liability for your invoices. You can link this Infinium PL company to numerous companies that you define in Infinium CA.

Company Relationships

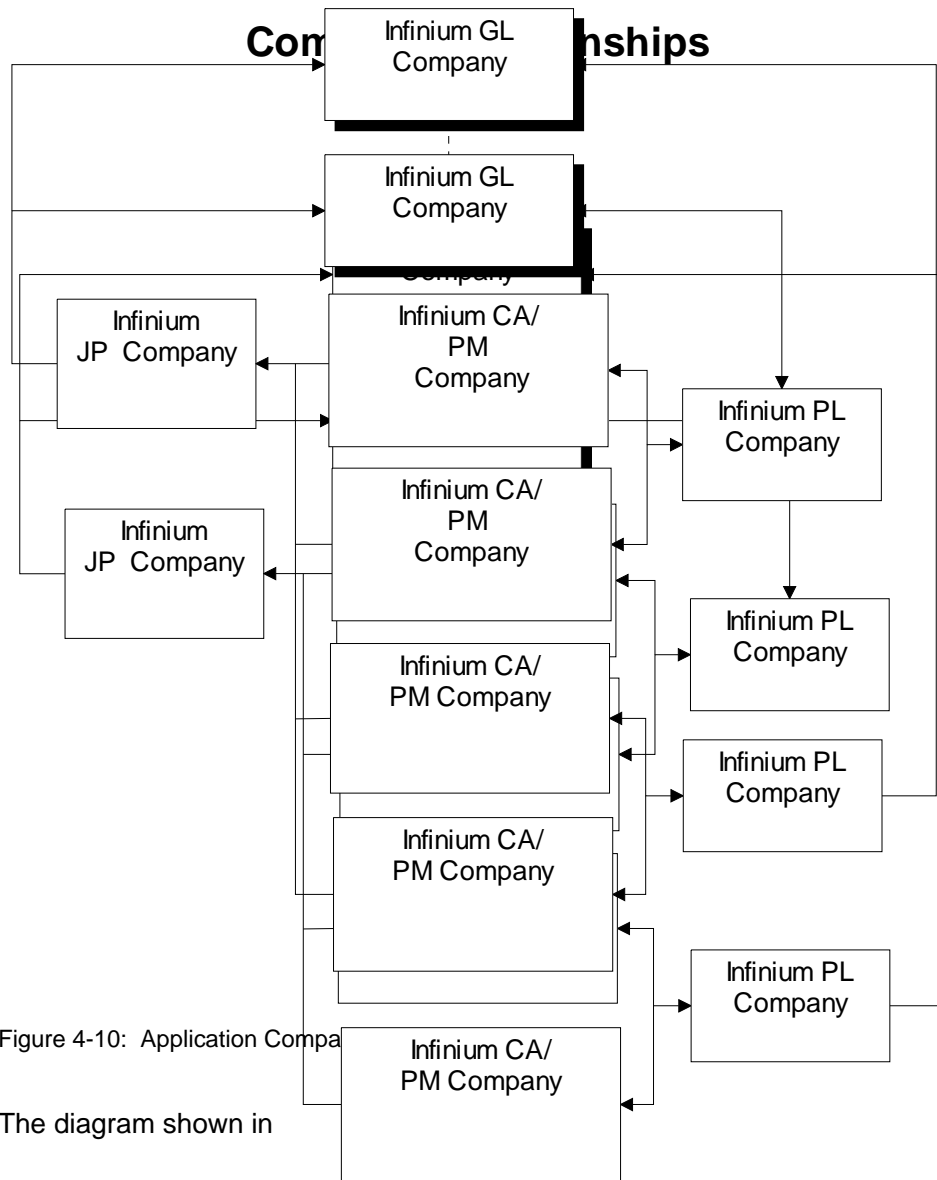


Figure 4-10: Application Company Relationships

The diagram shown in

Figure 4-10 illustrates the relationships between the companies that you define in multiple Infinium applications. The following relationships are possible:

- Multiple Infinium JP companies can have the same Infinium GL company assignment.

- Multiple Infinium CA/Infinium PM companies can have the same Infinium JP company assignment.
- Multiple Infinium CA/Infinium PM companies can have the same Infinium PL company assignment.
- An Infinium PL company must have a one to one relationship with Infinium GL. The Infinium PL company must match the Infinium GL company.

If intercompany processing is allowed in Infinium PL, then the system makes the expense entries across multiple Infinium GL companies. After you assign an Infinium PL integration company of PL1 to Infinium CA companies CA1 and CA2, invoice company PL1 can invoice purchase orders that you create for Infinium CA companies CA1 and CA2.

Payables Integration Division

Type a valid division for the payables company that is specified in the *Payables Integration Company* field. For more information about divisions, refer to the “Defining Company and Company Group Controls” chapter of the *Infinium PL Guide to Controls*.

Accounting Method

A company’s accounting method affects the processing the system performs when you receive items in Infinium PM and create invoices in Infinium PL.

Valid entries for this field are:

- 1 Cash Accounting Method
 - 2 Accrual Accounting Method
- If you define a company’s accounting method as cash-based, the purchasing system does not generate a general ledger transaction when you receive goods for a purchase order in Infinium PM. If your company uses this accounting method, the system generates an entry at invoice entry time and uses the expense or inventory account directly from the purchase order detail.
 - If you define a company’s accounting method as accrual-based, the purchasing system generates a general ledger transaction when you receive goods for a purchase order in Infinium PM. If your company uses this accounting method, the system books an accrual offset entry when you create an invoice.

At invoice entry time, if a receipt exists when you create an invoice, the system retrieves the Received Not Invoiced (RNI) account. The RNI account is generated at receipt entry time. If no receipts exist at invoice

entry time, the system creates an Invoiced Not Received (INR) account entry. The INR account comes from the accounting group on the invoice.

Caution: Once you specify **Cash** in this field and save your entry, the system does not allow you to change the field to **Accrual**.

- 2 Press Enter. The system updates the base application information for the company and continues to the next Work with Company Controls screen, which is shown in Figure 4-11.

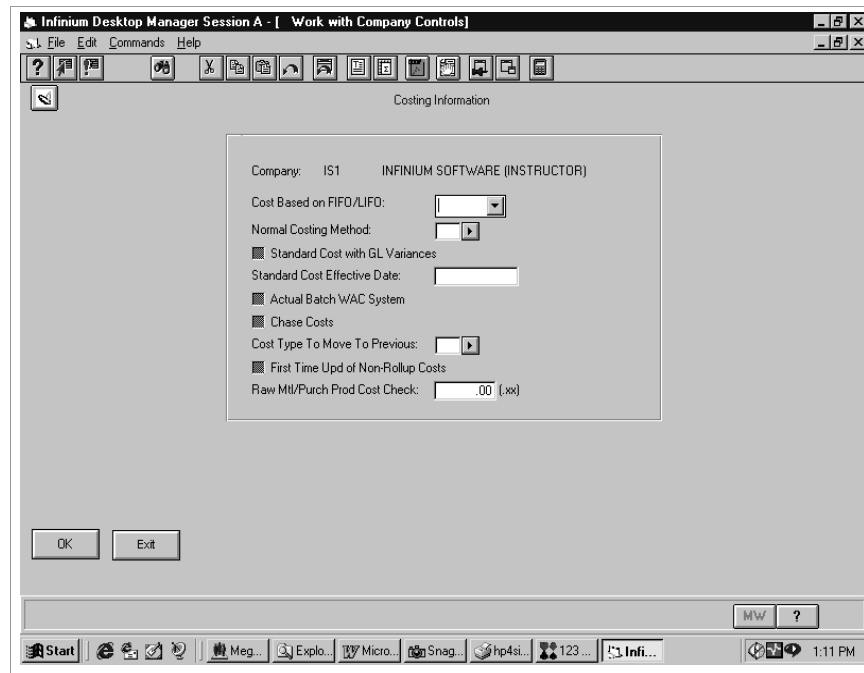


Figure 4-11: Work With Company Controls Costing Information screen

Costing information

- 1 You can define your costing method at the entity, company, or warehouse level. Refer to the “Defining Infinium CA entity controls” section in this chapter for more information on completing this screen.
- 2 Press Enter. The system updates the costing information and continues to the Company Tolerance screen as shown in Figure 4-12 after the following information about tolerances.

About tolerances

You set tolerance limits at any of the following levels in Infinium CA:

- Company Level

- Commodity Level
- Item Warehouse Level

The system checks the tolerances starting at the lowest level, the item/warehouse level. If the system does not find tolerances at this level, it then checks the commodity level and finally checks the company level. The system stops checking as soon as it finds a tolerance at one of these levels.

For each tolerance level, you can establish acceptable over and under limits. You can set these limits by either percentages or amount ranges.

Tolerances also affect matching. There are three tolerances that apply to matching:

- Unit Price Tolerance
- Extended Amount Performance Tolerance
- Invoice Price Performance Tolerance

Invoice price performance tolerances are available only at the company level and work in conjunction with the matching controls you define in Infinium PX. Refer to the “Defining Infinium PX Controls” chapter for more information.

The screens on the following pages explain how you establish tolerances at the company level. Refer to the *Infinium CA Guide to System Controls and Materials Maintenance* or the *Infinium PM Guide to Setup and Processing* for more information about setting up tolerances and examples of the tolerance checks that the system performs.

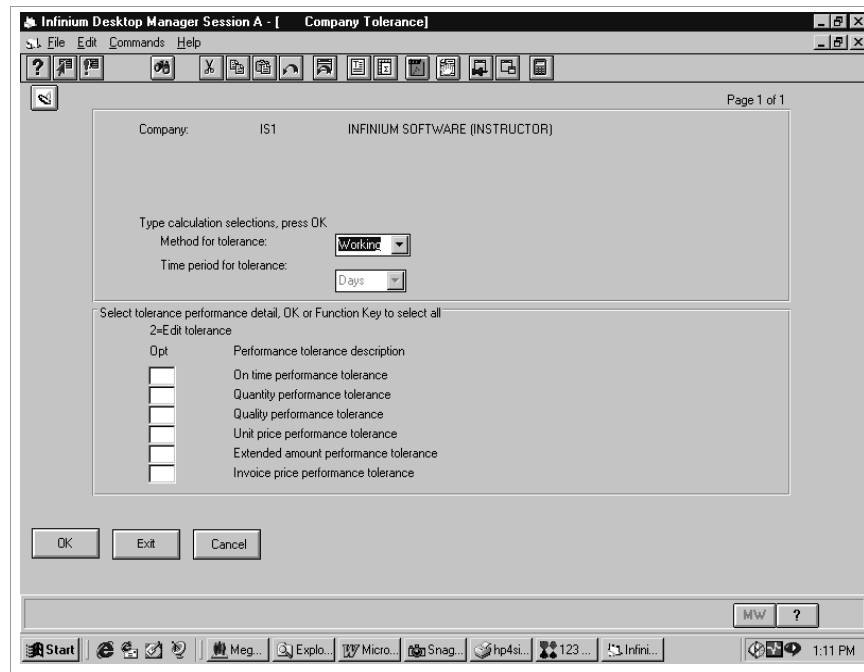


Figure 4-12: Work With Company Tolerance Selection screen

Company tolerances

The system displays this screen when you type **2** in the *Opt* field next to *Maintain Tolerance Definition* at the second Work with Company Controls screen.

You maintain tolerance performance details that apply to the matching process.

- 1 Type **2** in the *Opt* column next to each tolerance performance detail to work with the applicable screens.

For matching purposes, select *Unit price performance tolerance*, *Extended amount performance tolerance*, and *Invoice price performance tolerance*.

- 2 Press Enter. The system displays the same screen for each tolerance as shown in Figure 4-13.

Figure 4-13: Unit Price Tolerance screen

The system displays this screen when you type **2** in the *Opt* field next to *Unit price performance tolerance* at the Company Tolerances screen.

- 3 Use the information below to complete the fields on this screen.

Currency

Tolerances can be defined only in the company base currency. The system converts tolerance amounts to the purchase order currency for matching comparison purposes.

Over percentage

Under percentages

Type the percentage over and under the expected unit price that the system is to allow during matching. If the percentage difference between the actual unit price and the expected unit price is greater than the “over” percentage or less than the “under” percentage that you specify in these fields, the system initiates a matching error.

Not to exceed

Use the *Not to exceed* fields to define a tolerance which, when combined with the purchase order unit price, sets the comparison amount for the invoice unit price.

Over action

Under action

Each of these fields defines the action that the system is to take when an item does not pass the over or under tolerance. Valid entries for these field are:

- 1** Accept the item.
 - 2** Reject the item.
- 4** Press Enter. The system updates the unit price tolerances.
 - 5** Repeat steps 1 – 4 for the Extended amount performance tolerance and the Invoice price performance tolerance.
-

Defining Infinium PM purchase order types

Purchase order type controls allow you to specify which fields are to be required during purchase order entry. You can set up as many purchase order types as you need to specify different requirements for different types of purchase order.

Some purchase order type control fields also affect the matching process. You must define these fields to ensure correct matching.

The following are examples of purchase order type control data:

- Vendor ID required

Because you can specify whether the vendor ID is required for a particular type of purchase order, the user may or may not be required to specify the vendor ID in each purchase order of that type.

While purchase order can be created without a vendor ID, you cannot process receipts for the purchase order or invoice the purchase order without the vendor ID.

- Matching calculation

You can specify matching based on ordered amounts or received amounts.

Defining Infinium PM purchase order types

To create controls for a particular type of purchase order, perform the following steps:

- 1 From the Infinium PM main menu, select *Control Files*.
 - 2 Select *Work with purchase type* [WWPT]. The system displays the screen shown in Figure 4-14.
-

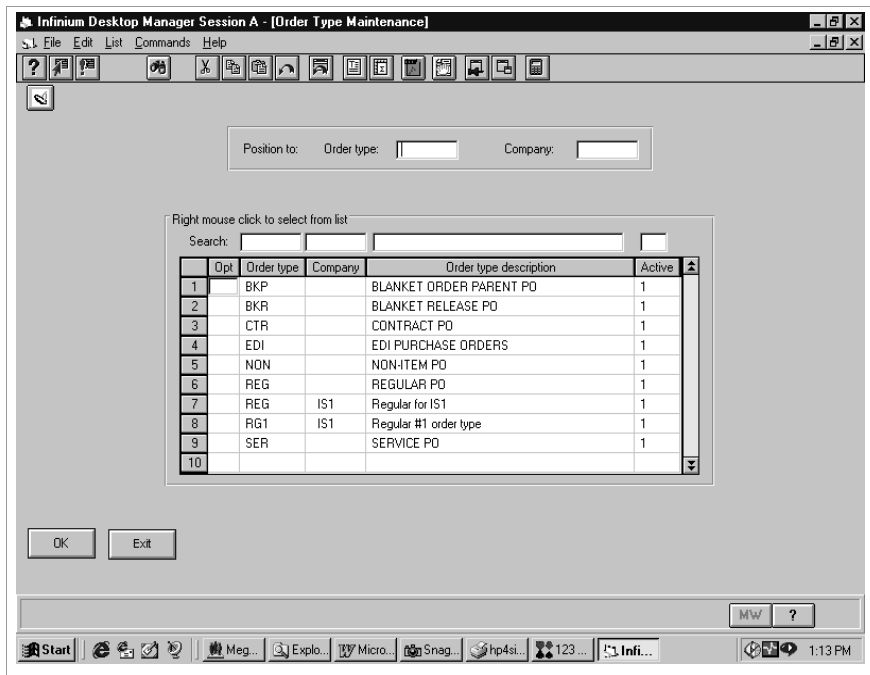


Figure 4-14: Order Type Maintenance screen

Purchase orders displayed

This screen displays a selection list of all of the currently defined Infinium PM purchase order types.

- 3 To create controls for a new purchase order type, press F6. To update the controls for an existing purchase order type, select that purchase order type. Select **Change** or type 2 and press Enter.

The system displays the screen shown in Figure 4-15.

The screenshot shows the 'Infinium Desktop Manager Session A - [Order Type Maintenance]' window. The interface includes a menu bar (File, Edit, Commands, Help) and a toolbar. The main area is divided into several sections:

- Order type:** REG
- Company:** IST
- Type description:** Regular for IST
- Active code:** 1
- Order code:** 1
- Header definition:**
 - ☐ Vendor ID
 - ☐ Note
 - ☐ Payment terms
 - ☐ Freight terms
- Other:**
 - ☒ Auto generate PO#
 - ☒ Allow add'l chgs
 - Auto generate chg type:** FRT
 - ☐ Generate zero charge
 - ☐ Match on receipts
 - ☐ Allocate to cust order
 - ☒ Fast entry allowed
 - ☐ PO is EX capable
 - ☐ Lock vendor name/address
 - ☐ Match on inspection
 - ☐ Reopen closed orders
 - ☒ Re-route allowed
 - Complete P.O. default:** [dropdown menu]
 - Return exit program:** [text field]

At the bottom, there are buttons for OK, Exit, and Cancel. The Windows taskbar at the bottom shows the Start button and several open applications, including Meg..., Explo..., Micro..., Snag..., hp4st..., 123..., and Inf... The system clock shows 1:14 PM.

Figure 4-15: Order Type Maintenance screen 1

- 4 Use the information below to complete the fields on the screen. Only those fields that are key to the Infinium PM/Infinium PL integration process are described.

Match on receipts

If you specify yes in this field, the system matches against the received quantity. If you specify no in this field, the system matches against the purchase order quantity.

Match on inspection

If you specify yes in this field, the system matches against the final inspection accepted quantity. If you specify no in this field, the system matches against the ordered quantity. The system uses the value from the *Inspect* field on the Purchase Order Detail screen in conjunction with this field.

The default entry for both fields is no.

- 5 Press Enter twice. The system displays the screen shown in Figure 4-16.

Figure 4-16: Order Type Maintenance screen 3

- 6 The only field on this screen that is key to the matching process is the *Close within tolerance* field. Use the information below to complete this field.

Close within tolerance

If you specify yes, the system updates the purchase order detail line item to fully received when an item is received within the specified tolerances. Refer to the *Infinium CA Guide to System Controls and Materials Maintenance* for more information.

If you specify no, the system updates the purchase order detail line item to partially received when an item is received for an amount that is less than the ordered amount.

- 7 Press Enter. The system displays the screen shown in Figure 4-17.

Figure 4-17: Order Type Maintenance screen 4

- 8 Use the information below to complete the fields on the screen. Only those fields that are key to purchase order creation and the matching process are described.

Receipt activity flag

The *Receipt activity flag* field indicates the relationship between receiving and payment processing, which affects your accounting transactions. The value in this field is the default value for each detail line in purchase orders of this type. The value in the purchase order detail line is in turn the default for multi-ship entries associated with the detail line.

You can override this value on the purchase order.

- 0 Never to be received: This applies to items that are drop shipped or not inventoried.
- 1 Regular receipts: This applies to items that are received but that do not require receipt prior to payment processing.
- 2 Prepaid receipt: This applies to items that are received and are to be paid for prior to receipt.
- 3 Receipt required: This applies to items that must be received prior to payment.

- The default entry for this field is **Reg rec.**
 - If you specify **Rec req** in this field, the system may prevent you from creating an invoice line for any item that has not yet been received. Refer to the “Maintaining Infinium PL company controls” topic in the “Defining Infinium PL Controls” chapter for the corresponding Infinium PL controls.
 - If you specify **Dir ship** in this field, the system interprets the *Match on receipts* field value on the purchase order type as no and matches against the purchase order.
- 9 Press Enter. The system updates the controls for this purchase order type.
-

Defining Infinium JP action definitions

An Infinium JP action definition provides rules that Infinium JP applies when generating journal entries or building account numbers for your general ledger. The system also passes account numbers that Infinium JP generates to Infinium PL for use in invoicing accrual items that have been received.

Infinium provides all the program names and action codes that you need for defining actions in Infinium JP. As chapter of setting up your controls for purchasing/payables integration, you must create or update the action definitions that apply to the Infinium PM/Infinium PL integration process.

This section identifies the actions you need to build. Refer to the *Infinium JP Guide to Setup and Processing* for more information about creating and maintaining action definitions.

Defining Infinium JP actions

To define an Infinium JP action, perform the following steps:

- 1 From the Infinium JP main menu, select *Action Processing*.
 - 2 Select *Work with action definitions* [WWAD]. The system displays the screen shown in Figure 4-18.
-

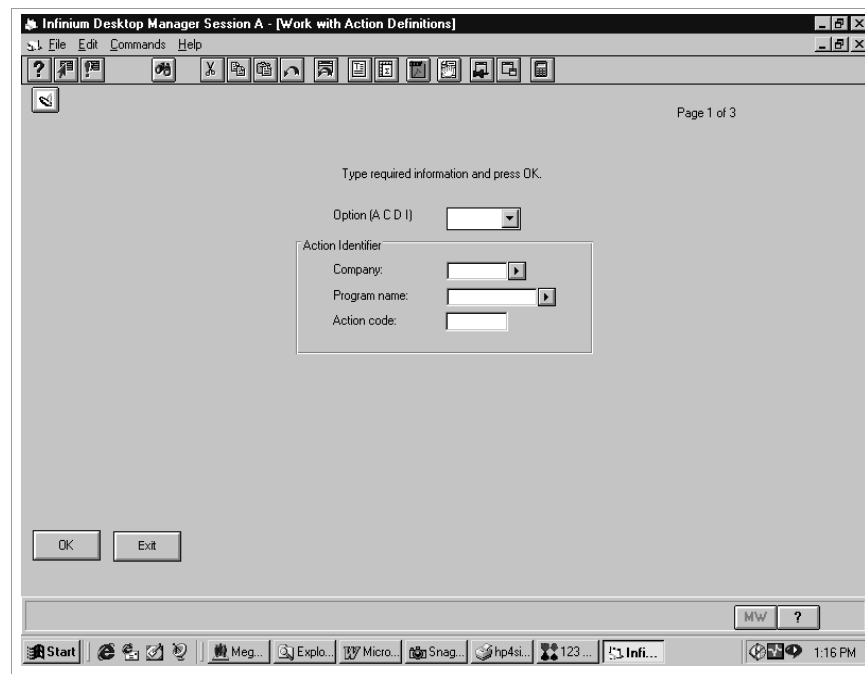


Figure 4-18: Work with Action Definitions screen

Defining an action

When you define an action, you can construct one of the following:

- An account number that can be the default on an entry screen such as the purchase order detail screen
 - A monetary, statistical, or both monetary and statistical posting entry for when receipt activity is closed to the general ledger
- 3 You must define the following actions if you are using the accrual accounting method. Use the information in the following tables.

For the receipt of raw materials or a non-inventory item

Program Name	Action Code	Account Entry
PMGPRM1	1	Inventory Account
PMGPRM1	2	Expense Account
PMGPRM1	3	Received Not Invoiced Account
PMGPRM1	4	Variance Account (if standard cost)

For the receipt of a product

Program Name	Action Code	Account Entry
PMGPRM1	11	Inventory Account
PMGPRM1	12	Expense Account
PMGPRM1	13	Received Not Invoiced Account
PMGPRM1	14	Variance Account (if standard cost)

For the receipt of a non-item

Program Name	Action Code	Account Entry
PMGPRM1	22	Expense Account
PMGPRM1	23	Received Not Invoiced Account

For include in cost additional charges

Program Name	Action Code	Account Entry
PMGACM	53	Builds Additional Charge Freight/Other Account for All Types
PMGACM	54	Builds "Include in Cost" Freight/Other Account Number for All Types
PMGACM	55	Builds "Include in Cost" Taxes Account Number for All Types

- 4 Use the information in the "Working with Action Definitions" chapter of the *Infinium JP Guide to Setup and Processing* to update the action definitions.

Chapter 5 Selecting Purchase Orders and Receipts for Invoicing

5

This chapter focuses on how you select purchase orders and receipts for invoicing during invoice entry. The integration of the payables system with the purchasing system using Infinium PX allows you to retrieve the data necessary to create the purchase order/receipt invoice.

The chapter consists of the following topics:

Topic	Page
Overview of selecting purchase orders and receipts for invoicing	5-2
Creating a purchase order invoice session	5-5
Selecting a purchase order for invoicing	5-15
Selecting a receipt for invoicing	5-24

Overview of selecting purchase orders and receipts for invoicing

Invoice entry entails creating an invoice session that contains a group of invoices. The system assigns a unique session number to each session.

You enter purchase order invoices for a vendor one at a time. Integration of Infinium PL with Infinium PM through Infinium PX lets you select the purchase orders that correspond with these invoices. The system displays the appropriate screens for you to specify each invoice's vendor information, purchase order/receipt information, general invoice information, and invoice expense distributions.

The following figure provides a high level overview of the purchase order invoice entry flow of screens and programs.

Purchase Order Invoice Entry

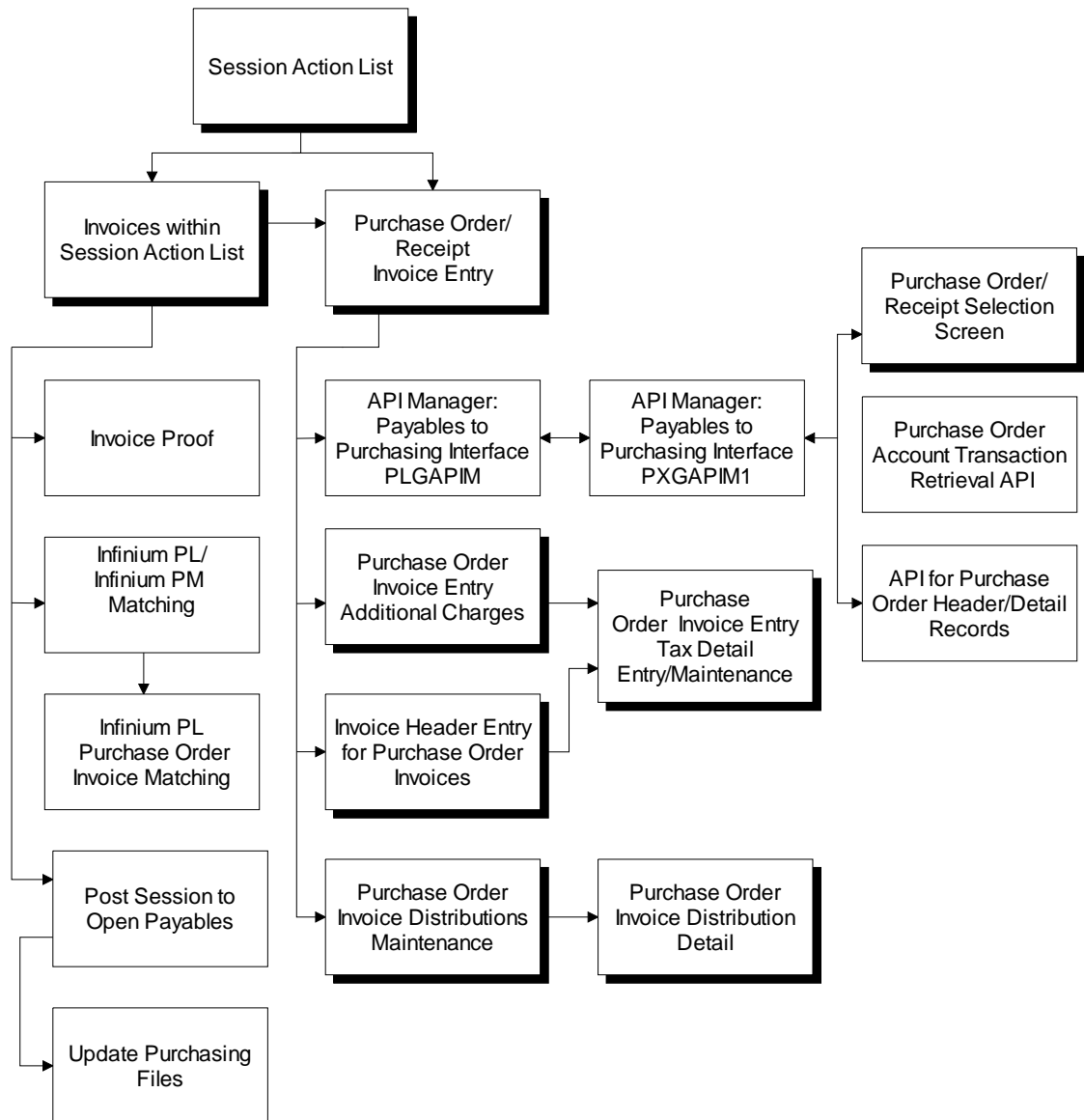


Figure 5-1: Purchase Order Invoice Entry High Level Program Flow

When you have created one invoice, the system returns you to the screen where you can begin the process again and create another invoice. You can specify the same vendor or a different vendor and you can change the company and division for the next invoice.

After you select all of the purchase orders and receipts that you are including on the invoice and there are no distribution errors, the invoice is ready to proof, match, and post.

Controls that affect purchase order invoice entry

Before you can begin selecting purchase order invoices, you must set up the following:

- Infinium PX entity and matching controls and code types
- Infinium PL entity, company and vendor controls and user security
- Infinium PM purchase order types
- Infinium CA entity and company controls
- Infinium JP action definitions

For more information on completing these controls, refer to the following chapters in this guide:

- Defining Infinium PX Controls
 - Defining Infinium PL Controls
 - Defining Infinium PM and Infinium CA Controls
-

Creating a purchase order invoice session

You create the invoice session and that session's purchase order invoices in Infinium PL. This topic describes how to create an invoice session and how to locate purchase orders.

You can create purchase order invoices only if your Infinium PL user ID records specify that you use the batch or partial interactive posting method. You cannot work with purchase orders if you use the interactive posting method.

Creating an invoice session

To create an invoice session, perform the following steps:

- 1 From the Infinium PL main menu, select *Invoices*.
- 2 Select *Work with invoice entry* [WWI]. The system displays the screen shown in Figure 5-2.

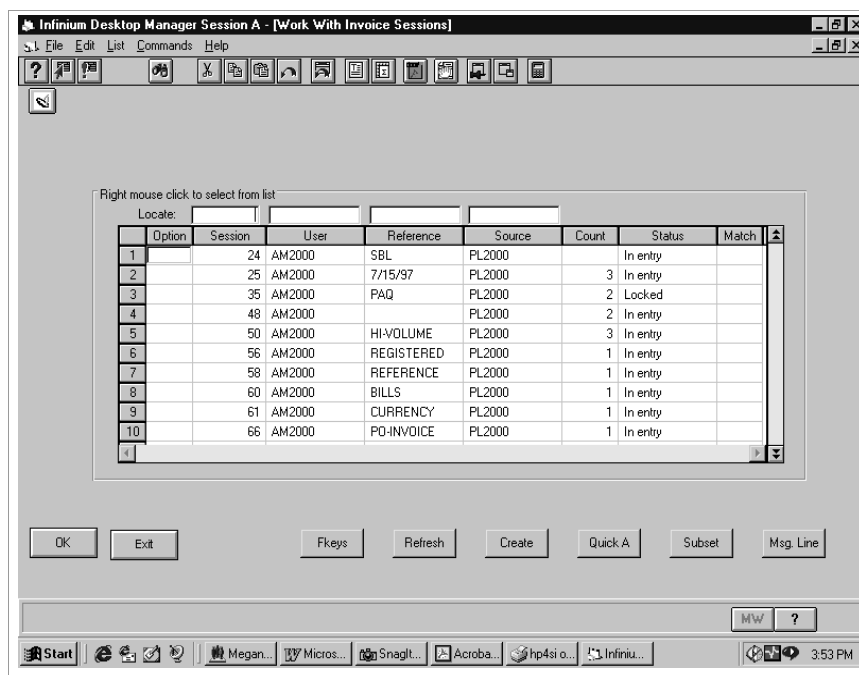


Figure 5-2: Work With Invoice Sessions screen

At this screen, you can create a new purchase order invoice session or select an existing unposted session to work with that session.

- 3 To create a new invoice session, press F6. The system displays the window shown in Figure 5-3.

The system also displays this window if you select an existing session and choose **Select controls** or type 1 and press Enter.

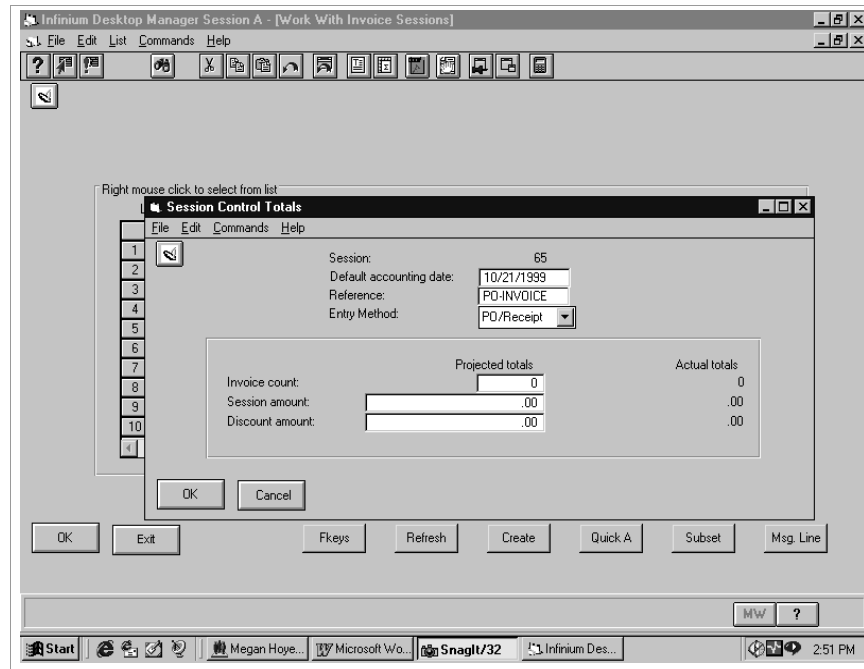


Figure 5-3: Session Control Totals Window

- 4 Use the information below to complete the fields on this screen.

Default accounting date

The system uses the date you specify here as the default accounting date for each invoice in this session. The invoice accounting date determines the period to which the system posts the invoice.

The system supplies the current system date in this field. You can accept that date or type a different default accounting date.

Reference

You can type a unique session identifier in this field.

Entry method

Specify **PO/Receipt** in this field. Your user profile can be set up to supply this value as the default. Refer to the “Defining Infinium PL Controls” chapter earlier in this guide for more information on setting up an invoice entry default.

Projected totals

You can specify the totals that you expect for this session. The system compares these totals to the system calculated actual totals when the session is complete. If the projected totals do not match the actual totals, the system marks the session status as in error.

- 5 Press Enter. The system displays the screen shown in Figure 5-4.

Figure 5-4: PO/Receipt Invoice Entry screen

This screen allows you to locate the purchasing system purchase orders you want to invoice and to enter the required invoice information. The information you type at this screen determines the data that the system displays at the PO-Receipt Selection screen illustrated in Figure 5-5.

Your user security can define company and division default values and invoice company restrictions. For more information on user security, refer to the “Using Supervisor Tasks” chapter of the *Infinium PL Guide to Controls*.

- 6 Use the information below to complete the fields on this screen.

Purchasing Company

The system requires a purchasing company to process purchase order invoices. Type the purchasing company for the purchase order or leave this field blank if you type the purchase order number. The system obtains the purchasing company from the purchase order.

For more information on purchasing companies, refer to the *Infinium CA Guide to System Controls and Materials Maintenance*.

PO Number

Type the purchase order number. If you type only the purchase order number on this screen, the system checks the vendor on the purchase order and selects all purchase orders for that vendor. The PO-Receipt Selection screen illustrated in Figure 5-5 displays the selection list beginning with the purchase order number that you type in this field.

For more information on purchase orders, refer to the *Infinium PM Guide to Setup and Processing*.

Currency

The system displays this field only if multi-currency processing is activated in Infinium PM. The system displays only POs with this currency at the PO/Receipt Selection screen. You cannot mix currencies on a single invoice.

- This field is required if you did not specify a PO number in the *PO Number* field.
- If you specified a PO number, the system supplies the currency value from the specified PO's header.
- If you specify a currency and then prompt for a selection list of valid purchase orders in the *PO Number* field, the system limits the PO selection list to purchase orders with that currency.
- If you specified a PO number and then specify a currency other than that PO's currency, the system displays an error message.

Vendor ID

Type the vendor ID for the purchase order invoice. If you already specified the purchase order number, the system does not need the value in this field since the system obtains the vendor ID from the purchase order.

or Short Name

Type the short name for the vendor, up to 10 characters, for the purchase order invoice. If you type a vendor ID, do not type a Short Name.

Invoice Company

This is the company from which you are recording the liability for the purchase order invoice. For more information about invoice companies, refer to the *Infinium PL Guide to Controls*.

The system uses the receipt required purchase order flag for this company to determine whether to allow selection of purchase orders without receipts. For more information on the receipt required purchase order flag, refer to the “Defining Infinium PL Controls” chapter of this guide.

Invoice Division

The division tracks the purchase order invoice within the company and provides the invoice with certain default information. Refer to the *Infinium PL Guide to Controls* for more information about divisions.

Invoice Date

Type a date for the purchase order invoice. The system uses this date for reporting and to calculate a due date if term codes are in use.

Invoice ID

Type the invoice ID. The invoice ID is generally the vendor’s invoice number provided on the invoice that the vendor submits. You must type an invoice ID if the vendor is set up to require an invoice number. For more information about vendors, refer to the *Infinium PL Guide to Processing*.

Invoice Amount

Type the gross amount of the invoice. This field is optional during initial invoice entry.

Invoice tax amount

Type a tax amount to add to the invoice. This amount generates tax detail records at the invoice header level. The vendor controls must identify a tax authority and rate code in order for the system to generate a tax entry.

For more information about Infinium PL tax accounting, refer to the “Accounting Transactions” appendix of the *Infinium PL Guide to Processing*.

- 7 Press Enter. The system displays the screen shown in Figure 5-5.
-

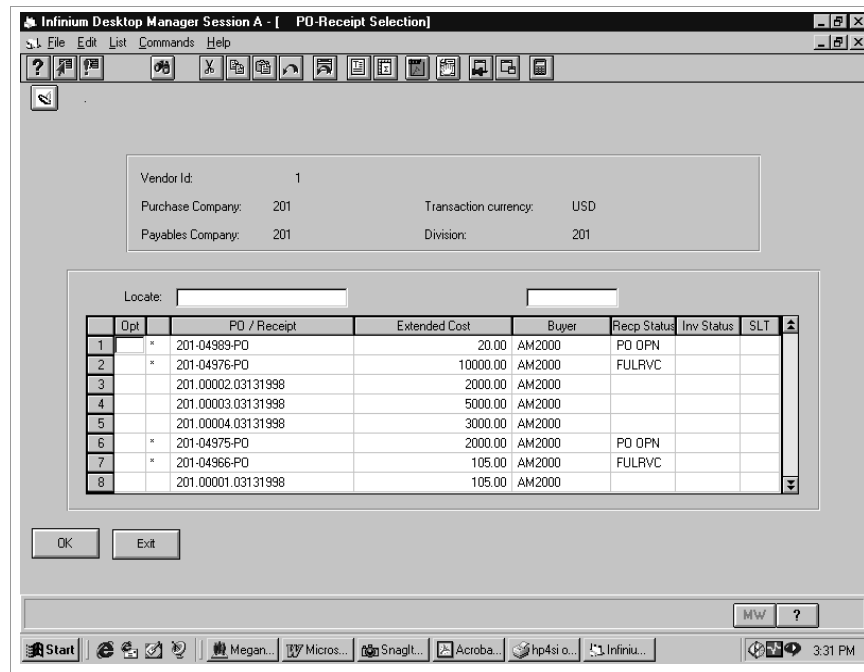


Figure 5-5: PO-Receipt Selection screen

The system displays this selection list beginning with the purchase order number you entered on the PO-Receipt Invoice Entry screen shown in Figure 5-4. If you typed a vendor number rather than a specific purchase order on the PO-Receipt Invoice Entry screen, the system displays all purchase orders and receipts for that vendor.

You can select either purchase orders or receipts to include in the invoice. The system displays an asterisk (*) to the left of lines that represent purchase orders. The entry lines that follow under the purchase order are receipts within the purchase order.

Locate:

You can locate an existing purchase order by typing the purchase order number on the *Locate* line.

Opt

You can type one of the following in the *Opt* column next to the line to process:

- 1 Select the purchase order or receipt for invoicing. If you select multiple purchase orders or receipts, the system processes the selected items sequentially.

- 4** Deselect the purchase order or receipt from inclusion on the invoice.
- 5** Work with the purchase order or receipt detail information.
- 8** Display the purchase order header or receipt summary information.

Status

The following are valid purchase order header receipt status values:

- PO OPN** The purchase order is open.
- PRTRCV** The purchase order is partially received.
- FULRCV** The purchase order is received in full.

The following are valid purchase order header invoice status values:

- blank** Has not been invoiced
- PRTINV** Is partially invoiced
- FULINV** Is invoiced in full and is not available for selection

You cannot invoice a purchase order for over received goods if the purchase order is fully invoiced.

For example, you have a purchase order for 100 items and initially receive 50. The invoice is prepaid for the 100 items and the system updates the status to **FULINV**. At a later time, you receive an additional 55 items for the same purchase order. Therefore, a total of 105 items have been received for this purchase order, 100 which are invoiced. You cannot invoice the additional five items due to the **FULINV** status. To invoice the remaining five items, you must reopen the purchase order in Infinium PM.

Refer to the “Receiving and Inspecting Items” chapter of the *Infinium PM Guide to Setup and Processing* for more information.

SLT

When you select either a purchase order or a receipt from this screen, the system updates this column with **HDR**. This indicates a selection at the header level, which includes all underlying detail.

When you select a purchase order or receipt at the detail level, the system updates this column with **DTL**.

If you try to select an already selected purchase order or receipt, you receive the following error message:

This line is already being selected

If you try to select a receipt and you have previously selected the purchase order for this receipt, you receive the following error message:

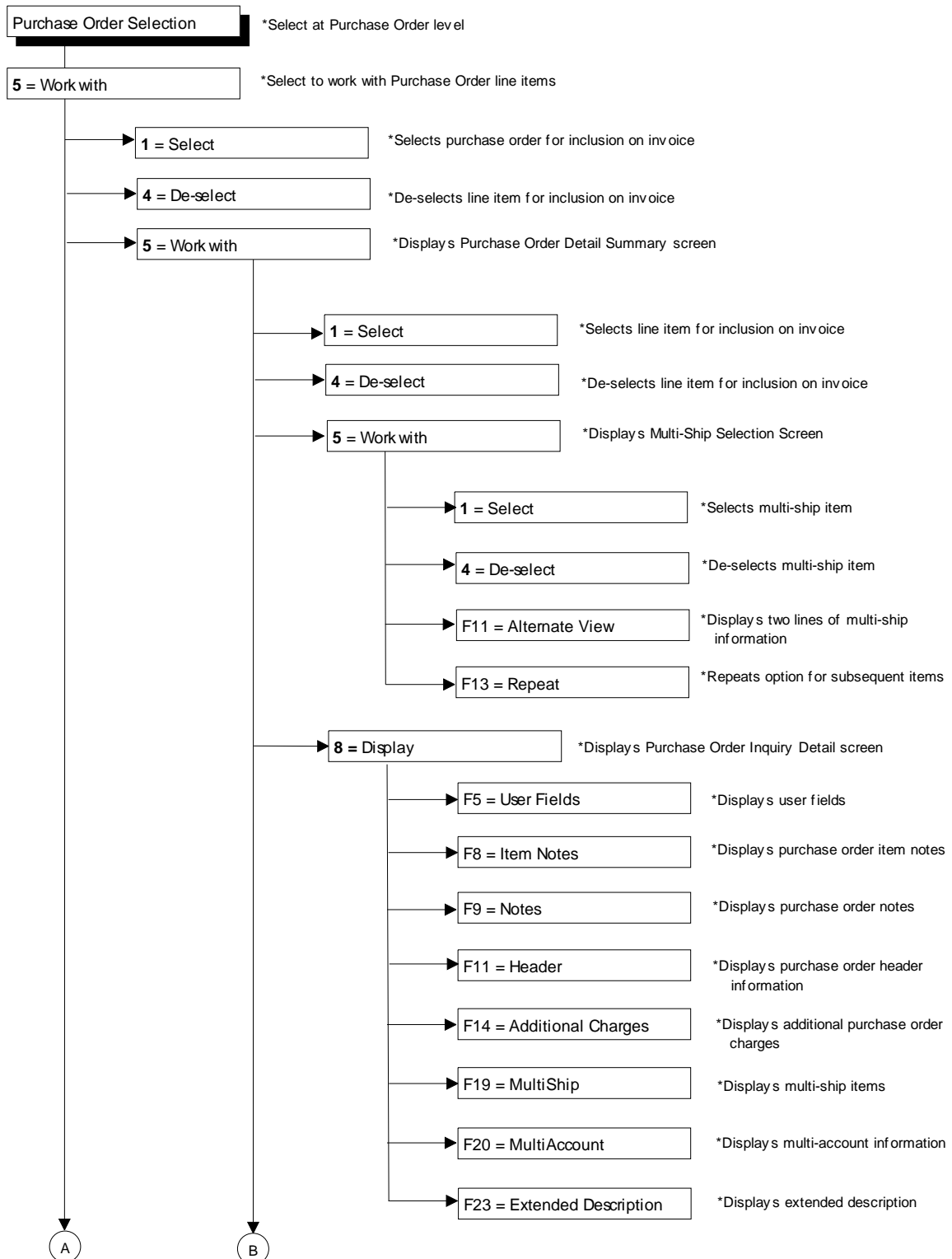
PO number and receipt can not be mutually selected

- 8 To select purchase orders or receipts, you must complete one or both of the following tasks:

- Select a purchase order for invoicing
- Select a receipt for invoicing

The diagram in Figure 5-6 highlights the selection actions and function keys you can use to process purchase orders and receipts during invoice entry.

Purchase Order/Receipt Selection Options and Function Keys



Selecting a purchase order for invoicing

When you have created the purchase order invoice session, you can select the purchase order from your purchasing application system.

A purchase order is a legally binding contract sent to a vendor for the procurement of goods and services. Each purchase order can contain the components illustrated in Figure 5-7.

Purchase Order Components

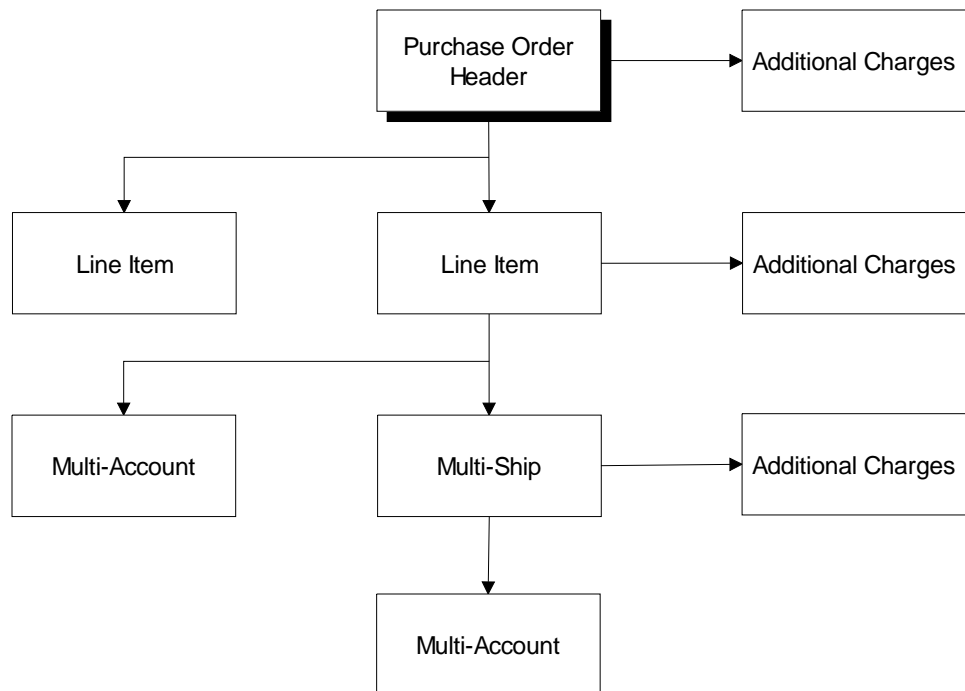


Figure 5-7: Purchase Order Components

The PO-Receipt Selection screen allows you to do any of the following:

- Select the entire purchase order at the header level
- Display purchase orders at the header level
- Select purchase order line items at the detail level
- Display purchase order line items at the detail level

- Select individual purchase order shipments at the multi-ship level

Regardless of the level at which you select purchase order information, the system retrieves Infinium PM user field data.

You must complete creation of the invoice session as described earlier in this chapter before you can select or display purchase order information. You begin on the screen shown in Figure 5-8.

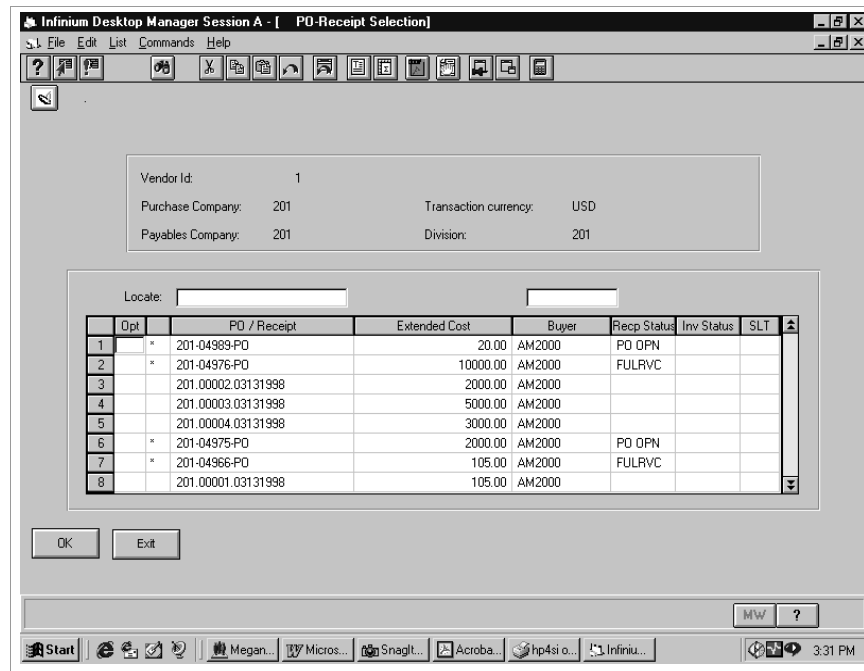


Figure 5-8: PO-Receipt Selection screen

Displaying the purchase order header level information

You can choose to display the purchase order information at the purchase order header level or at the purchase order detail level. After creating the invoice session as described earlier in this chapter, you begin the selection process at the PO-Receipt Selection screen shown in Figure 5-8.

To display the purchase order header level, perform the following steps:

- 1 Select a purchase order. The system displays an asterisk (*) to the left of lines that represent purchase orders.
- 2 Select **Display** or type **8** and press Enter. The system displays the screen shown in Figure 5-9.

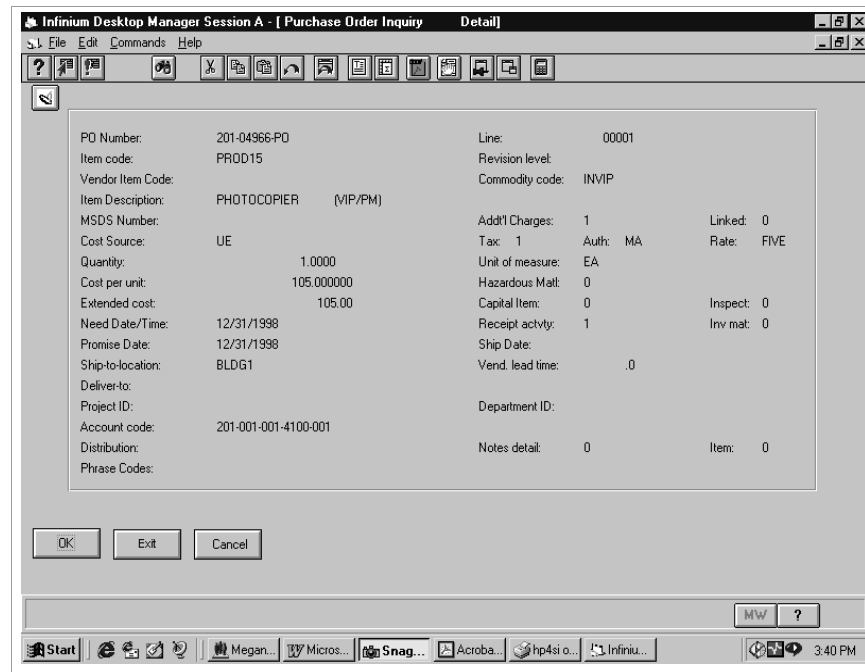


Figure 5-9: Purchase Order Inquiry Detail screen

This screen displays the detail information for the purchase order. You can use the various function keys to display more information for the purchase order.

- 3 Exit or cancel to return to the PO-Receipt Selection screen as shown in Figure 5-8.

Selecting at the purchase order header level

When you select at the purchase order header level, all underlying detail associated with that purchase order is included in the invoice. The system retrieves the purchase order header and detail information from the purchasing system application and includes the information in the invoice.

To select a purchase order header line, perform the following steps:

- 1 On the PO-Receipt Selection screen shown in Figure 5-8, select a purchase order. The system displays an asterisk (*) to the left of lines that represent purchase orders. You can select multiple purchase orders on this screen.
- 2 Choose **Select** or type **1** and press Enter. The system selects the purchase order for invoicing and updates the **SLT** column with **HDR** to indicate purchase order selection at the header level.

- 3 Repeat steps 1 and 2 to continue to select purchase orders for this invoice.
- 4 Press Enter. The system creates the invoice line items for the purchase order invoice.
- 5 To continue processing the purchase order invoice, proceed to the “Modifying Purchase Order Invoices” chapter of this guide.

Selecting at the purchase order detail level

You can select at the purchase order header level or at the purchase order detail level. To select at the purchase order detail level, you must first create the invoice session as described earlier in this chapter. You begin the selection process at the PO-Receipt Selection screen shown in Figure 5-8.

- 1 Select a purchase order. The system displays an asterisk (*) to the left of lines that represent purchase orders.
- 2 Select **Work with** or type **5** and press Enter. The system displays the screen shown in Figure 5-10.

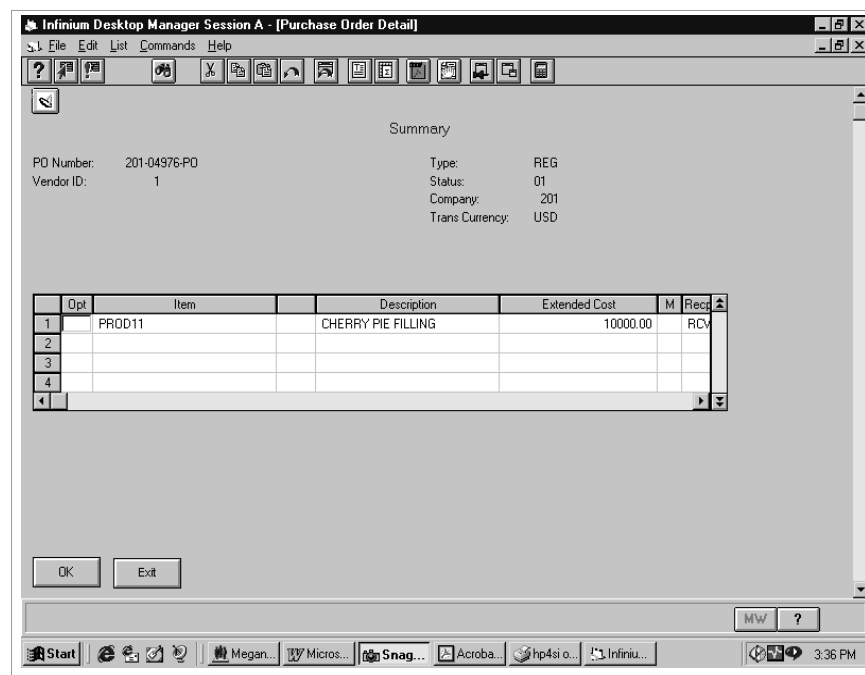


Figure 5-10: Purchase Order Detail Summary screen

This screen contains detailed item information for the purchase order. You can select a purchase order detail line item for inclusion on the invoice or, if multiple shipments exist, you can select at the multi-ship level.

Item

The *Item* column identifies each of the purchase order's item codes.

M

If the system displays an **M** in this column, this detail line has multi-ship entries.

Status

The following are valid purchase order detail receipt status values:

OPN	Detail line item is open (not received).
PRC	Detail line item is partially received.
RCV	Detail line item is fully received.
PIV	Detail line item is partially invoiced.
FIV	Detail line item is invoiced in full.

SLT

The system updates the *SLT* column with **DTL** when you select a purchase order detail line item on this screen.

Function Keys

Note the use of the following function keys:

Enter	Saves your selections and returns you to the PO-Receipt Selection screen.
F11	Displays two lines of information for each item. If you press F11 again, the system returns you to the single line display.
F3 or F12	Returns you to the PO-Receipt Selection screen by exiting or canceling.
Shift + F1	Repeats the last number you typed in the <i>Opt</i> field for all subsequent items on the list.
Shift + F9	Overrides error messages.

- 3 You can type one of the following in the *Opt* column next to a detail item line to perform the specified action:

- 1 Select the purchase order detail line item for invoicing.

- 4 Deselect the purchase order detail line item from invoicing. The item must have been previously selected.
- 5 Work with multi-ship detail item information for the purchase order detail line item. This option is valid only when the detail line item has multi-ship entries.

Refer to the “Selecting at the multi-ship level” topic for more information.

- 8 Display more details for the purchase order detail line item.

Refer to the “Displaying purchase order detail information” topic for more information.

- 4 Press Enter. The system saves your selections and returns you to the PO-Receipt Selection screen shown in Figure 5-8.

Purchase order detail alternate view

- 5 You can press F11 at the Purchase Order Detail Summary screen shown in Figure 5-10 to display more information for the selected detail line as shown in Figure 5-11. This is an optional procedure.

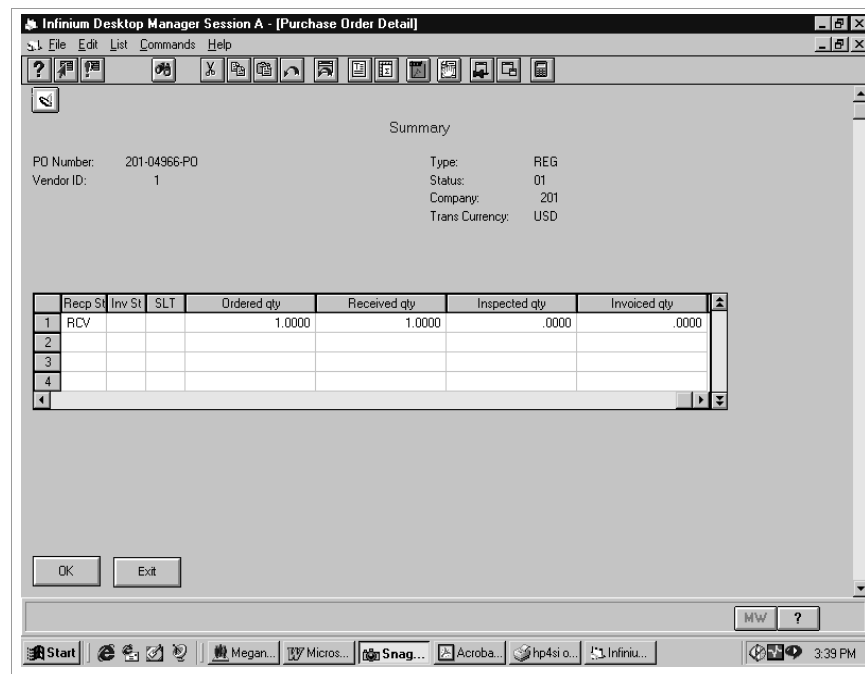


Figure 5-11: Purchase Order Detail Summary screen Alternate View

Detail alternate view

This screen displays the ordered quantity, received quantity, inspected quantity and previously invoiced quantity for the purchase order.

- 6
- Press F11 again to return to the single line display.

Displaying purchase order detail information

- 7
- Select an item at the Purchase Order Detail Summary screen shown in Figure 5-10 to display detailed information about that item. Select **Display** or type **8** and press Enter. The system displays the screen shown in Figure 5-12.

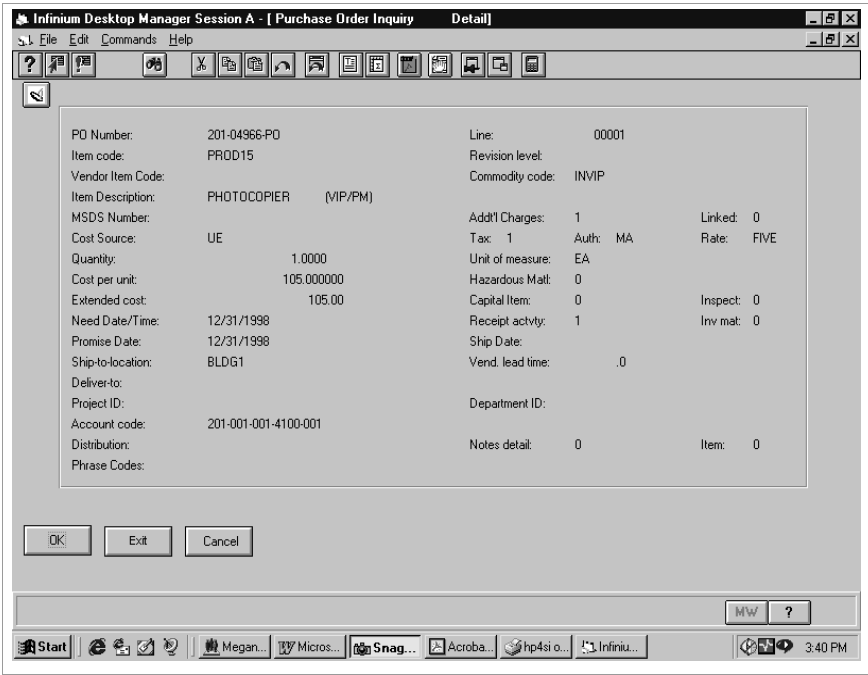


Figure 5-12: Purchase Order Inquiry Detail screen

This screen displays detailed information for the purchase order detail line item.

Function Keys

You can press the following function keys to perform the specified actions:

- F3

Exit and return to the Purchase Order Detail Summary screen

F5	Display the User Fields screen Values in these fields populate the corresponding invoice detail user fields in Infinium PL.
F8	Display the Item Notes screen
F9	Display the Notes screen
F11	Display the Purchase Order Header screen
F12	Cancel and return to the Purchase Order Detail Summary screen
Shift + F2	Display Additional Charges screen
Shift + F7	Display the Multi-Ship Selection screen
Shift + F8	Display the Multi Account screen
Shift + F11	Display extended description

- 8 When done, exit or cancel to return to the Purchase Order Detail Summary screen shown in Figure 5-10.

Selecting at the multi-ship level

The Multi-ship Selection screen lists all items that contain multiple shipments.

- 1 To select at the multi-ship level, select a detail line item at the Purchase Order Detail Summary screen shown in Figure 5-10. Select **Work with** or type **5** and press Enter. This option is valid only for line items that display an **M** in the *M* (multi-ship) column.

The system displays the screen shown in Figure 5-13.

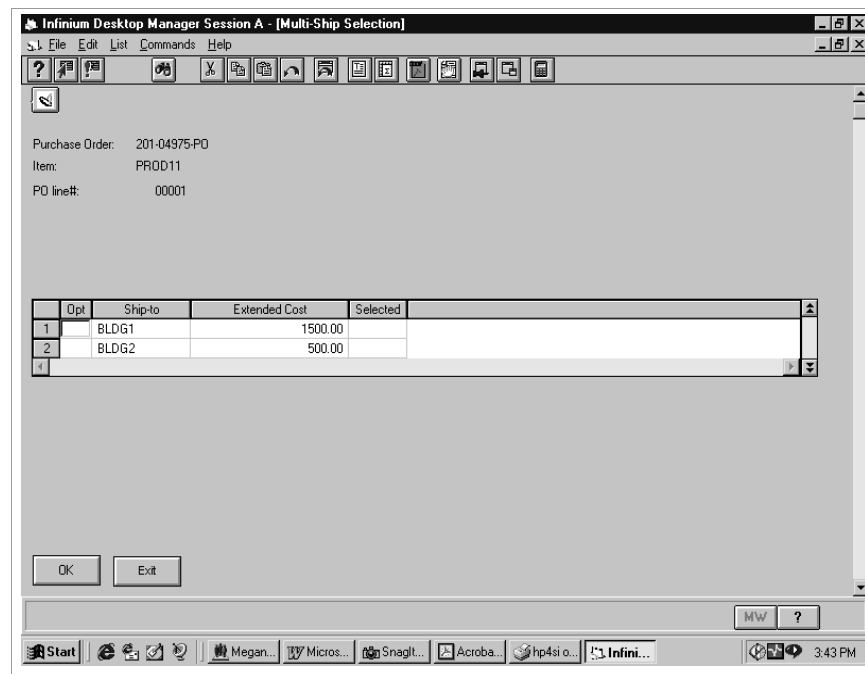


Figure 5-13: Multi-Ship Selection screen

- 2 Select the multi-ship items that are to be included in the invoice. Choose **Select** or type 1 and press Enter. The system updates the *Selected* column with **MS** (multi-ship) when you select a multi-ship item at this screen. You can press F11 to display the multi-ship item invoiced, received, inspected, and invoiced quantities.

If you select a line item that is already attached to another invoice, the system displays the following message:

Amount already exists on another invoice.

- 3 Press Enter. The system saves your selections and returns you to the Purchase Order Detail Summary screen shown in Figure 5-10. The system updates the *SLT* column with **DTL** when you select a multi-ship item at the Multi-Ship Selection screen.
- 4 When you complete the selection process for the invoice, press Enter to save your selections. The system displays the following message:

Invoice lines are being created, please wait...

Continue to the “Modifying Purchase Order Invoices” chapter of this guide.

Selecting a receipt for invoicing

Infinium PM receipts specify which purchase order items have been received. When you invoice the purchase order, you can select a receipt rather than the purchase order. This allows you to generate the invoice for only the received items.

Once you have created a purchase order/receipt invoice session, you can perform one of the following actions for working with receipts:

- Select a receipt at the header level
- Display a receipt at the header level
- Select receipt line items at the detail level

You begin these procedures at the PO-Receipt Selection screen shown in Figure 5-14.

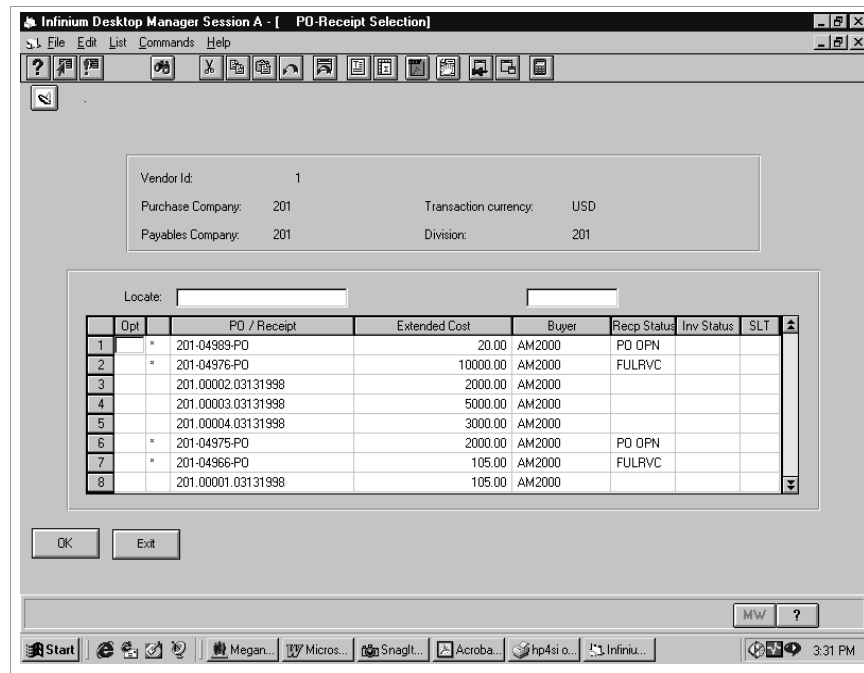


Figure 5-14: PO-Receipt Selection screen

Selecting at the receipt header level

When you select a receipt, the system selects only the items on that receipt for the invoice.

- 1 Select a receipt at the PO-Receipt Selection screen. Receipts appear under their respective purchase orders. The system displays an asterisk (*) to the left of lines that represent purchase orders. You can select multiple receipts at this screen.
- 2 Choose **Select** or type **1** and press Enter. The system selects the receipt or receipts for invoicing and the system updates the *SLT* column with **HDR** to indicate receipt selection at the header level.
- 3 Repeat steps 1 and 2 to continue to select receipts for the invoice.
- 4 Press Enter. The system creates the invoice line items for the receipts you selected.
- 5 To continue processing the purchase order invoice, proceed to the next chapter of this guide, "Modifying Purchase Order Invoices."

Selecting a receipt at the detail level

To select a receipt at the receipt detail level, you begin at the PO-Receipt Selection screen shown in Figure 5-14.

- 1 Select a receipt. Receipts are listed under the appropriate purchase orders. The system displays an asterisk (*) to the left of lines that represent purchase orders.
 - 2 Select **Work with** or type **5** and press Enter. The system displays the screen shown in Figure 5-15.
-

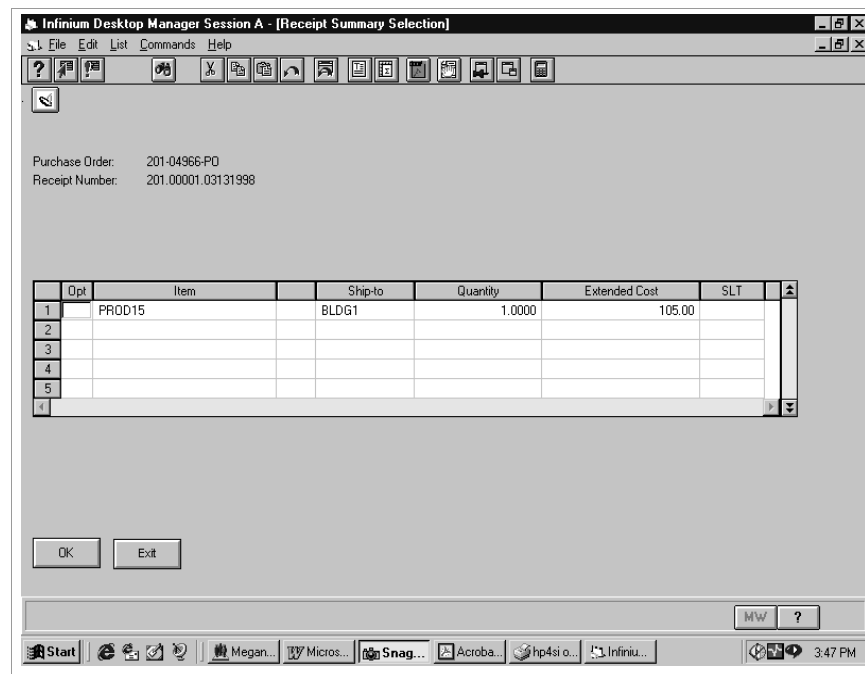


Figure 5-15: Receipt Summary Selection screen

This screen contains detail item information for the receipt.

Item

The *Item* column identifies the item or items that the receipt contains.

Ship-to

The *Ship-to* column displays the code value that represents the shipping location for the detail line item.

SLT

The system updates the *SLT* column with **RCT** (receipt) when you select a receipt at the Receipt Summary Selection screen.

- 3 You can type one of the following in the *Opt* column next to a detail item line to process that item as follows:
 - 1 Select the purchase order detail line item for invoicing.
 - 4 De-select the purchase order detail line item for invoicing. The item must have been previously selected.

Function Keys

You can also press the following function keys to perform the specified actions:

Enter	Save your selections and return to the PO-Receipt Selection screen.
F11	Display two lines of information for each item. If you press F11 again, the system returns you to the single line display.
F3 and F12	Exit or cancel to return to the PO-Receipt Selection screen without saving your selections.
Shift + F1	Repeat the last action you performed for all subsequent items on the list.

- 4 When you have selected items for inclusion in the invoice, press Enter. The system returns you to the Purchase Order Detail Summary screen shown in Figure 5-14. The system updates the *SLT* column with **DTL** when you select a receipt at the Receipt Summary Selection screen.

Receipt detail alternate view

You can display additional data for a receipt detail line at the Receipt Summary Selection screen by pressing F11. The system redisplay the Receipt Summary Selection screen with a second line of data as shown in Figure 5-16.

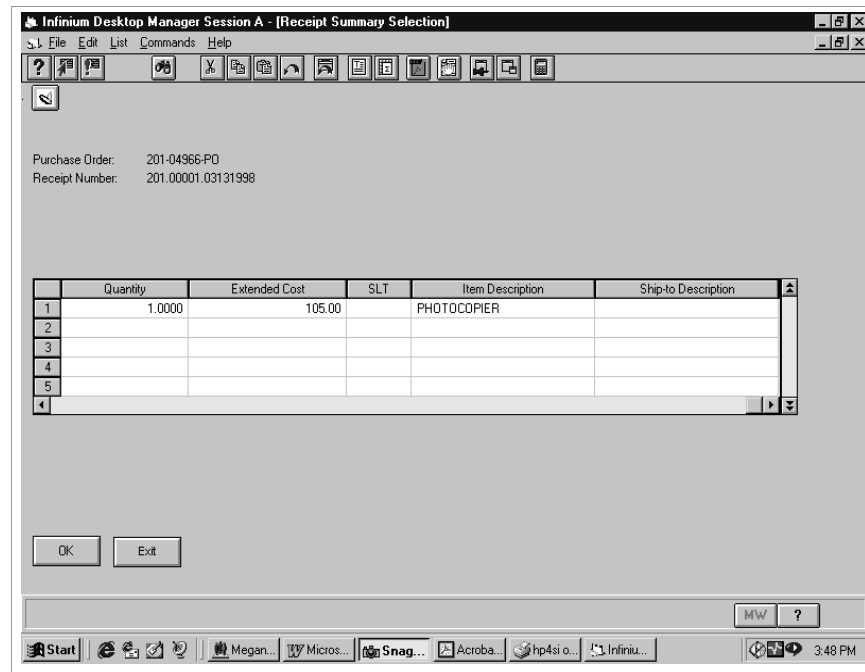


Figure 5-16: Receipt Summary screen alternate view

The following text summarizes the additional information.

Item Description

The *Item Description* column includes a description of the received item.

Ship-to Description

The *Ship-to Description* column includes a description of the shipping location that is identified in the *Ship-to* field.

Press F11 again to return to the single line display.

Displaying the receipt header information

To display receipt header information, you begin at the PO-Receipt Selection screen shown in Figure 5-14.

- 1 Select a receipt. Receipts are listed under the appropriate purchase orders. The system displays an asterisk (*) to the left of lines that represent purchase orders.
- 2 Select **Display** or type **8** and press Enter. The system displays the screen shown in Figure 5-17.

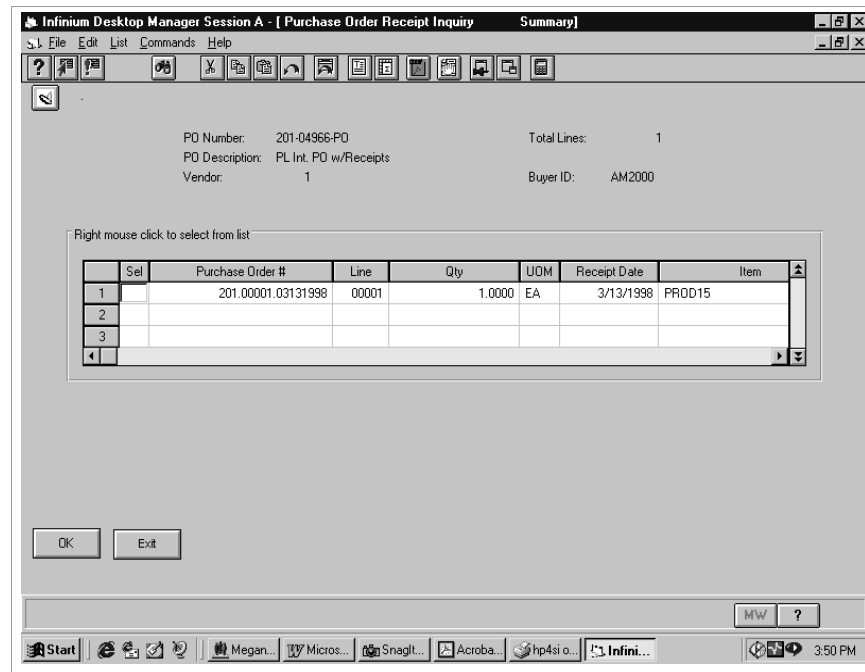


Figure 5-17: Purchase Order Receipt Inquiry Summary screen

Receipt header information

This screen displays receipt header information and summary information for each receipt item. You can use the various function keys to display more information about the receipt's detail lines.

- 3 Exit or cancel to return to the Receipt Summary Selection screen as shown in Figure 5-13.
- 4 When done selecting purchase orders and receipts for the invoice, press Enter at the PO-Receipt Selection screen to save your selections. The system displays the following message:

Invoice lines are being created, please wait...

Continue to the "Modifying Purchase Order Invoices" chapter of this guide.

Notes

Chapter 6 Modifying Purchase Order Invoices

6

This chapter focuses on how you can modify purchase order invoices. This is the second series of tasks you need to complete for entry of purchase order invoices before you can proof, match, and post these invoices.

The chapter consists of the following topics:

Topic	Page
Overview of modifying purchase order invoices	6-2
Changing general purchase order invoice information	6-3
Changing a ship to line's details	6-10
Changing a purchase order invoice's additional charges	6-20
Saving the invoice modifications	6-31

Overview of modifying purchase order invoices

In the preceding chapter, you learned how to select purchase orders and receipts for invoicing.

In this chapter, you learn how to modify the purchase order invoice information. This allows you to ensure that the purchase order invoice is consistent with the invoice that the vendor submitted to you.

You can:

- Change the general invoice information
 - Change the purchase order ship to line details
 - Change and add additional charges
 - Update the expense distributions
-

Changing general purchase order invoice information

This section explains how to:

- Access an existing purchase order invoice
- View summary information about the invoiced purchase orders and receipts
- Change the general invoice-level information for that invoice, such as the invoice date, terms, and due date

Accessing and viewing invoice information

To access and view general information about an existing purchase order invoice, perform the following steps:

- 1 From the Infinium PL main menu, select *Invoices*.
- 2 Select *Work with invoice entry* [WWI]. The system displays the screen shown in Figure 6-1.

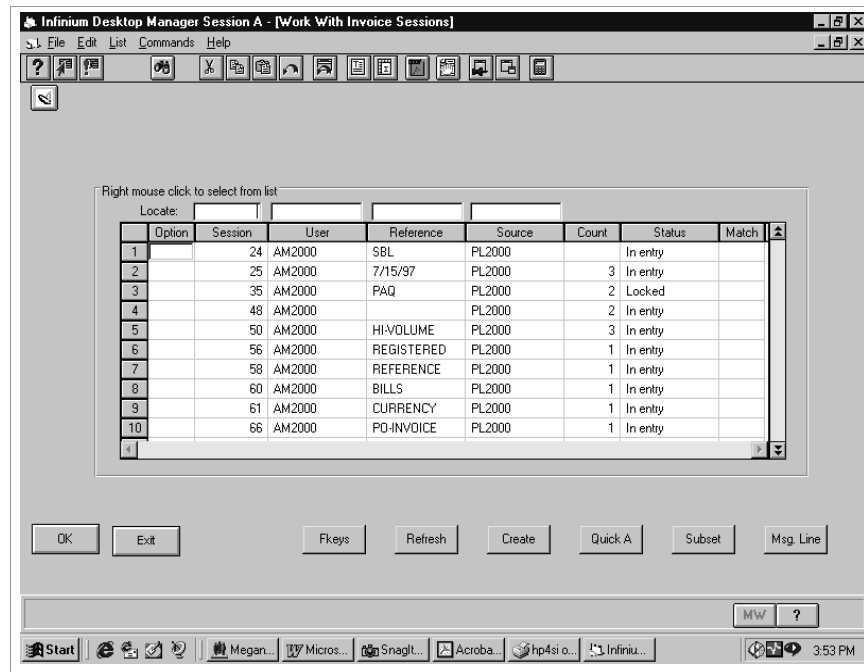


Figure 6-1: Work With Invoice Sessions screen

- 3 Select a purchase order invoice session. Select **Work with invoices** or type **5** and press Enter. The system displays the Work With Invoices screen, which is similar to Figure 6-2.

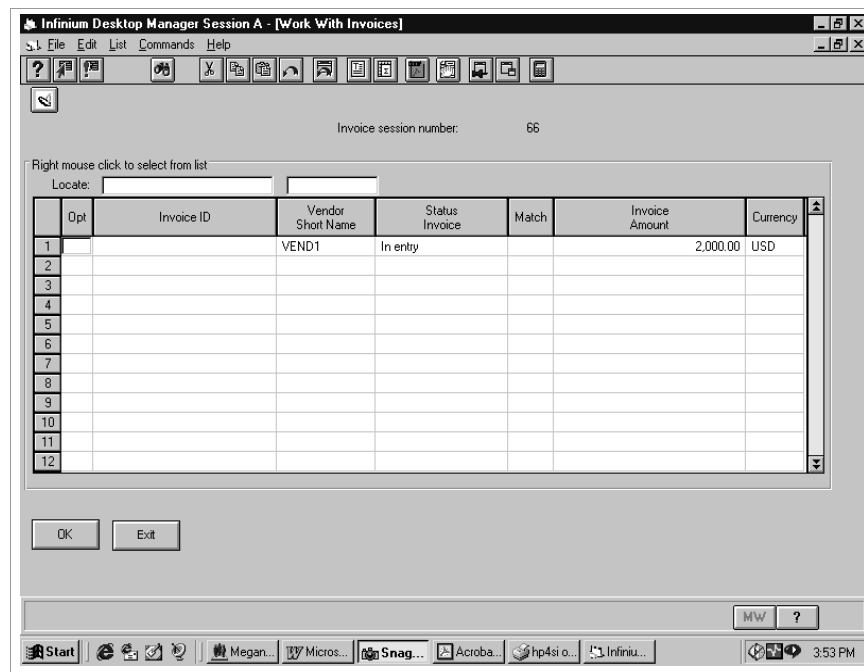


Figure 6-2: Work With Invoices screen

- 4 The Work With Invoices screen displays a list of the invoices that are included in the session that you selected. To view and change information for a listed invoice, select that invoice. Select **Change** or type 2 and press Enter.

The system displays the Invoiced POs and Receipts screen, which is similar to Figure 6-3.

Company: 201 Division: 201
 Vendor: 1 Invoice Date: 10/20/1999
 Invoice ID: Amount: 2,000.00
 Terms: NET30 Due Date: 11/19/99
 Currency: USD

Right mouse click to select from list

Opt	PO/Receipt/Ship to	Line #	Quantity	Total	Sts
1	* Invoice Header	00000		.00	IE
2	* 201-04975-PO	00000		.00	IE
3	* 201-04975-PO	00001	100.000000	2,000.00	IE
4	Ship to: BLDG1	00001	75.000000	1,500.00	IE

OK Exit

Taskbar: Start, Megan..., Micros..., Snag..., Acroba..., hp4si o..., Infiniu..., 3:54 PM

Figure 6-3: Invoiced POs and Receipts screen

This screen displays general information for the selected invoice along with a list of the following.

Header lines are marked by asterisks.

- A single line representing the invoice header

Use this line to add charges at the invoice header level. The invoice header line number is always 00000. This line is always listed first.
- For each purchase order included in this invoice, a single line representing that purchase order's header

The purchase order header line number is also always 00000. The system highlights each purchase order header with an asterisk.
- A separate summary entry for each purchase order sequence line specifying the total extended cost plus any additional charges for that sequence line.

The PO line total represents the total for additional charges and all detail ship to lines that have the same line number.

- A separate entry for each ship to line within each purchase order detail line

The system indents each of the purchase order's ship to lines under the purchase order detail entry for that purchase order.

The purchase order detail line and all of that line's ship to entries have the same line number, such as 00001 or 00002.

Viewing the line entry summary data

Use the information below to interpret the information displayed in this screen's columns.

You must press F11 for the alternate view in order to see the second line of data for each entry. The second line includes the *Item*, *Cost/Unit* (cost per unit), *Invoice Amount*, and *Additional Charges* values.

PO/Receipt/Ship to

This column identifies the purchase orders, receipts, and ship to locations that you selected during PO/receipt selection.

Item

This value identifies the item that was ordered through this purchase order.

Line#

For each purchase order line item, the *Line#* column displays the sequence line number that the system assigned to the purchase order line item in Infinium PM.

Line number 00000 indicates a header line.

- The first entry with line # 00000 is the invoice header line. You can add additional charges at the invoice header level by working with the invoice header line as described later in this chapter.
- A line with a purchase order number and a line number of 00000 is the purchase order header.

Cost/Unit

This value identifies the purchase order cost per one unit of the ordered item.

Quantity

The *Quantity* column value for a purchase order line reflects the total available-to-invoice quantity for this purchase order detail line's ship to line items.

The quantity is expressed in the purchase order unit of measure. Consequently, if you are working with receipts and the receipt unit of measure differs from the PO unit of measure, the quantity can be a fractional number such as 1.1.

Invoice Amount

This value represents the total invoice extended amount (invoice quantity times invoice cost) for this detail line within this invoice.

Total

The *Total* column value is the extended total derived from combining the detail line invoice amounts with any additional charges.

For a purchase order line, the total is the sum of all that purchase order's ship to line invoice amounts plus any additional charges. The system highlights this line.

Additional Charges

This value is the total of the additional charges that apply to this line.

Sts

This value identifies the status of this line as one of the following:

IE	In entry
ER	In error

Changing the general invoice data

- 5 The system displays general invoice data at the top of the Invoiced POs and Receipts screen. Use the information below to view and, if necessary, to update these fields.
-

Invoice Date
Invoice ID
Amount

The initial values in these fields are the values you specified during creation of this purchase order invoice, as described in the preceding chapter of this guide.

You can press F7 to update the amount in the *Amount* field. The system updates this field with the sum of the highlighted line item total amounts, including additional charges.

Terms
Due Date

The system requires a value in one of these fields.

- The system supplies the payment terms code from the first purchase order included in this invoice, if that terms code is available. The system calculates the due date based on the specified terms.
- If the system does not find a payment terms code on the purchase order, you must type either a payment terms code or a due date.

Other available actions

The Invoiced POs and Receipts screen also allows you to select an entry to change other information for this purchase order invoice.

Type one of the following action list numbers next to an entry, press Enter and continue to the applicable topic, if any, later in this chapter.

- | | |
|----------|---|
| 2 | Change a ship to line's quantity, price per unit, extended cost, tax basis, or freight terms. |
|----------|---|

Refer to "Changing a ship to line's details."

- | | |
|----------|-----------------------------|
| 4 | Delete a ship to line item. |
|----------|-----------------------------|

- | | |
|----------|---|
| 8 | Display more data about a ship to line. |
|----------|---|
-

- 9** Access the Work With Additional Charges screen to view, change, delete or add charges.

Additional charges include taxes, freight, and “other” additional charges.

Refer to “Changing a purchase order invoice’s additional charges.”

- 12** Display or change a ship to line’s expense distributions.

This option is allowed only for ship to lines.

Refer to the description of the Expense Distributions screen in the “Changing a ship to line’s details” topic.

Saving the general changes

If you are not performing any of the available actions other than making the general changes at the Invoiced POs and Receipts screen, press Enter without specifying an action.

The system saves the purchase order invoice information.

If any of the items or additional charges are in error, the system displays an error message.

The system highlights the line items that are in error.

Correct the errors and press Enter again to return to the Work With Invoices screen illustrated in Figure 6-2. Correcting the errors may require using one or more of the actions available at the Invoiced POs and Receipts screen as described in the following topics.

Changing a ship to line's details

The system allows you to make the following changes to a purchase order invoice ship to line:

- Quantity
- Price per unit
- Extended cost
- Tax basis
- Freight terms

This allows you to update data you retrieved from the purchasing application to match the information on the invoice that the vendor submitted to you.

For example, suppose you select a purchase order for invoicing that contains a detail line item for a quantity of ten chairs. When you receive the invoice from the vendor, the quantity on the invoice is for nine chairs. You must modify the purchase order invoice information to reflect that this invoice is for the nine chairs rather than ten chairs.

Changing ship to line data

To change ship to line data, perform the following steps:

- 1 At the Invoiced POs and Receipts screen illustrated in Figure 6-3, select a ship to line item.
 - 2 Select **Change** or type **2** and press Enter. The system displays the screen shown in Figure 6-4.
-

Infinium Desktop Manager Session A - [Change Invoiced POs and Receipts]

File Edit Commands Help

Invoice reference: 201 - 991000018
 Purchase order number: 201-04975-PO
 Receipt number:
 Line number: 00001
 Item: PROD11

Invoiced quantity: 75.000000
 Invoiced price per unit: 20.000000
 Invoiced unit of measure: LB
 Invoiced extended cost: 1,500.00
 Invoiced freight terms:
 Description: CHERRY PIE FILLING

OK Exit

Start Megan... Micros... Snagit... Acroba... hp4si o... Infini... Baysid... 4:14 PM

Figure 6-4: Change Invoiced POs and Receipts screen

Changing the ship to line details

The Change Invoiced POs and Receipts screen displays detailed purchase order information for the ship to line item you selected. Changing this information can affect your accounts as follows:

- The system calculates adjusting entries for the following accounts based on any new invoice cost:
- Purchase Price Variance account
- Inventory Adjustment account
- Expense Adjustment account
- If you change the invoice quantity, the system adjusts any Received Not Invoiced or Invoiced Not Received accounts.

If the invoice extended cost changes, the system displays the Tax Recalculation pop-up window allowing you to specify whether to recalculate the taxes.

Use the information below to make changes at this screen. You can change only the invoiced quantity, the invoice priced per unit, the invoice extended cost, the invoice tax basis, and the freight terms.

Invoiced quantity
Invoice price per unit
Invoice extended cost

The following table summarizes the system actions that result from your changes to these fields.

Change	System Action
Invoice quantity	Updates invoice extended cost to equal new quantity times price per unit
Invoice quantity and price per unit	Updates invoice extended cost to equal new quantity times new price per unit
Invoice quantity and extended cost	Updates price per unit to equal new extended cost divided by new quantity
Price per unit	Updates extended cost to equal quantity times new price per unit
Price per unit and extended cost	<ul style="list-style-type: none"> ■ Ignores update to price per unit since you have also changed the extended cost ■ Updates price per unit to equal new extended cost divided by existing quantity
All three fields	<ul style="list-style-type: none"> ■ Ignores update to price per unit since you have also changed the extended cost ■ Updates price per unit to equal new extended cost divided by new quantity

If you change the invoice information, the system verifies that your changes are acceptable during the later matching process.

Refer to the next chapter of this guide for more about the matching process.

Invoice tax basis

If tax data was retrieved from Infinium PM, the system displays the Infinium PM purchase order tax basis in this field. Otherwise, the system supplies the invoice extended cost value in this field. You can change the default value.

Invoiced freight terms

The default value for this field is from the purchase order header. You can change the freight terms.

- 3 Correct the information for this purchase order ship to line item.

- 4 Press Enter. The system continues to the Invoice Distributions screen, which is similar to Figure 6-5.

Changing the expense distributions

Invoice ID: 201 - 991000018 Amount: 1,500.00
 Internal ID: 201 Distributed amt: 1,500.00
 Invoice currency: USD Remaining: .00
 Quantity: 75.000000
 Distributed qty: 75.000000
 Remaining: .000000

Right mouse click to select from list

Opt	Expense Account Number	Type	Quantity	Expensed Amount
1	201-001-000-2057-012	INR	75.000000	1500.00
2				
3				
4				
5				
6				
7				
8				

OK Exit

Start [Icons] 4:16 PM

Figure 6-5: Invoice Distributions screen

Invoice distribution information

The system displays this screen when:

- You change a ship to line item and press Enter.
- You select a ship to line item to work with expense distributions from the Invoiced POs and Receipts screen illustrated in Figure 6-3.

The *Invoice currency* field is for reference only. You cannot edit the value.

The system automatically identifies the applicable Inventory (INV), Received Not Invoiced (RNI), Invoiced Not Received (INR), Purchase Price Variance (PPV), Inventory Adjustment (INA), or Expense (EXP) account in the *Expense Account Number* column.

The system determines which account to identify based on:

- Whether your company uses the cash or accrual accounting method
- Your cost method (standard or adjustment based)

- Whether the invoiced item is an inventory item

The system identifies accounts as follows:

Item Type	Account
Received items for accrual company	Accrual account (RNI)
Prepaid items for accrual company	Invoiced Not Received account (INR)
Non-inventory items	Expense account or accounts (EXP)
Cash basis inventory items	Inventory account or accounts (INV)

If the invoice cost differs from the purchase order or item cost, the system also identifies the following for inventoried items:

- Inventory Adjustment account (INA), if your cost method is adjustment based inventory cost
- Purchase Price Variance account (PPV), if your cost method is standard cost

If you have activated multi-currency processing for both Infinium PL and Infinium PM, the system may also generate the following three entries during invoice posting, using the accounts specified in the Infinium PL controls:

- Purchase price variance exchange (type PVE)
- Inventory exchange adjustment (type IEA)
- Expense currency exchange (type ECE)

Refer to the “Understanding Accounting Entries” appendix later in this guide for more information about the accounting entries the system displays at this screen.

- 5 Use the information below to modify, delete, and add distribution lines at this screen.

Modifying quantities and amounts

Quantity
Expensed Amount

For system generated entries, you can only lower the quantity. You cannot change the amount in the *Expensed Amount* column.

When you change the quantity, the system recalculates the expense amount.

Deleting an existing distribution entry

To delete an entry, select the entry and select **Delete** or type **4** and press Enter.

You cannot delete system generated expense lines.

Adding a new distribution entry

In addition to modifying and deleting existing entries, you can add entries on the blank lines.

Intercompany entries

If you specify an account from a company other than the invoice company, the system does one of the following, based on the intercompany settings in the invoice company controls and in your user security:

- Allows the entry
- Displays a warning message that you can override by pressing Shift + F11 if you choose to use the intercompany entry
- Displays a fatal error message and does not allow the intercompany entry

Distributing the total invoice amount

Before you can post this invoice to Infinium PL, you must distribute the total invoice amount so that the amounts in the *Remaining* fields equal zero.

Other available actions

Select an entry. Select one of the following actions or type the corresponding number and press Enter.

- | | |
|----------|--|
| 6 | Display more detailed expense distribution information for this entry, as described in Step 6 later in this procedure. |
|----------|--|

The system displays the screen illustrated in Figure 6-6.

- 7 Work with the distribution's user fields. The system displays a window in which you can type expense user field data.

You define these expense user field labels through the Infinium PL *Work with entity controls* function. If the associated Infinium PM detail line contains user field information, those Infinium PM values are retrieved and displayed here. The system displays the corresponding Infinium PM purchase order user field data for this expense line from the purchase order detail information.

Displaying the detailed expense information

- 1 To view the detailed distribution information, select an entry. Select *More details* or type 6 and press Enter. The system displays the Invoice Distribution More Detail screen, which is similar to Figure 6-6.

The screenshot shows a window titled "Infinium Desktop Manager Session A - [Invoice Distribution More Detail]". The window contains a form with the following fields and values:

More Detail	
Account:	201-001-000-2057-012
GL account description:	Product - INR Account
Expensed amount:	1,500.00
Accounting entry type:	33
Transaction description:	Product - INR Account
Accounting period/year:	10/1999
P.O. Number:	201-04975-PO
Job code:	
Item code:	PROD11
Unit price:	20.000000
Quantity:	75.000000
Serial number:	
<input type="checkbox"/> Close to Fixed Assets	
Accounting group:	201DT
Closed to GL period/year:	
Closing number:	
Transfer number:	
<input type="checkbox"/> Posted to suspense	

At the bottom of the form are buttons for "OK" and "Exit". The window also has a menu bar (File, Edit, Commands, Help) and a toolbar with various icons. The taskbar at the bottom shows the Start button and several open applications including Meg..., Micro..., Snag..., Acro..., hp4si..., Baysi..., and Infi... The system clock shows 4:16 PM.

Figure 6-6: Invoice Distribution More Detail screen

- 2 To update the Invoice Distribution More Detail information, Use the information below to complete or edit the fields on this screen.

Account

This is a display only field that shows the general ledger account distribution number assigned to this transaction.

GL account description

This is a display only field that shows the general ledger account description associated with the general ledger account number displayed in the *Account* field.

Expensed amount

This is a display only field that shows the expensed amount for the invoice distribution, taken from the *Expensed amount* field on the invoice detail screen.

Accounting entry type

This is a display only field that shows the accounting transaction entry line type for invoice distribution. For example, line type 22 is a freight distribution.

Transaction description

The system supplies the Infinium GL account description as the default description. The system passes the description in this field to Infinium GL and to Infinium FA when the distribution is closed to those systems. You can change the default description.

If you are closing to Infinium FA and you leave this field blank, the system sends the invoice number to Infinium FA as the description.

Accounting period/year

This is a display only field that shows the accounting period and accounting year for the invoice distribution.

P.O. Number

This field contains the purchase order number from the purchasing system. You cannot change this value.

If the *Close to Fixed Assets* field specifies yes, the system sends the purchase order number to Infinium FA when you post the invoice.

Job code

If this invoice relates to a specific job, you can assign the job code to this transaction in this field. You create job codes through the *Work with codes* function.

If you have an interface to Infinium PA, you may have entered a value in the *Job code* field on the Invoice Header screen. If so, the system supplies the Invoice Header value in this field. When you enter or change a job code at this screen, you may be prompted for more information such as the Infinium PA activity and cost codes. Any detail line containing a job code will close to Infinium PA when the invoice is posted. Refer to the *Infinium PA Guide to Processing* for more information.

The default is the Project ID from Infinium PM.

If the *Close to Fixed Assets* field specifies yes, the system sends the job code to Infinium FA when you post the invoice.

Item code

You can assign an item code to the item associated with this transaction. This code comes from the purchasing system.

Unit price

The default is the value from the purchasing system.

Quantity

The system updates this field during generation of account entries, using information from the Invoice Purchase Order detail file.

If the *Close to Fixed Assets* field specifies yes, the system sends the quantity to Infinium FA when you post the invoice.

Serial number

Type the manufacturer's serial number, if any. If the *Close to Fixed Assets* field specifies yes, the system sends the serial number to Infinium FA when you post the invoice.

Close to Fixed Assets

Specify whether this transaction should be closed to Infinium FA. If this expense distribution represents a capital item, it can be closed to Infinium FA where it can generate a new asset.

The purchase order contains a capital item flag that specifies whether this is a capital item. The default value is the value from the purchasing system.

When you generate expense distributions based on purchase order/receipt records, the *Close to Fixed Assets* flag in the expense distribution automatically specifies yes if the value from the purchase order/receipt file specifies a capital item.

Accounting group

A default in this field is from the invoice header. You can change the default.

Changing the accounting group on this detail level changes only the AP Trade account used for this entry.

Closed to GL period/year

This is a display only field that is blank during invoice entry. After the invoice is posted and closed to the general ledger, this field displays the period and year into which the transaction was posted.

Closing number

This is a display only field that applies only to invoices that have been closed to the general ledger. When an invoice is closed to the general ledger, the system creates a closing number.

You can view the closing number by viewing the invoice distribution through the Infinium PL *Analytical Inquiry* function.

Transfer number

This is a display only field that applies only to invoices that have been closed to the general ledger. When an invoice is closed to the general ledger, the system creates a transfer number.

You can view the transfer number by viewing the invoice distribution through the Infinium PL *Analytical Inquiry* function.

Posted to suspense

This is a display only field that the system populates after posting. If the field specifies yes, this transaction had an account number error and was posted to the suspense account defined in the company controls.

You can view this value by viewing the invoice distribution through the Infinium PL *Analytical Inquiry* function.

- 3 When done maintaining the detailed information, press Enter to return to the Invoice Distributions screen.
 - 4 When done working with the invoice distributions, press Enter to update the expense distributions and to return to the Invoiced POs and Receipts screen.
-

Changing a purchase order invoice's additional charges

Additional charges are non-item costs such as tax and freight. The system allows you to process three kinds of additional charges for purchase order invoices:

- Tax
- Freight
- Other (additional charges other than tax or freight)

There are separate system controls for defining how you want the system to handle each of these types of additional charges, as described in the “Defining Infinium PL Controls” chapter of this guide.

You can create and maintain additional charges at any of the following levels. The system also receives additional charge data from the Infinium PM purchase order records on any of these levels except the invoice header level.

- Invoice header
- Purchase order header
- Purchase order detail
- Purchase order multi-ship (ship to)

The following diagram summarizes the navigational paths available to you for adding, modifying, and deleting additional charges for the purchase order invoice.

Additional charge navigation

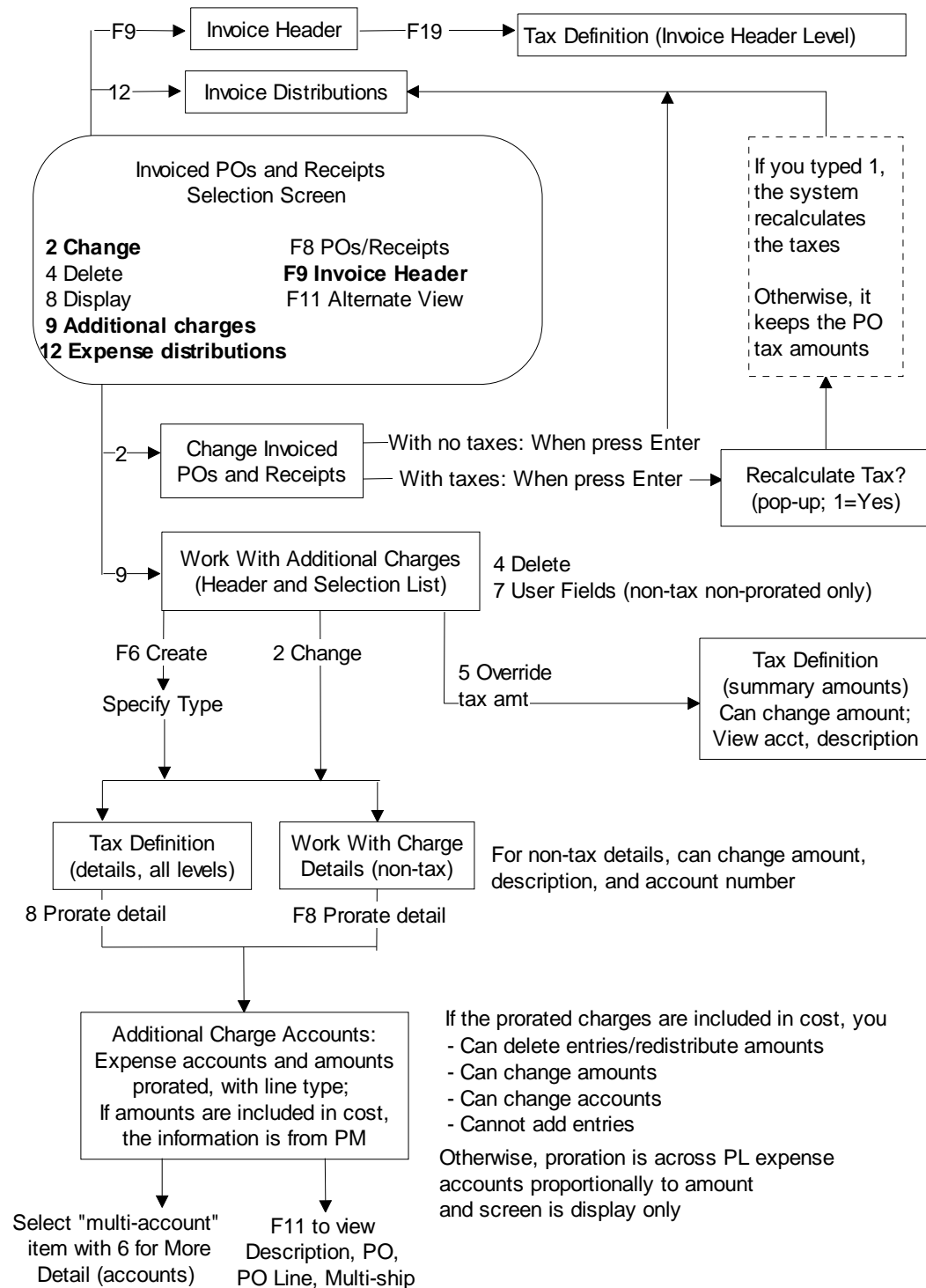


Figure 6-7 PO Invoice Additional Charge Navigation

Accessing the additional charge entries

To display a list of the additional charges, perform the following steps:

- 1 From the Invoiced POs and Receipts screen shown in Figure 6-3, select an invoice header, purchase order header, or purchase order detail entry.
- 2 Select **Additional charges** or type **9** and press Enter. The system displays the screen shown in Figure 6-8.

Invoice reference: 201 - 991000018
 Purchase order: 201-04975-PO
 Line number: 1
 Receipt number: .

Right mouse click to select from list

Opt	Type	Type	M/S Log	Tax	Codes	Amount	Description
1	2	N	3891			18.95	Freight Expense
2							
3							
4							
5							
6							
7							
8							
9							
10							

OK Exit

Figure 6-8: Work With Additional Charges screen

- 3 At this screen you can create a new additional charge of any type by pressing F6.
 - If you are creating a new tax charge, continue to the topic, “Maintaining Tax Additional Charges.”
 - If you are creating a new non-tax charge, continue to the topic, “Maintaining Freight and Other Additional Charges”

When you create an additional charge in Infinium PL, that charge appears only in Infinium PL. There is no link back to Infinium PM. The charge must be part of the purchase order to be included in the item’s inventory valuation.

- 4 You can also work with existing additional charges. Select an entry. Select one of the following actions or type the corresponding number and press Enter.

2 Update an existing charge.

Refer to "Maintaining tax additional charges" if you selected a tax charge.

Refer to "Maintaining freight and other additional charges" if you selected a non-tax charge.

4 Delete the entry.**5** Override a summary tax amount.

Refer to "Overriding a summary tax amount."

You can also view but not change the account and account description.

7 Work with user fields for that entry.

Working with user fields for additional charges is similar to working with user fields for other details.

You cannot work with user fields for tax entries or for prorated non-tax entries.

Maintaining tax additional charges

If you pressed F6 to create a new additional charge, the system displays the following window prompting you to specify the type of charge. Continue to step 1.

For purchase order header and detail level taxes, you must repeat this procedure for each new tax you add, beginning with pressing F6. For purchase order invoice header taxes, you only need to perform the F6 procedure once since you can add multiple new taxes without leaving the Tax Definition screen.

If you are working with an existing tax additional charge for maintenance, go directly to step 3.

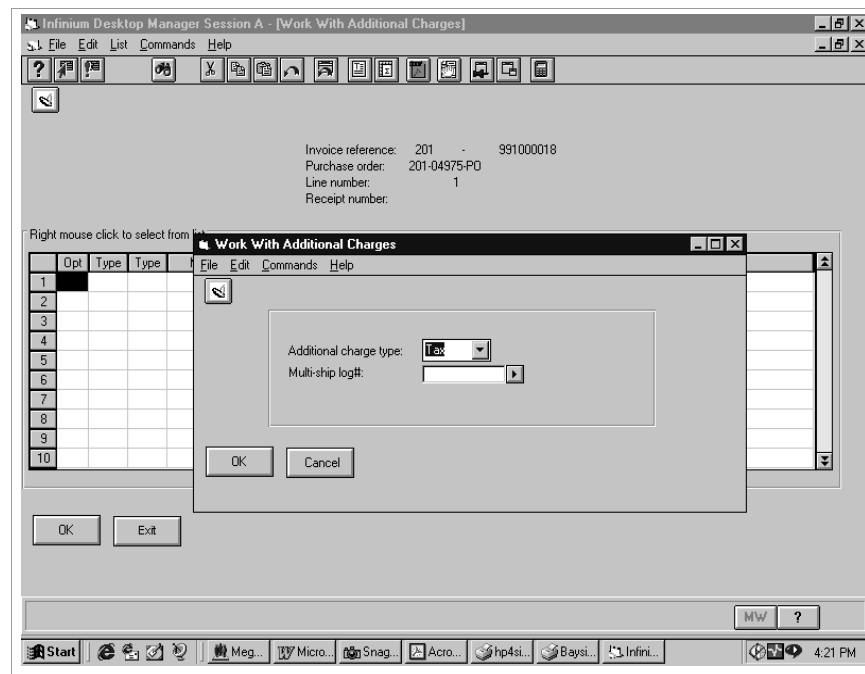


Figure 6-9: Work With Additional Charges Pop up Window

This window provides a choice of creating a tax charge, a freight charge, or another charge. The following steps describe how to add a new tax additional charge.

- 5 Specify **Tax** to create a new tax additional charge. Press Enter. The system displays the Tax Definition screen shown in Figure 6-10.

PO header/line tax: .00
 Tax basis: 2,000.00
 PO header/line amount: 2,000.00

Company: 201 Division: 201
 Tax authority: Rate code:
 Tax date: 10/20/99 Tax rate: .000
 Multi-Ship: 000003891
 Category code: Tax amount: .00
☒ Recoverable? ☐ Inclusive?
☐ Discount ☐ Self assessed tax

Option	Company	Division	Tax Authority	Rate Code	Rec	Self Assd	Tax Link	Tax Split	Tax amount
1									
2									
3									

OK Exit

Tax authority required. + - MW ?

Figure 6-10: Tax Definition screen

- 6 If the system supplies default tax authority and tax rate code values from the vendor controls or from Infinium PM, the system calculates and displays the tax on the lower portion of this screen.

Infinium GT information for new tax lines

Infinium GT calculates the tax amount based on the tax basis, tax authority, and rate code. Infinium PL retrieves the appropriate accounts from Infinium GT and makes the journal entries.

Refer to the “Tax Accounting in the Infinium PL System” chapter of the “Accounting Transactions” appendix in the *Infinium PL Guide to Processing* for journal entries the system generates and displays.

If your entity controls specify prorating taxes, the system prorates the tax amount across all invoice distributions, except for freight distributions, when you post the invoice.

- 7 You can add tax lines manually by typing the information in the top portion of the screen and pressing Enter.
- 8 You can select a prorated tax entry and select **Work with prorations** or type **8** and press Enter to display the Additional Charge Accounts screen.

The system prevents you from selecting **Default tax account** or typing **5** and pressing Enter if you have chosen a tax that is prorated (flagged **P**) or included in cost (flagged **I**) since the default tax account that this action displays does not apply to these taxes.

The Additional Charge Accounts screen displays a list of the expense accounts and the amounts prorated to each expense account.

- If the prorated charges are specified to be included in inventory cost, you can delete entries and redistribute the amounts, change amounts and change accounts, but you cannot add new entries.

If you change the amounts, the amount allocated to be included in cost is used to update the cost of the associated inventory item.

- If the prorated charges are not included in cost, proration is across the Infinium PL expense accounts proportionally to their extended amounts and this screen is for display only.

If the Additional Charge Accounts screen lists an entry as **multi-account**, you can select that entry and select **More Detail** or type **6** to view a list of the accounts included in that entry.

You can press F11 at the Additional Charge Accounts screen to view the description and the identifiers for the purchase order, purchase line, and multi-ship line, if applicable.

After viewing the Additional Charge Accounts details, press Enter as often as necessary to return to the Tax Definition screen.

- 9 Press Enter again. The system returns you to the Work with Additional Charges screen illustrated in Figure 6-8.

Overriding a summary tax amount

Overriding the tax amount can apply when the tax calculated by Infinium PM does not match the invoice tax. In addition, you may need to manually change a tax if the tax from Infinium PM relates to items that have not yet been fully received.

When you select **Override tax amt** or type **5** for a tax entry at the Work with Additional Charges screen, the system displays the Tax Definition screen, listing only the summary amounts. The procedure at this screen when you access the screen by this path differs from the procedure described earlier for accessing tax data by selecting **Change** or typing **2** for a tax entry.

When you have selected the tax entry to view summary amounts, you can change the amount on this screen, overriding the existing summary amount.

You can view, but cannot change, the listed accounts and their descriptions.

Maintaining freight and other additional charges

If you pressed F6 to create a new additional charge, the system displays the following window prompting you to specify the type of charge. Continue to Step 1.

If you selected an existing freight or other non-tax additional charge for maintenance, continue directly to Step 2.

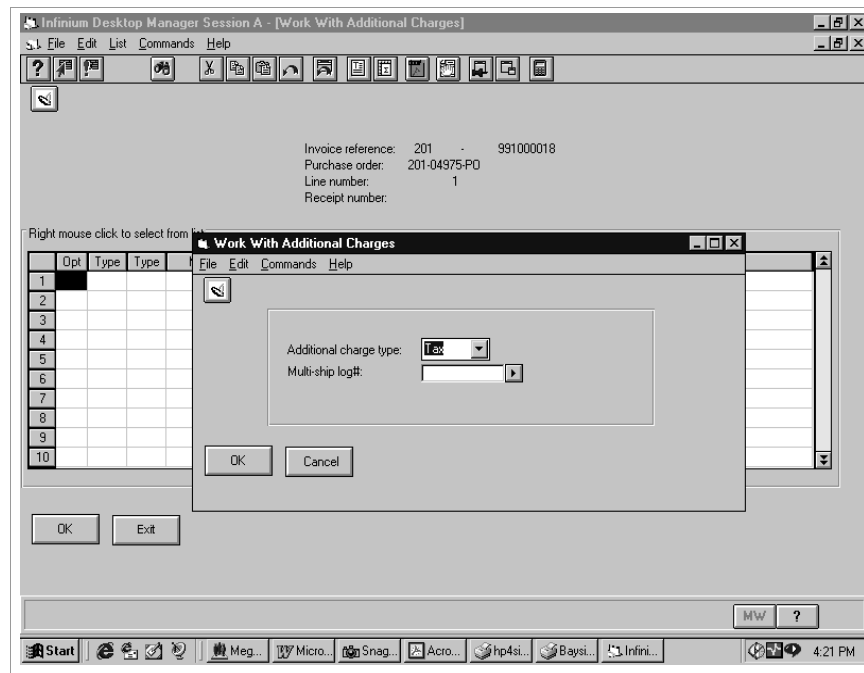


Figure 6-11: Work With Additional Charges Pop up Window

- 1 Specify **Freight** or **Other** to create freight or other miscellaneous additional charges. Press Enter. The system displays the screen shown in Figure 6-12.

Invoice reference: 201 - 991000018
 Purchase order: 201-04975-PO
 Line number: 00001
 Receipt number:
 Ship to location: 3891

Additional charge type: Freight
 Proration type: None
 Charge amount: 00
 Description: Freight Expense
 Account number: 201-001-001-6334

OK Exit

Figure 6-12: Work With Additional Charge Details screen

The *Account number* field may contain an account number from Infinium PM or a default account number from the invoice accounting group. If this is a new freight charge, the system supplies the default freight account, if any, from the invoice accounting group.

- 2 Type the appropriate freight or other charge information at this screen and press Enter.
- 3 You can change the amount, description, and account number at this screen.
- 4 You can press F8 to display the Additional Charge Accounts screen, which shows the results of prorating these charges. The Additional Charge Accounts screen identifies the expense accounts and the amounts prorated to those accounts.
 - If the prorated charges are included in cost, you can delete entries and redistribute the amounts, change amounts and change accounts, but you cannot add new entries.

If you change the amounts, the amount allocated to be included in cost is used to update the cost of the associated inventory item.

 - If the prorated charges are not included in cost, proration is across the Infinium PL expense accounts proportionally to their extended amounts and this screen is for display only.

- 5 If the Additional Charge Accounts screen lists a **multi-account** entry, you can select that entry and select *More Detail* or type 6 to view a list of the included accounts.
- 6 You can press F11 at the Additional Charge Accounts screen to view the description and the identifiers for the purchase order, purchase line, and multi-ship line, if applicable.
- 7 After viewing the Additional Charge Accounts details, press Enter as often as necessary to return to the Work With Additional Charges screen saving the new or changed additional charge information.

Creating a separate invoice for additional charges

Sometimes it is useful to generate a separate PO invoice that contains only the additional freight charges from the PO header. This can apply, for example, if you create the following:

- One invoice to pay the freight vendor for the freight charges associated with receipt of goods
- A second invoice to pay the vendor of the goods themselves

Perform the following steps to generate a separate invoice for the additional charges to be paid to a vendor other than the vendor from which the goods were ordered:

- 1 Follow the usual Infinium PL procedure to generate a PO invoice for the vendor of the goods. The additional charge information is brought over from Infinium PM along with the purchase order information.

If the PO does not already contain the additional freight charges, follow the steps provided earlier in this section to add those charges on the PO header level now.

- 2 Press Shift + F1 at the Invoice Header screen to access factor data. Specify the freight vendor as the factor to be paid from this invoice.
 - 3 Modify the resulting invoice by deleting all the ship to lines, leaving only the PO header additional charges on this invoice. Also delete any other additional charges that are not to be paid to the specified factor. This gives you an invoice for paying only the freight charges.
 - 4 Continue to the next topic for further processing as usual.
-

If the detail lines have been fully received and fully invoiced before you receive the invoice for the additional charges, you must reopen the purchase order in Infinium PM.

Saving the invoice modifications

When you complete modifying the purchase order invoice and have returned to the Invoiced POs and Receipts screen, press Enter. The system generates the following message:

Loading & balancing purchasing data, please wait...

If the system finds no errors, the system saves the purchase order information and returns you to the Work With Invoices screen illustrated in Figure 6-13.

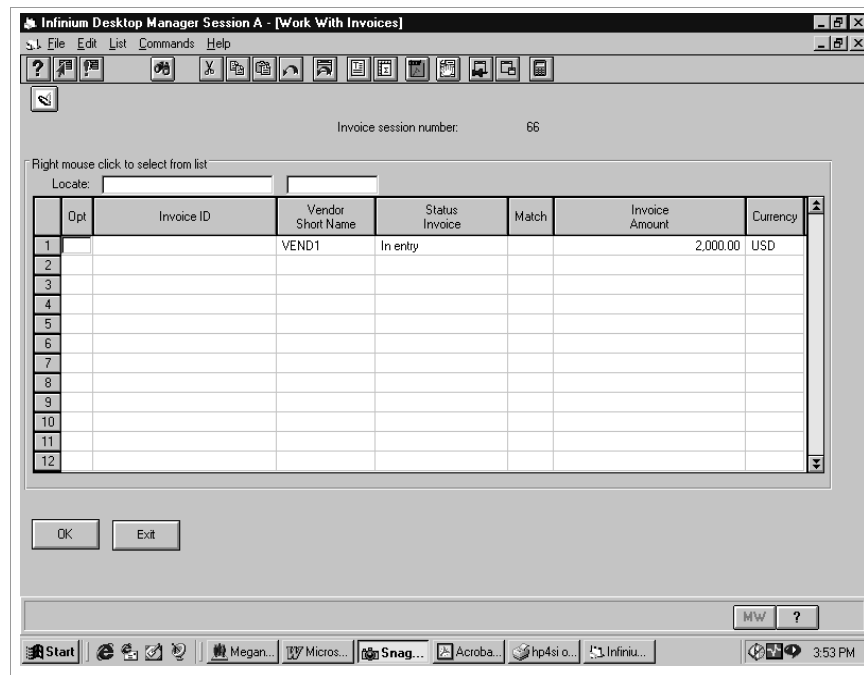


Figure 6-13: Work With Invoices screen

At this screen, you can add more purchase order invoices to this session or you can proof, match, and post the existing invoices.

To proof, match, and post, continue to the “Proofing, Matching, and Posting the Invoices” chapter of this guide.

Notes

Chapter 7 Proofing, Matching, and Posting the Invoices

7

This chapter focuses on how to proof, match, and post purchase order invoices in Infinium PL.

The chapter consists of the following topics:

Topic	Page
Overview of processing purchase order invoices	7-2
Proofing purchase order invoices	7-3
Matching invoices	7-5
Posting purchase order invoices	7-12
Understanding invoice reports	7-17

Overview of processing purchase order invoices

Once you have created a purchase order invoice session and created the basic invoice records, you can perform the following three tasks to process the invoices in that session:

- Proof the invoices
- Match the invoices with purchase orders
- Post the matched invoices

You can also use the related reports that the system generates during processing of the invoices.

Prerequisites

Before you can begin processing the purchase order invoices, you must set up the following:

- Infinium PX matching controls
- Infinium PL user security

You must also create purchase order invoices. Refer to the following chapters of this guide for more information:

- Defining Infinium PX Controls
 - Defining Infinium PL Controls
 - Selecting Purchase Order Invoices for Invoicing
 - Modifying Purchase Order Invoices
-

Proofing purchase order invoices

When you have selected all the purchase orders and receipts that are to be included in this invoice and have resolved any distribution errors, you are ready to proof, match, and post the invoice. You must perform a proof for the invoice session before performing the matching and posting procedures.

The proof process ensures that there are no errors on the invoice prior to posting. The process checks that the expense distributions for each purchase order line item, receipt line item, and ship to line item balance. Also, the expense distributions for the entire invoice must balance the invoice total.

Proofing the purchase order invoice session

To proof a purchase order invoice session, perform the following steps:

- 1 From the Infinium PL main menu, select *Invoices*.
- 2 Select *Work with invoice entry [WWI]*. The system displays the screen shown in Figure 7-1.

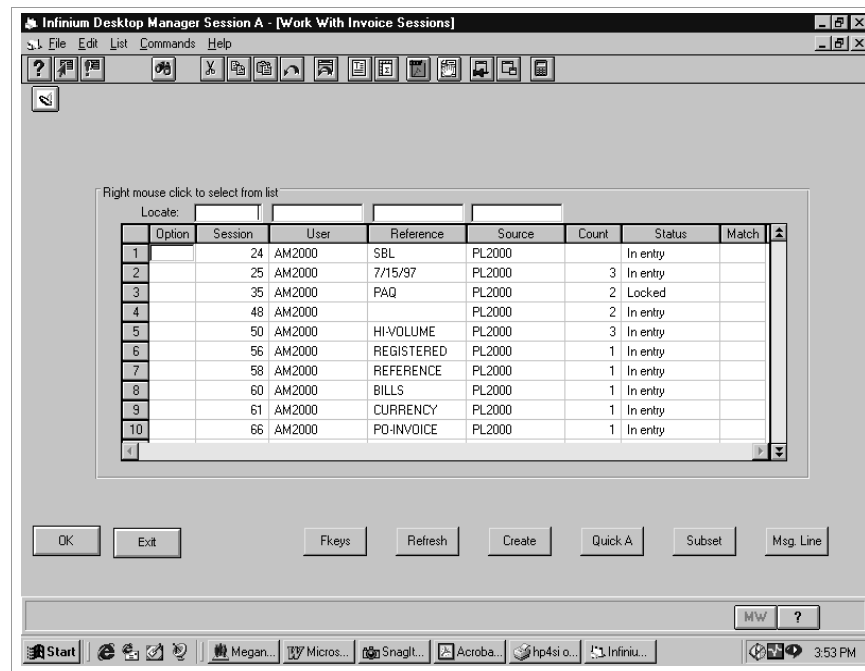


Figure 7-1: Work With Invoice Sessions screen

- 3 Select an invoice session.
 - 4 Select **Proof** or type **10** and press Enter to initiate the proof process for that session. The system submits the proof in batch mode.
 - If proofing errors occur, the system updates the *Status* column with **In error**. You must correct the errors before you can match and post the invoice session.
 - When the invoice session status is **In proof**, you can match and post the invoice session.
-

Matching invoices

The matching process compares the Infinium PL invoice information with the corresponding Infinium PM purchase order and receipt information.

The posting process updates the invoice status in Infinium PL as posted, creates accounting entries and updates the invoiced to date information in Infinium PM.

The two methods of matching and posting purchase order invoices are as follows:

- Batch
- Partial interactive

Infinium PL user security controls define whether you can use either or both of these posting methods. Refer to the *Infinium PL Guide to Controls* for more information about user security.

The matching process

The matching process uses the Application Program Interface (API) programs, the Infinium PX matching controls and the Infinium CA tolerances described earlier in this guide to determine whether the purchase order and receipt information in the purchasing application system matches the invoice information in the payables application. Refer to the “Defining Infinium PX Controls” chapter of the guide.

During the matching process, the system checks for tolerances in a hierarchical manner. If the Infinium CA tolerances include both a percentage and an amount, the system uses the lower of the two as the tolerance. Tolerances can be set at the:

- Company level (highest)
- Commodity level
- Item level (lowest)

The system automatically matches the following each time you perform matching for an invoice:

- Invoice line item unit of measure to purchase order detail unit of measure without tolerances
-

- Invoice currency to purchase order currency

The system also automatically matches the following using tolerances each time you perform matching for an invoice:

- Invoice total amount to purchase order total invoiced amount with tolerances
- Invoice line item unit price to purchase order detail unit price with tolerances
- Invoice line item extended amount to purchase order detail extended amount with tolerances

You determine additional matching controls in Infinium PX. The matching controls provide you with a flexible method of defining your specific matching criteria and the severity of the error conditions that occur when matching fails.

Performing batch matching

To process batch matching, perform the following steps:

- 1 From the Infinium PL main menu, select *Invoices*.
- 2 Select *Work with invoice entry* [WWI]. The system displays the screen shown in Figure 7-2.

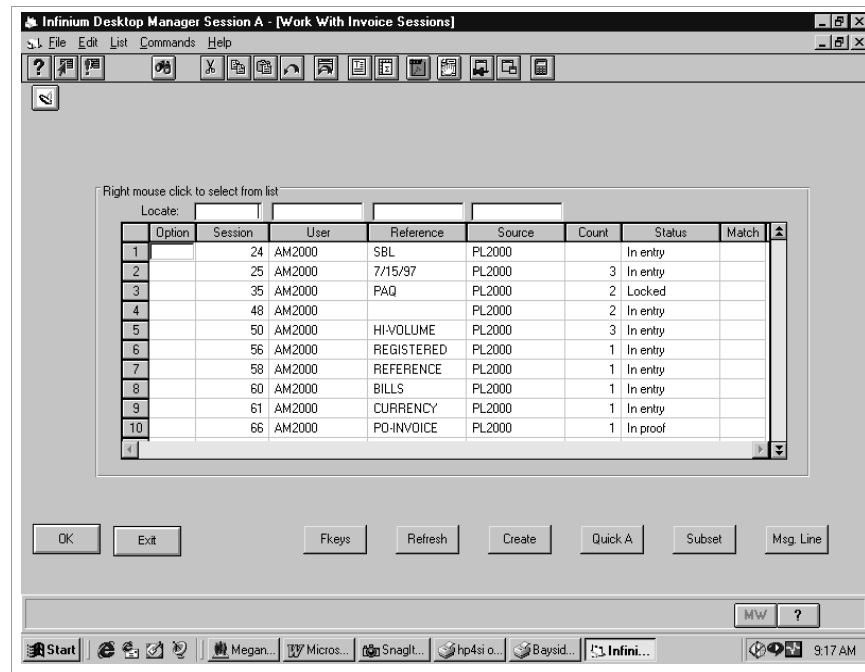


Figure 7-2: Work With Invoice Sessions screen

- 3 Select the invoice session that is to be matched in batch mode.
- 4 Select **Match** or type **19** and press Enter. The system performs the following based on the value in the *Status* column:

In entry	Performs proof. If there are no errors, performs match.
In Proof	Performs match.
In Error	Reruns proof. If there are no errors, performs matching.

For invoice sessions that have matching errors, the system updates the *Match* column with **E** (Error). For invoice sessions that pass matching, the system updates the *Match* column with **M** (Matched)

The system generates matching reports. Refer to the “Understanding invoice reports” topic in this chapter for more information about the matching reports.

Performing partial interactive matching

To process partial interactive matching, perform the following steps:

- 1 From the Infinium PL main menu, select *Invoices*.
- 2 Select *Work with invoice entry* [WWI]. The system displays the screen shown in Figure 7-3.

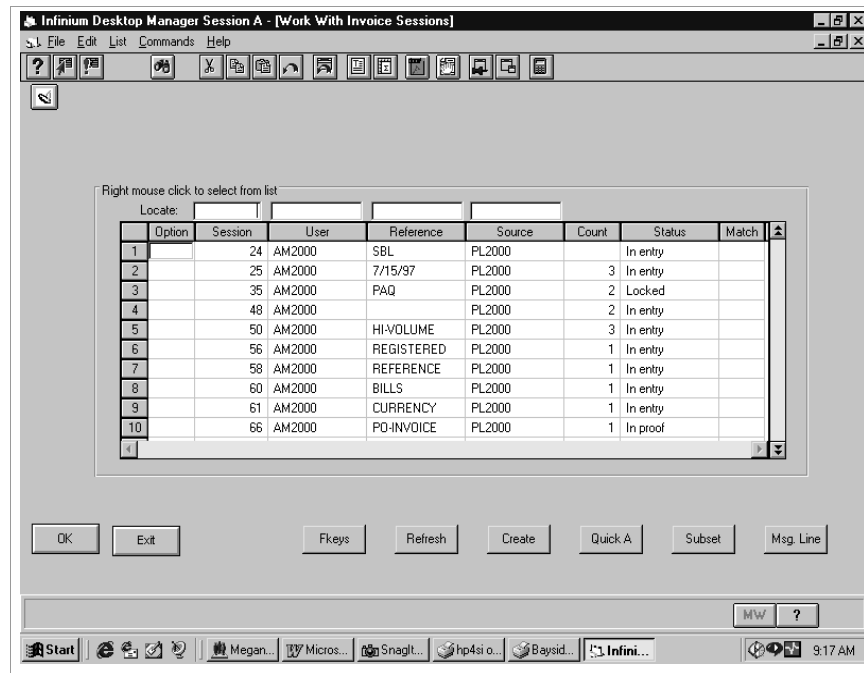


Figure 7-3: Work With Invoice Sessions screen

- 3 Select the invoice session with which you want to work.
- 4 Select **Work with invoices** or type **5** and press Enter. The system displays the screen shown in Figure 7-4.

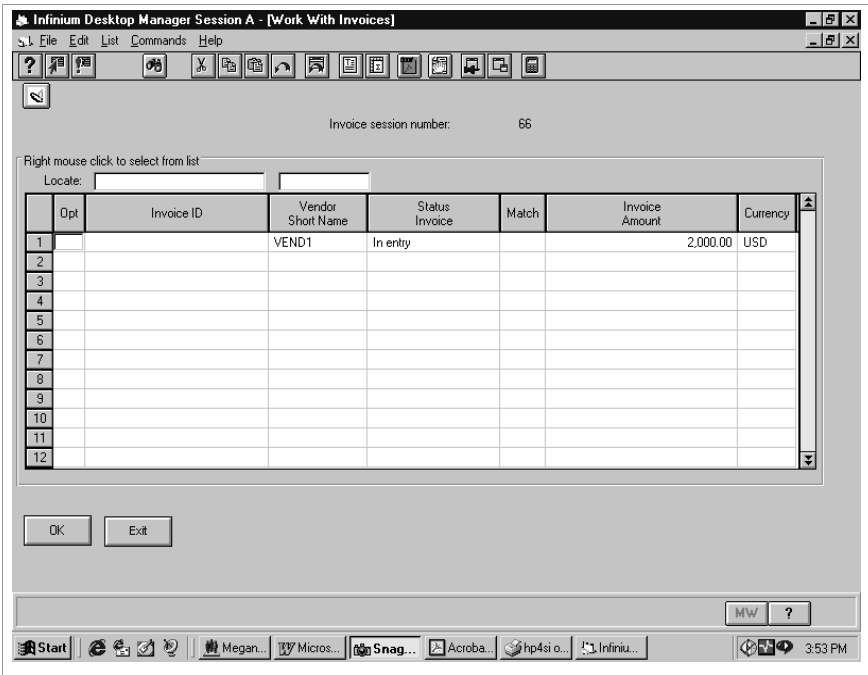


Figure 7-4: Work With Invoices screen

- 5 Select individual invoices for matching. Select **Match** or type **19** and press Enter.

The system performs the matching interactively, which means that you cannot leave this screen until the system has finished the matching process. Therefore, you may want to limit the number of invoices that you simultaneously select for matching.

- 6 The system performs the following based on the value in the *Status Invoice* column:

In entry	Matching not allowed. The invoice must be in proof to be matched.
In Proof	Performs match.
In Error	Does not perform match. You must correct the invoice errors and then perform match.

For invoice sessions that have errors, the system updates the *Status Match* column with **E** (Error). For invoice sessions that pass matching, the system updates the *Status Match* column with **M** (Matched)

If there are errors, the system displays the window shown in Figure 7-5.

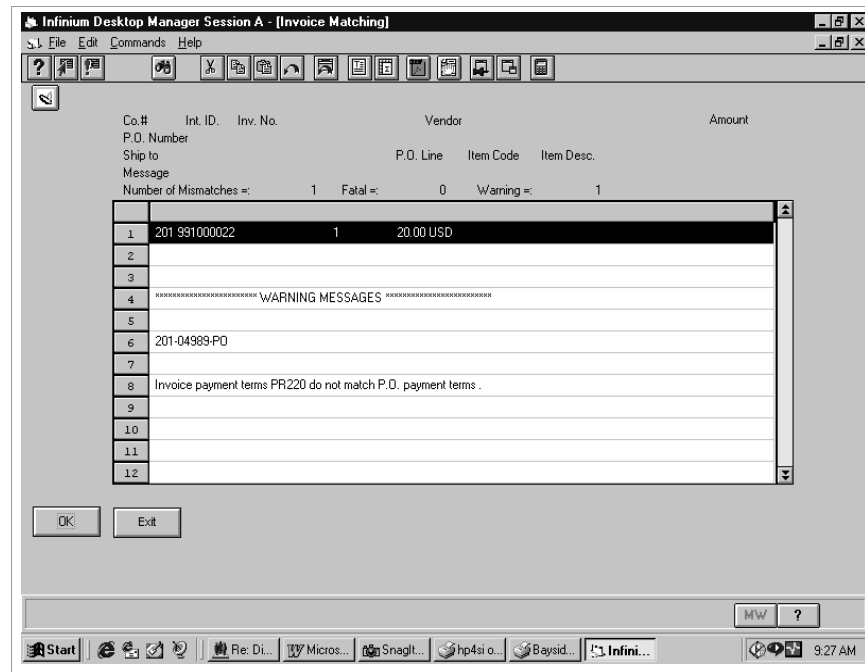


Figure 7-5: Invoice Matching window

Understanding matching errors

Error messages can be either warnings or fatal error messages.

Your user security determines whether you can override fatal error messages.

The following table explains the matching process and the results of error conditions.

Matching Results	Matching Method	Action
No errors	Shift + F7	The system updates each invoice in the session as matched.
	Option 19	The system updates the individual invoice as matched.
Warnings	Shift + F7 or Option 19	The system displays a window with warnings and message: Press Enter to match with warnings or Cancel to continue without matching
		The system updates the invoice as matched or blank as unmatched.

Matching Results	Matching Method	Action
Fatal Errors	Shift + F7	The system displays a window with fatal and/or warning messages: Press Enter to continue without matching or Override to match The system updates the invoice as matched or with errors.
	Option 19	The system displays a window with fatal and/or warning messages: Press Enter to continue without matching or Override to match The system updates the invoice as matched or with errors.

7 If errors exist, respond with the appropriate action.

Even if you are authorized to override fatal warning messages during the matching process, you cannot override the following errors:

- The invoice line item unit of measure does not match the purchase order detail unit of measure.
- The invoice currency does not match the purchase order currency.

The system also generates matching reports. Refer to the “Understanding invoice reports” topic in this chapter for more information about the matching reports.

8 After using the reports to identify any additional errors, correct the errors and repeat the matching process.

Posting purchase order invoices

The posting process updates the invoice status in Infinium PL as posted, creates accounting entries, and updates the invoiced to date information in Infinium PM as follows:

- Invoice quantity for purchase order detail, receipts, and multi-ships
- Actual invoice charge for additional charges
- Invoice amount purchase order detail, receipts, and additional charges

For additional charges included in cost, Infinium PM then updates the Infinium CA cost matrix.

Only WAC (Weighted Average Cost) companies can include additional charges in cost.

- Purchase order status information in Infinium PM

If both Infinium PL and Infinium PM are using Infinium CM for multi-currency processing, the process updates both the transaction currency amounts and the base currency amounts in Infinium PM for purchase order and receipt details and additional charges.

For information about the accounting entries, refer to the “Understanding Accounting Entries” appendix in this guide.

You cannot post an invoice session until all of that session’s invoices have been matched.

Posting methods

The two methods of posting purchase order invoices are as follows:

- Batch
- Partial interactive

Your user security profile determines which posting methods you can use. Refer to the *Infinium PL Guide to Controls* for more information about user security.

Performing batch posting

To process batch posting, perform the following steps:

- 1 From the Infinium PL main menu, select *Invoices*.
- 2 Select *Work with invoice entry* [WWI]. The system displays the screen shown in Figure 7-6.

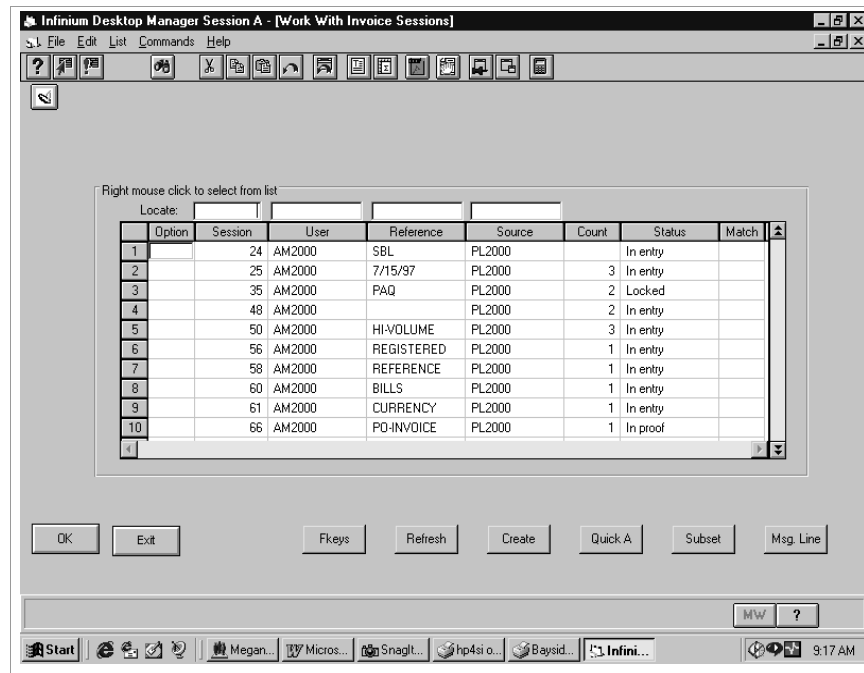


Figure 7-6: Work With Invoice Sessions screen

- 3 Select an invoice session.
- 4 Select **Post** or type **11** and press Enter to post that session in batch mode. The system performs the following based on the value in the *Status* column:

In entry	Performs proof. If there are no errors, performs match. If no matching errors exist, performs post.
In Proof	Reruns proof. If there are no errors, performs match. If no matching errors exist, performs post.
In Error	Reruns proof. If there are no errors, performs match. If no matching errors exist, performs post.
Posting	Posting already is in progress. The session cannot be resubmitted.

Locked Session is currently in use. The system cannot perform posting.

- If an invoice session is locked due to a power failure or an abnormal termination, you can update the session using the *Supervisor Tasks* menu. Refer to the *Infinium PL Guide to Controls* for more information.
- The system checks the purchasing application system for any receipt activity for a purchase order prior to posting the invoices. If there is new receipt activity since invoicing, the accounting entries can be inaccurate. If any purchase order included on an invoice in the session has receipt activity during the posting process, the system does not post the session. Check the invoice session for accuracy.
- If the system successfully completes the posting process, the system generates posting reports. Refer to the “Understanding invoice reports” topic in this chapter for more information about the matching reports.

Performing partial interactive posting

To submit partial interactive posting, perform the following steps:

- 1 From the Infinium PL main menu, select *Invoices*.
- 2 Select *Work with invoice entry* [WWI]. The system displays the screen shown in Figure 7-7.

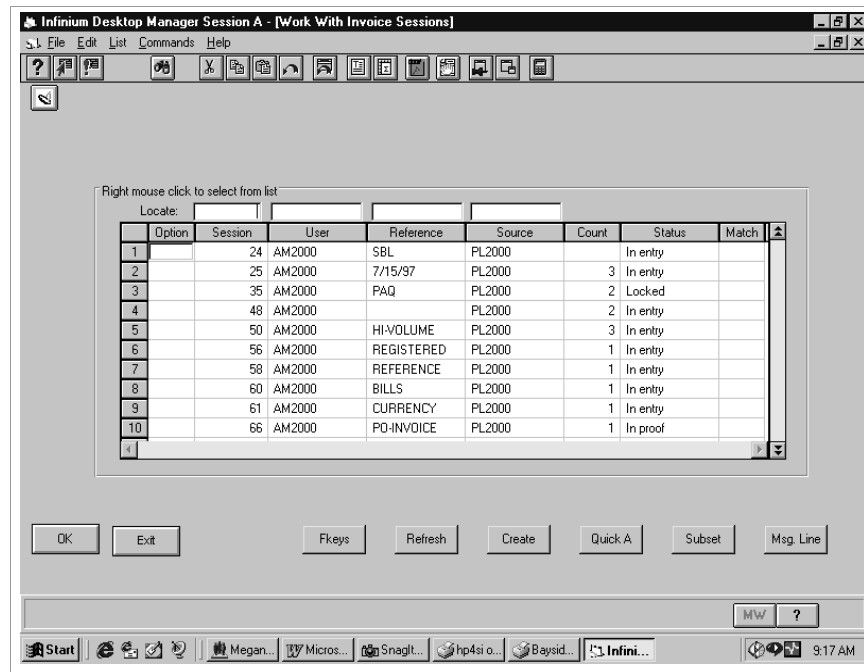


Figure 7-7: Work With Invoice Sessions screen

- 3 Select an invoice session.
- 4 Select **Work with invoices** or type **5** and press Enter. The system displays the screen shown in Figure 7-8.

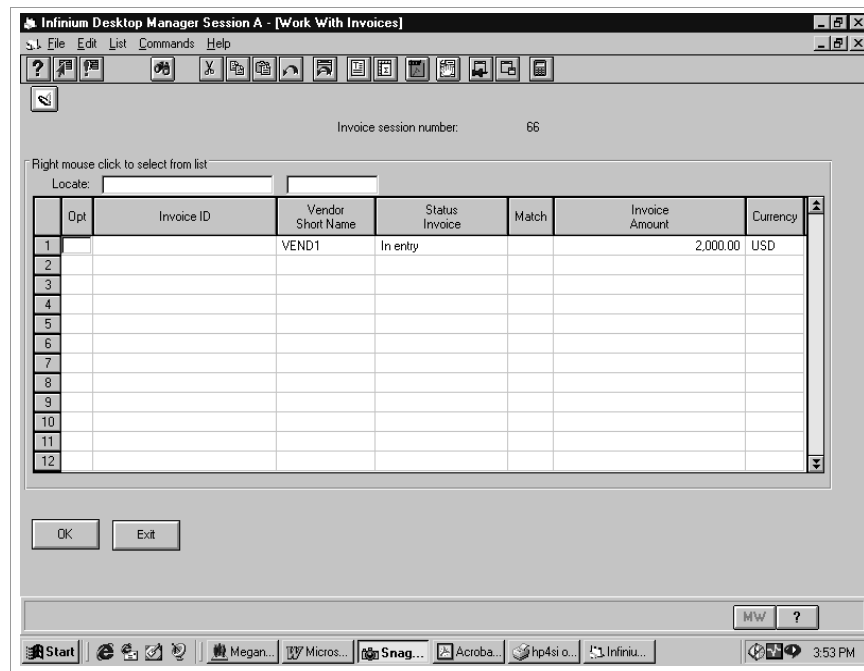


Figure 7-8: Work With Invoices screen

5 Press Shift + F2 to post the invoice session interactively.

The system proofs the invoices, and if no errors exist, performs matching.

- If there are no matching errors, the system posts the session's invoices. If matching errors exist, the system displays a window that allows you to continue to post or to cancel.
- The system checks the purchasing application system for any new receipt activity for a purchase order prior to posting the invoices. If there is new receipt activity since invoicing, the accounting entries can be inaccurate. The system does not post this session's invoices if any purchase order included on an invoice in this session has receipt activity during the posting process. Check the session's invoices for accuracy.

When the system successfully completes the posting process, the system generates posting reports. Refer to the "Understanding invoice reports" topic in this chapter for more information about the reports.

If receipts are required and receiving is not fully complete, the system posts the invoice on hold for payment. For more information about receipt activity flags, refer to the "Defining Infinium MM Product Controls" chapter.

Understanding invoice reports

The system may generate some or all of the following reports when you perform batch or partial interactive proofing, matching, and posting:

- Session Proof Report
- Additional Charge Proration Report
- Unmatched Invoices Report
- Matched Invoices Report
- Invoice Post Report
- Transfer To Fixed Assets Report

The Session Proof Report

The Session Proof Report identifies whether proofing is complete for a session's invoices. The report lists all the invoices within the session. If the system detects errors within any invoice, the invoice session fails the proofing process.

The report also prints the message ****Closed to Fixed Assets**** on the Session Proof report for any expensed line item flagged to close to Infinium FA.

The Additional Charge Proration Report

The Additional Charge Proration Report prints the accounting details of any additional charges that are prorated over invoice expenses or are included in inventory cost.

The Unmatched Invoices Report

The Unmatched Invoices report lists invoices that have failed the matching process. The report lists ordinary warnings separately from fatal warnings.

The Matched Invoices Report

The Matched Invoices report lists all of the invoices that passed the matching process.

The Invoice Post Report

The Invoice Post report lists summary totals for the posted invoice session. This report contains the following information:

- Base currency
- Invoice currency
- Payment currency
- Discount amount
- Tax amount
- Freight amount
- Total posted amounts

The Transfer to Fixed Assets Report

The system generates the Transfer to Fixed Assets report when data is passed to Infinium FA from Infinium PL. The system prints the report as part of the invoice posting process if data is flagged for closing to Infinium FA from Infinium PL.

Report samples

The following pages provide a sample of each of these invoice reports.

SESSION :		0001697	REFERENCE :				
COMPANY/DIVISION		VENDOR			SHORT NAME	INVOICE AMOUNT	
INTERNAL ID		INVOICE ID	CURRENCY				
AVT/01		BUDDY	Buddy Buttons		BUD	1,947.00	
AVT - 960200007		345-66678-WS4	BASE CURR: USD		INVOICE CURR: USD	PAYMENT CURR: USD	
DISCOUNT		.00	TAX AMOUNT00	FREIGHT AMOUNT . .	
						.00	

SESSION :		0001697	REFERENCE :	
SESSION CONTROL TOTALS :				
		PROJECTED	ACTUAL	
INVOICE COUNT :		0	1	
SESSION AMOUNT :		.00	1,947.00	
SESSION DISCOUNT AMOUNT . . . :		.00	.00	
BASE CURRENCY SESSION TOTALS :				
COMPANY/DIVISION		BASE CURRENCY	INVOICE AMOUNT	DISCOUNT AMOUNT
AVT/01		USD	1,947.00	.00
			1,947.00	.00
PROCESSING CURRENCY SESSION TOTALS :				
COMPANY/DIVISION		PROCESSING CURRENCY	INVOICE AMOUNT	DISCOUNT AMOUNT
AVT/01		USD	1,947.00	.00

BASE CURRENCY REPORT TOTALS :				
COMPANY/DIVISION	SESSION	BASE CURRENCY	INVOICE AMOUNT	DISCOUNT AMOUNT
AVT/01	1697	USD	1,947.00	.00
CURRENCY TOTAL :			1,947.00	.00
***** END OF REPORT *****				

PXGMCH

PXTMCH2

2/12/98

14:58:55

SESSION NUMBER 0001697

CO#

INT. ID.

INVOICE NUMBER

VENDOR

P.O. NUMBER

SHIP TO

P.O. LINE

ITEM CODE

ITEM DESC

MESSAGE

AVT 960200007

345-66678-WS4

BUDDY

***** FATAL MESSAGES *****

AVT-000626-AVT-P

WHSE1

00001

FURNITURE

Furniture

INVOICE EXTENDED LINE AMOUNT 525.00 IS OVER PM TOLERANCE OF 379.500000.

***** WARNING MESSAGES *****

WHSE1

00001

FURNITURE

Furniture

INVOICE QUANTITY 35.000000 IS GREATER THAN AVAILABLE TO INVOICE QUANTITY 23.0000.

* TOTAL WARNINGS

1

** TOTAL FATAL ERRORS

1

*** TOTAL MISMATCHES

2

END OF REPORT

PAGE11,947.00

PXGMCH

PXTMCH1

2/12/98

15:27:36

SESSION NUMBER 0001697

CO#

INT. ID.

INVOICE NUMBER

VENDOR

P.O. NUMBER

SHIP TO

P.O. LINE

ITEM CODE

ITEM DESC

MESSAGE

AVT 960200007

345-66678-WS4

BUDDY

***** MATCHED WITH WARNINGS OR OVERRIDES *****

AVT-000626-AVT-P

**** TOTAL INVOICE MATCH

1

END OF REPORT

PAGE11,947.00

PLGSPF	PLTSPF	SESSION PROOF REPORT	PAGE	2
12/02/1999	15:27:30		DMD	

* NO ERRORS DETECTED
* PROOF OK

PLGFAT PLTFAT
12/02/1999 15:27:30

TRANSFER TO FIXED ASSETS

PAGE 1

SESSION	INVOICE ID	VENDOR	INVOICE NUMBER	GL COM	TRANSACTION DESCRIPTION	QUANTITY	TRANSFER AMOUNT
0000105	AVT-960200014	AVT01	PROOF	AVT FIXED ASSETS PURCHASES	1	200.00	
	AVT FIXED ASSETS PURCHASES		1	300.00			

***** END OF REPORT *****

Notes

This chapter provides information about creating credit invoices that are related to purchase order invoices.

The chapter consists of the following topics:

Topic	Page
Overview of creating credit invoices	8-2
Referencing purchase order invoices	8-3
Offsetting an Infinium PM debit memo	8-11

Overview of creating credit invoices

Infinium PL provides two credit invoice procedures related to purchase order invoices. You can do either of the following:

- Create an Infinium PL reference purchase order invoice to reverse a posted purchase order invoice's amount.

The system reverses the invoice by creating reversing entries in both Infinium PL and Infinium PM.

- Create an Infinium PL standard invoice with a negative amount to offset the amount in an Infinium PM debit memo.

Creation of the debit memo occurs in Infinium PM. Creation of the negative invoice is a separate Infinium PL process.

Referencing purchase order invoices

You can reverse a purchase order invoice amount by using Infinium PL purchase order invoice entry to create an invoice that references an earlier invoice.

- The original invoice must be already posted in Infinium PL as described earlier in the “Proofing, Matching, and Posting the Invoices” chapter of this guide.
- When you post the new invoice that references the previous invoice, the system reverses that earlier invoice’s amounts by creating reversing entries in both Infinium PL and Infinium PM.

The diagram shown in Figure 8-1 explains the purchase order invoice referencing process.

Purchase Order Invoice Entry - Reversals

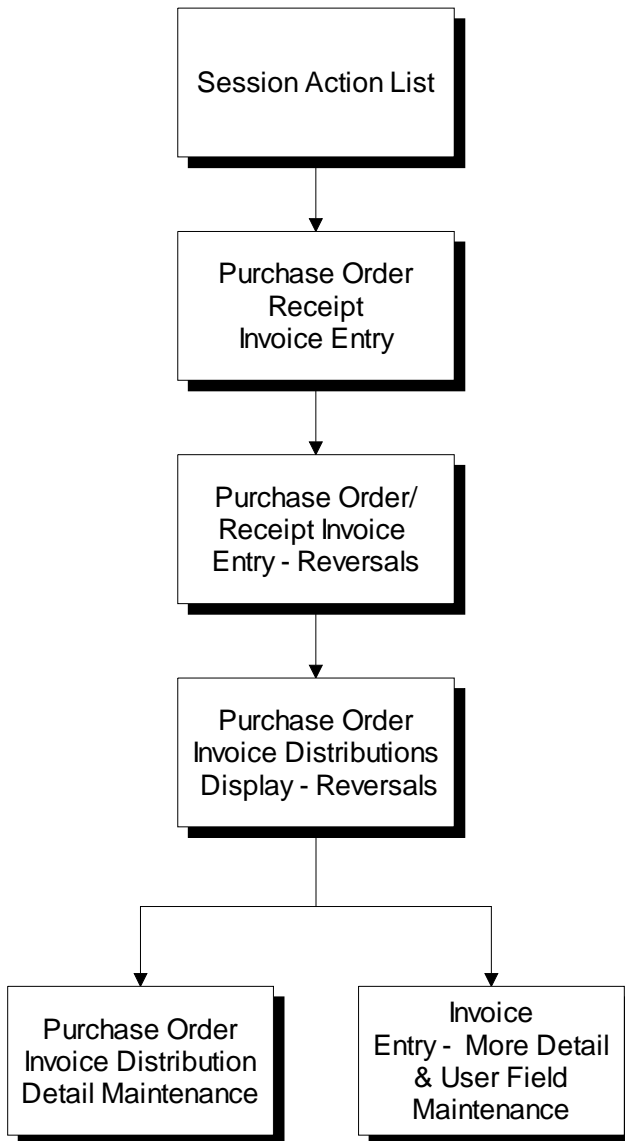


Figure 8-1: Purchase Order Invoice Entry - Reversals

Referencing a purchase order invoice

To reference a purchase order invoice, perform the following steps:

- 1 From the Infinium PL main menu, select *Invoices*.
-

- 2 Select *Work with invoice entry* [WWI]. The system displays the screen shown in Figure 8-2.

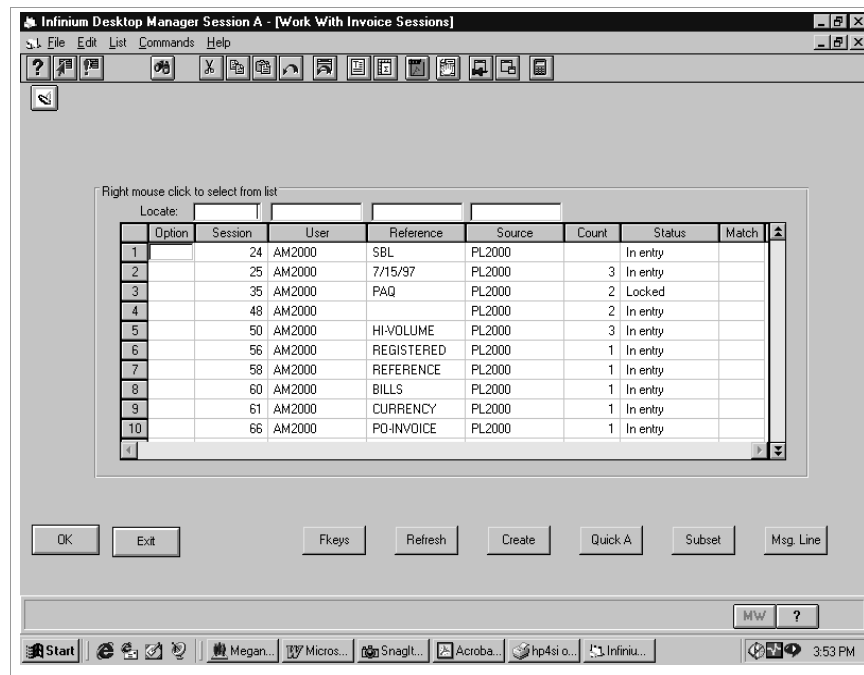


Figure 8-2: Work With Invoice Sessions screen

- 3 You can do one of the following at this screen:
- Select an existing purchase order invoice session. Select **Work with invoices** or type **5** and press Enter to update that session.
 - Press F6 to create a new invoice session.

If you choose to create a new invoice session, the system displays a window similar to Figure 8-3.

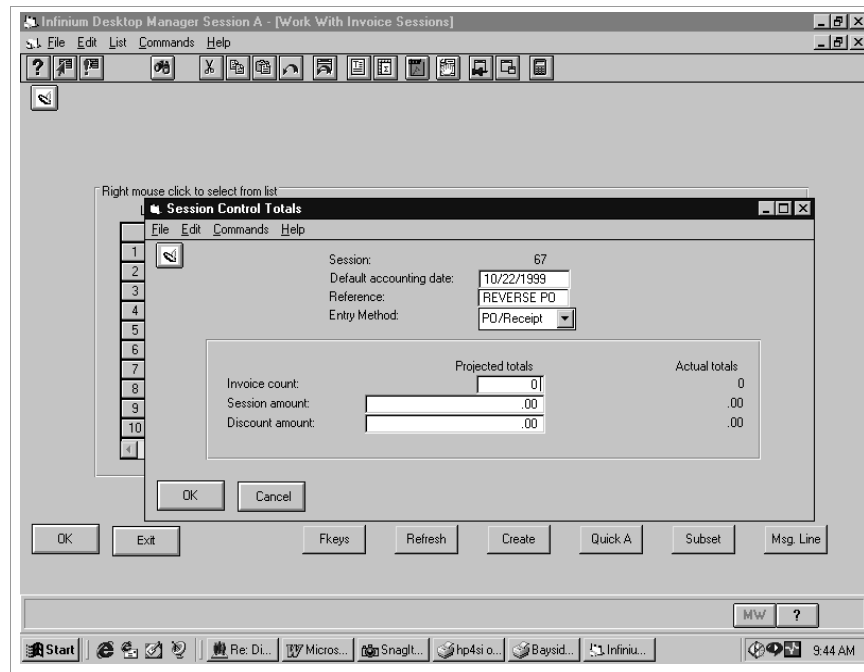


Figure 8-3: Session Control Totals Window

- 4 Use the information below to complete the fields on this screen.

Default accounting date

The default is the system date. You can change the default.

The system uses this accounting date to determine in which period to post an invoice. This is the default date for each invoice in this session.

Reference

You can type a unique identifier for this session.

Entry Method

For purchase order invoice reversals, you must specify **PO/Receipt**.

Projected totals

You can enter projected totals. The system compares these manual totals to the system calculated actual totals when the session is complete. If the projected totals do not match the actual totals, the session status is put in error.

- 5 Press Enter. The system displays a screen similar to Figure 8-4.

Infinium Desktop Manager Session A - [PO/Receipt Invoice Entry]

Type information and press OK to select

Reference invoice: 001 - 980400024

-or-

Purchasing locate data

Purchasing Company:

PO Number:

Currency:

Invoice default data

Vendor ID: or Short Name:

Invoice Company: Invoice Division:

Invoice Date:

Invoice ID:

Invoice Amount: .00

Invoice tax amount: .00

OK Exit

Figure 8-4: PO/Receipt Invoice Entry screen

- 6 Type the invoice number of the purchase order invoice that you want to reverse in the *Reference invoice* field.

When you enter an invoice that references an earlier posted invoice, the system retrieves the posted invoice's data and creates a new invoice based on that invoice. The system copies the information from the original invoice and reverses the amounts and quantities.

- 7 Press Enter. The system displays the screen shown in Figure 8-5.

Company: 001 Division: 001
Vendor: 1 Invoice Date: 4/14/1998
Invoice ID: Amount: 100.00-
Terms: Due Date: 5/01/1998

Right mouse click to select from list

Opt	PD/Receipt/Ship to	Line #	Quantity	Total	Sts
1	* Invoice Header	00000	.000000	.00	IE
2	* 00IS1-00055-PO	00000	.000000	.00	IE
3	* 00IS1-00055-PO	00001	100.000000	100.00-	IE
4	IS-00021-SA				

OK Exit

Figure 8-5: Invoice POs and Receipts screen

- 8 You can update only the *Invoice ID* field on this screen. All other fields are display only.

You can use the various options and function keys available at this screen to display more information about the purchase order invoice as in the examples described in the following steps.

- 9 To display the invoice header information for the purchase order invoice, press F9.

The system displays a screen similar to Figure 8-6.

Infinium Desktop Manager Session A - [Invoice Header]

File Edit Commands Help

Session: 67
 Internal ID: 001 - 991000016
 Reference invoice: 001 - 980400024
 Invoice type: 1
 Vendor: 1 Vendor Number 1
 Company: 001 Division: 001

Invoice ID:
 Invoice amount: 100.00-
 Discount amount: .00
 - or Percent: .000
 Purchase order: 00IS1-00055-PO
 Freight: .00
 Tax authority: 100.00-
 Tax basis: .00
 Tax: .00
 Accounting date: 10/22/1999

Invoice date: 4/14/1998
 Net due date: 5/01/1998
 - or Terms:
 Discount date:
 Tax rate code:
 Accounting group: 001DT

OK Exit

Start | [Icons] | 9:45 AM

Figure 8-6: Invoice Header screen

Invoice header

Although you cannot update any of the invoice header data, you can press various function keys to display other invoice information.

- 10 Press Enter at the Invoice Header screen to return to the Invoice POs and Receipts screen illustrated in Figure 8-5.
- 11 To view the purchase order invoice's expense distributions, select a ship to line at the Invoice POs and Receipts screen. Select **Expense Distributions** or type 12 in the *Opt* column and press Enter. The system displays a screen similar to Figure 8-7.

Invoice ID: 001 - 991000016 Amount: 100.00-
 Internal ID: 001 - 980400024 Distributed amt: 100.00-
 Reference invoice: 001 - 980400024 Remaining: .00
 Quantity: 100.000000-
 Distributed qty: 100.000000-
 Remaining: .000000

Right mouse click to select from list:

	Expense Account Number	Type	Quantity	Expensed Amount
1	001-001-000-1021		100.000000-	100.00-
2				
3				
4				
5				
6				
7				
8				

OK Exit Cancel

Start | [Icons] | Re: Di... | Micros... | Snagit... | hp4si o... | Baysid... | Infini... | 9:46 AM

Figure 8-7: Invoice Distributions screen

Invoice distributions

This screen displays the expense distributions. You cannot update any of the information on this screen. You can select any of the various function keys or you can use actions **More detail** or **User fields** to display other invoice information.

- 12 Press Enter. The system returns you to the Invoice POs and Receipts screen illustrated in Figure 8-5.
- 13 Press Enter at the Invoice POs and Receipts screen to save the new invoice with the reversal information.

Posting the new invoice

You must complete the posting process as described in the “Proofing, Matching, and Posting the Invoices” chapter of this guide.

Posting the invoice results in reversing the purchase order invoice and updating the Infinium PM and Infinium PL purchase order information and expense distributions.

The reversal invoice does not need to be matched.

Offsetting an Infinium PM debit memo

If you are using Infinium PM with Infinium PL for purchase order processing, you can offset Infinium PM purchase order debit memos only by creating Infinium PL credit invoices.

The credit invoice for offsetting an Infinium PM debit memo is exactly like a standard Infinium PL invoice except for having a negative amount.

- For information about Infinium PM debit memos, refer to the *Infinium PM Guide to Setup and Processing*.
- For information about Infinium PL standard invoices, refer to the *Infinium PL Guide to Processing*.

The procedure for creating, proofing, and posting an Infinium PL credit invoice to offset an Infinium PM debit memo is almost identical to the procedure for creating a standard invoice.

Follow the procedure described in the “Processing Standard Invoices” chapter of the *Infinium PL Guide to Processing*, using the following variations:

- For the invoice amount, type a negative amount equal to the debit memo amount. That is, if the debit memo is for \$1,000, make the credit invoice amount \$1,000-.
 - To clarify the credit invoice’s relationship to the debit memo, you can type the debit memo number as the *Invoice ID* value at the Invoice Header screen.
 - To clarify this credit invoice’s relationship to the related Infinium PM purchase order, you can type the purchase order number in the *Purchase order* field at the Invoice Header screen.
-

Notes

Appendix A Accounting Transaction Line Types

A

Infinium PL assigns a transaction line type to each accounting entry. The system uses the line types for analytical inquiries and reporting.

The list below provides some examples of these line types. The tables later in this appendix provide a complete list.

- At invoice entry:
 - 21 = Regular expense distribution
 - 51 = Infinium PL trade liability account
- At invoice posting:
 - 24 through 29 = Tax entries
- At payment:
 - 71 = Infinium PL trade liability relief
 - 72 = Cash reduction

Invoices	
Accounting Transactions	Assigned Type
Expense Distributions	21
Freight	22
Value Added Tax Recoverable	24
Value Added Tax Non-recoverable	25
Sales Tax	26
Use Tax - Self Assessed	27

Invoices	
Accounting Transactions	Assigned Type
VAT Self Assessed Recoverable Tax	28
VAT Self Assessed Non-Recoverable Tax	29
Other Additional Charges	30
Purchase Price Variance (standard cost)	31
Inventory Adjustment (non-standard cost)	32
Invoiced Not Received (INR)	33
Received Not Invoiced (RNI)	34
Purchase Price Variance Exchange	35
Inventory Adjustment Exchange	36
Expense Currency Exchange	37
Additional Charge Inventory Adjustment	38
Additional Entry Distribution	41
Additional Entry Liability	42
Trade Payables Liability	51
Intercompany Balancing	53
Use Tax Liability - Self Assessed	57
VAT Self Assessed Liability	58

Revaluations	
Accounting Transactions	Assigned Type
Invoices Unrealized Gain	65
Invoices Unrealized Loss	66
Invoices Trade Payables Liability Adjustment	67

Payments	
Accounting Transactions	Assigned Type
Relieve Trade Payables Liability	71
Cash	72
Discounts Taken	75

Payments Accounting Transactions	Assigned Type
Input Tax Adjustment for Discount	76
Value Added Tax Recoverable	77
Value Added Tax Non-Recoverable	78
Sales Tax	79
Use Tax	80
VAT Reverse Charge Recoverable	81
VAT Reverse Charge Non-Recoverable	82
Use Tax Liability	83
VAT Reverse Charge Liability	84
VAT Reverse Charge Liability	84
Additional Entry Distribution	91
Additional Entry Liability	92
Intercompany Balancing	93
Realized Gain	95
Realized Loss	96
Cross-currency Position	97

Notes

Appendix B Understanding Account Retrieval Flow

B

This appendix contains information about Infinium PL account retrieval in the form of two diagrams. The diagrams summarize the files that the system uses and the flow of information for retrieval of the following:

- Accounts for line items
- Accounts for additional charges

Account Retrieval Flow for Items

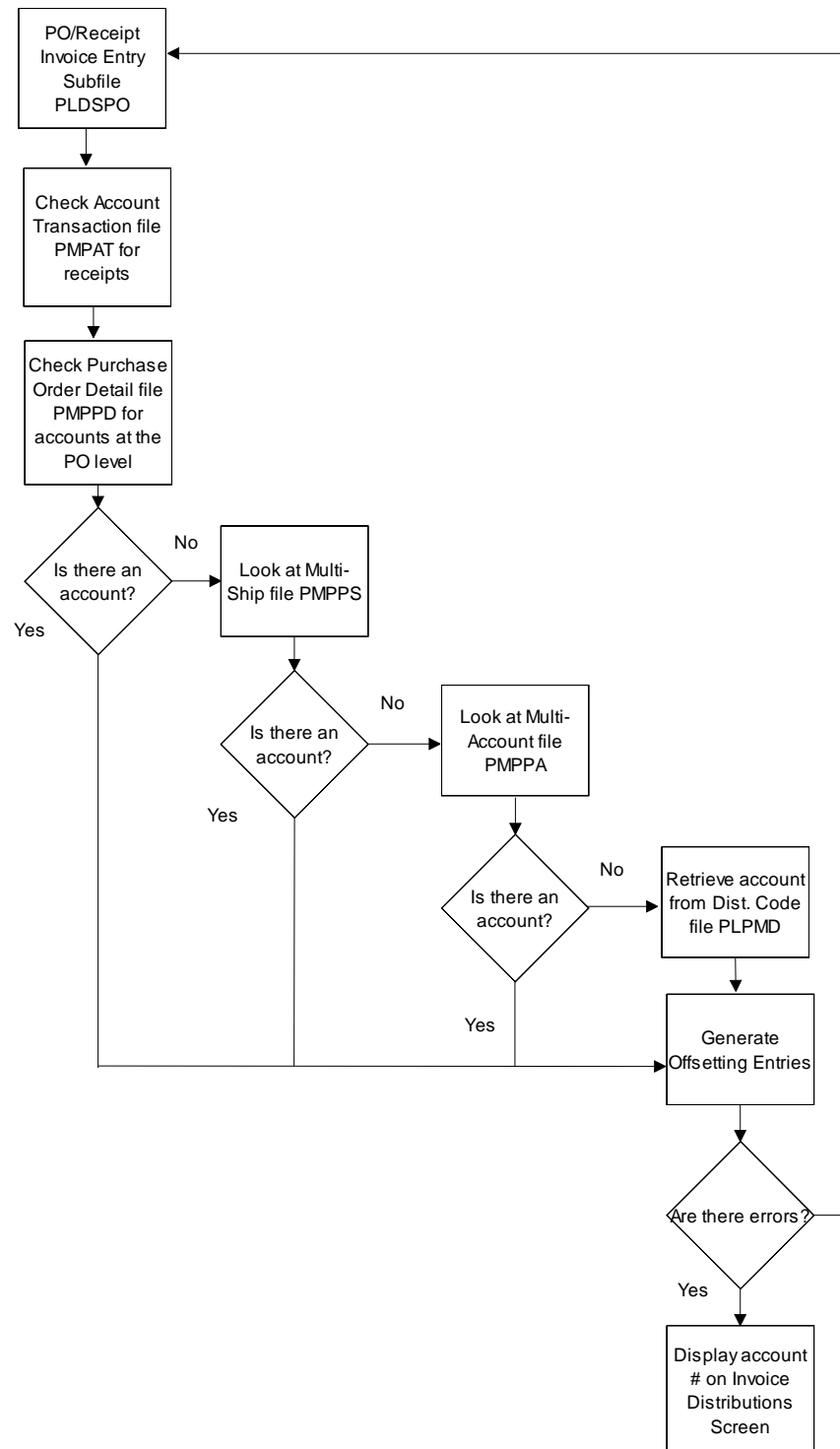


Figure B-1: Account Retrieval Flow for Items

Account Retrieval Flow for Additional Charges

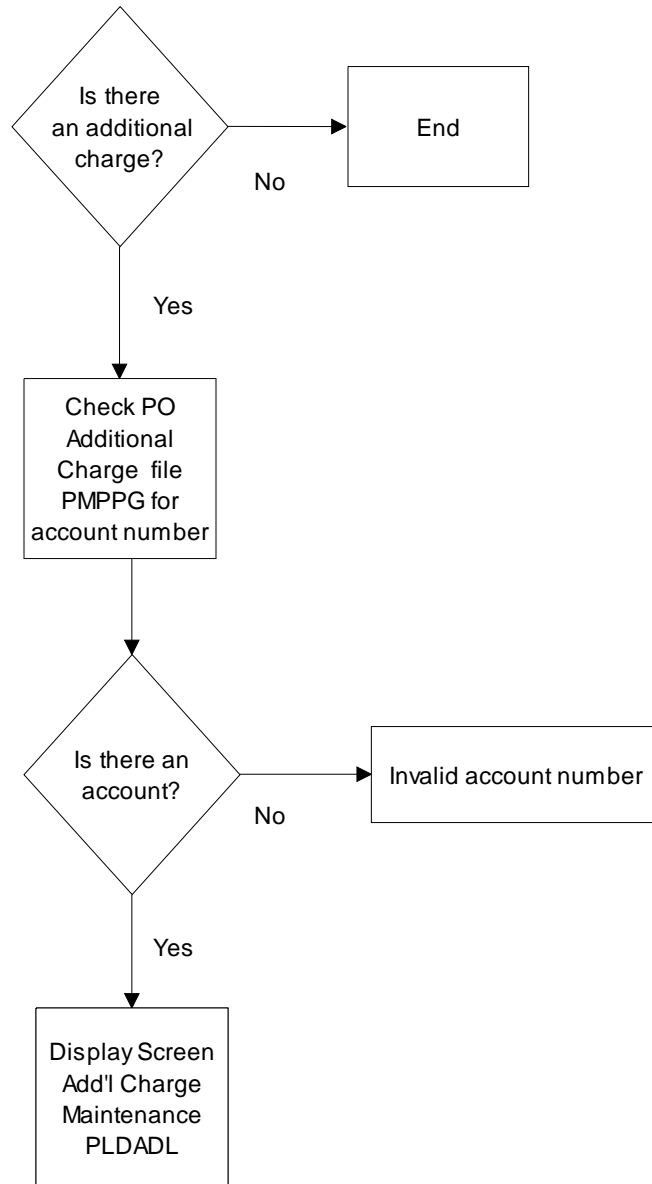


Figure B-2: Account Retrieval Flow for Additional Charges

Notes

Appendix C Understanding Accounting Entries

C

This appendix provides examples of the accounting entries associated with Infinium PL to Infinium PM integration.

These examples are intended to familiarize you with the accounting calculations the system performs to derive purchase order invoice accounting entries.

For examples of accounting transactions related to prorating tax, freight, and other additional charges, refer to Appendix G, “Additional Charge Prorating and Accounting Transactions.”

This appendix consists of the following topics:

Topic	Page
Accounting entries overview	C-2
Standard cost scenarios	C-5
Adjustment based scenarios	C-22
Standard cost currency scenarios	C-34
Adjustment based cost currency scenarios	C-49

Accounting entries overview

When you receive inventory for a line item in Infinium PM, the system writes a record to the Account Transaction file (PMPAT). The Account Transaction file stores the necessary accounts, costs, and quantities so that Infinium PL can generate the appropriate information when you create an invoice for the line item.

If your Infinium PM company is using the accrual accounting method, the Infinium PM system generates a general ledger transaction at receiving time. When you create an invoice for purchasing information, the Infinium PL system uses this accounting information. If you are using the cash accounting method, the system does not generate a general ledger transaction at Infinium PM receiving time.

Infinium PL generates all accounting entries for cash companies and for purchase orders that you do not receive.

Controls that you define in Infinium CA and Infinium PM, as well as your costing method, affect the calculations that the system performs and the accounting information the system generates. These controls are as follows:

- Controls in Infinium CA:
 - Your accounting method (accrual or cash-based)
 - Your cost method (standard or adjustment based)
 - Split purchase price variance (PPV) record in Infinium PL only or split between Infinium PM and Infinium PL
 - Controls in Infinium PM:
 - The entry in the *Receipt activity* field that you define for the purchase order detail line. You define a default for this field in the *Work with purchase type* option. You can change the default from the purchase order detail, if necessary. This entry determines whether an item is an inventory item or an expense and determines whether receipts are required before invoicing.
 - The entry in the *Capital Item* field. This value is the default in the purchase order detail from the Product file. If an item is flagged as a capital item, the system treats the item as an expense rather than as an inventory item. A capital item can be specified to be accrued (meaning that the entries are recorded at the time of receiving) or as non-accrued.
-

- The entry in the *Inventoried Item?* field. This field is automatically set to no if the item is a capital item or if the receipt activity flag specifies **Dir. ship**.

Refer to the “Defining Infinium CA Company Controls” chapter of this guide for more information about the results of defining your company’s accounting method as accrual or cash-based.

This appendix presents several examples of the accounting entries that the system generates. These examples are presented in table format, based on different transactions, and how you define the above controls.

The left column in each table lists the system from which the transaction calculations originate as follows:

- Where the examples indicate Infinium PM calculations, the transaction is generated from Infinium PM Receiving when you receive items.
- Where the examples indicate Infinium PL calculations, the transaction is generated from Infinium PL PO/Receipt invoice entry and posting.

Each example also lists the accounting entries by cost method in the order in which the transactions should take place. For example, some three-part calculations are composed of a calculation and accounting entries that occur in Infinium PL, followed by a calculation and accounting entries that occur in Infinium PM, and calculation and accounting entries that occur next in Infinium PL.

The table below summarizes the accounts that are affected by Infinium PM and Infinium PL transactions and identifies the corresponding transaction type numbers.

Account	Transaction Type
Inventory or expense (INV or EXP)	21
Freight	22
Tax entries for tax additional charges	24 - 26
Other additional charge expense	30
Purchase price variance (PPV) for companies using standard cost	31
Inventory adjustment (INA) for companies using adjustment based costing	32
Invoiced not received (INR)	33
Received not invoiced (RNI)	34
Purchase price variance (PPV) exchange	35

Account	Transaction Type
Inventory adjustment exchange	36
Expense currency exchange	37
Include in inventory cost	38
Accounts payable trade	51

The tables throughout the remainder of this appendix include a column for the line type. If no line type number applies, the table entry has a dash (--) in the line type column.

Standard cost scenarios

The accounting entry scenarios in this topic are based on the Standard Cost method.

All variance entries can be either a debit or a credit entry, depending on whether the cost variance amount is over or under the value on the invoice as compared to the cost of either the item or purchase order. The examples in the scenarios below show the entries as debit amounts.

If you are using split purchase price variance, the system performs the following:

- When you receive inventory, the system calculates and books the variance between the standard cost and the purchase order cost.
- When you create an invoice, the system calculates and books the variance between the purchase order cost and the invoice cost.

Therefore, the cost variance is split over the Infinium PL and the Infinium PM systems.

If you are using non-split purchase price variance (PPV), the system performs the following:

- No PPV calculation at the time of receipt
- Calculation and booking of the variance between the item cost and the invoice cost during creation of the invoice

PPV applies only to standard cost companies. PPV does not apply to adjustment based costing.

Example #1

Accounting Method:	Accrual
Split Purchase Price Variance:	No
Transaction:	Goods received in full, then invoiced in full
Inventoried item?	Yes
<i>Receipt Activity</i> field value:	Regular Receipt, Prepaid, or Receipt Required
Capital Item:	No

Infinium PM calculations

Account	Line Type	Debit	Credit	Calculations
INV	--	\$XX		Quantity received multiplied by item cost
RNI	--		\$XX	Quantity received multiplied by item cost

Infinium PL calculations

Account	Line Type	Debit	Credit	Calculations
RNI	34	\$XX		Invoice quantity (not to exceed received quantity) multiplied by item cost
PPV	31	\$XX		Difference between item cost and invoice cost multiplied by invoiced quantity
AP Trade	51		\$XX	Invoice quantity multiplied by invoice cost

Example #2

Accounting Method:	Accrual
Split Purchase Price Variance:	N/A for non-inventory item
Transaction:	Goods received in full, then invoiced in full
Inventoried item?	No
<i>Receipt Activity</i> field value:	Regular Receipt, Prepaid, or Receipt Required
Capital Item:	No or Accrued Capital Item

Infinium PM calculations

Account	Line Type	Debit	Credit	Calculations
EXP	--	\$XX		Quantity received multiplied by purchase order cost

Account	Line Type	Debit	Credit	Calculations
RNI	--		\$XX	Quantity received multiplied by purchase order cost

Infinium PL calculations

Account	Line Type	Debit	Credit	Calculations
RNI	34	\$XX		Invoice quantity (not to exceed received quantity) multiplied by purchase order cost
See note after table	21	\$XX		Difference between purchase order cost and invoice cost multiplied by quantity invoiced
AP Trade	51		\$XX	Invoice cost multiplied by invoice quantity

Note: If the line type is 21 and if the purchased item is expensed to more than one expense account, the difference between the purchase order cost and the invoice cost is prorated over each expense account based on each expense account's expense amount.

Example #3

Accounting Method:	Accrual
Split Purchase Price Variance:	No
Transaction:	Goods invoiced in full, then received in full
Inventoried item?	Yes
<i>Receipt Activity</i> field value:	Regular Receipt or Prepaid, or Receipt Required
Capital Item:	No

Infinium PL calculations

Account	Line Type	Debit	Credit	Calculations
INR	33	\$XX		Quantity invoiced multiplied by item cost

Account	Line Type	Debit	Credit	Calculations
PPV	31	\$XX		Difference between item cost and invoice cost multiplied by quantity invoiced
AP Trade	51		\$XX	Invoice quantity multiplied by invoice cost

Infinium PM calculations

Account	Line Type	Debit	Credit	Calculations
INR	--		\$XX	Quantity received (not to exceed invoice quantity) multiplied by item cost
INV	--	\$XX		Quantity received multiplied by item cost

Example #4

Accounting Method:	Accrual
Split Purchase Price Variance:	N/A for non-inventory item
Transaction:	Goods invoiced in full, then received in full
Inventoried item?	No
<i>Receipt Activity</i> field value:	Regular Receipt, Prepaid, or Receipt Required
Capital Item:	No or Accrued Capital Item

Infinium PL calculations

Account	Line Type	Debit	Credit	Calculations
INR	33	\$XX		Quantity invoiced multiplied by purchase order cost
See note after table	21	\$XX		Difference between purchase order cost and invoice cost multiplied by quantity invoiced
AP Trade	51		\$XX	Invoiced quantity multiplied by invoice cost

Infinium PM calculations

Account	Line Type	Debit	Credit	Calculations
INR	--		\$XX	Quantity received (not to exceed invoice quantity) multiplied by purchase order cost
EXP	--	\$XX		Quantity received multiplied by purchase order cost

Note: If the line type is 21 and if the purchased item is expensed to more than one expense account, the difference between the purchase order cost and the invoice cost is prorated over each expense account based on each expense account's expense amount.

Example #5

Accounting Method:	Accrual
Split Purchase Price Variance:	Not applicable for non-inventory item
Transaction:	Invoice for full or partial amount
Inventoried item?	No
<i>Receipt Activity</i> field value:	Never to be Received
Capital Item:	No or Capital Item

Infinium PL calculations

Account	Line Type	Debit	Credit	Calculations
EXP (taken from PO detail)	21	\$XX		Quantity invoiced multiplied by invoiced cost
AP Trade	51		\$XX	Quantity invoiced multiplied by invoiced cost

Infinium PM calculations

Account	Line Type	Debit	Credit	Calculations
Receiving (No entry)	--			

Example #6

Accounting Method:	Accrual
Split Purchase Price Variance:	Yes
Transaction:	Goods received in full, then invoiced in full
Inventoried item?	Yes
<i>Receipt Activity</i> field value:	Regular Receipt, Prepaid, or Receipt Required
Capital Item:	No

Infinium PM calculations

Account	Line Type	Debit	Credit	Calculations
INV	--	\$XX		Received quantity multiplied by item cost
PPV	--	\$XX		Difference between item cost and purchase order cost multiplied by quantity received
RNI	--		\$XX	Received quantity multiplied by purchase order cost

Infinium PL calculations

Account	Line Type	Debit	Credit	Calculations
RNI	34	\$XX		Invoice quantity (not to exceed received quantity) multiplied by purchase order cost
PPV	31	\$XX		Difference between purchase order cost and invoice cost multiplied by quantity invoiced
AP Trade	51		\$XX	Invoice quantity multiplied by invoice cost

Example #7

Accounting Method:	Accrual
Split Purchase Price Variance:	Yes
Transaction:	Goods invoiced in full, then received in full
Inventoried item?	Yes
<i>Receipt Activity</i> field value:	Regular Receipt, Prepaid, or Receipt Required
Capital Item:	No

Infinium PL calculations

Account	Line Type	Debit	Credit	Calculations
INR	33	\$XX		Invoice quantity multiplied by purchase order cost
PPV	31	\$XX		Difference between purchase order cost and invoice cost multiplied by quantity invoiced
AP Trade	51		\$XX	Invoice quantity multiplied by invoice cost

Infinium PM calculations

Account	Line Type	Debit	Credit	Calculations
INR	--		\$XX	Received quantity (not to exceed invoiced quantity) multiplied by purchase order cost
INV	--	\$XX		Received quantity multiplied by item cost
PPV	--	\$XX		Difference between item cost and purchase order cost multiplied by quantity received

Example #8

Accounting Method:	Cash Basis
Split Purchase Price Variance:	No
Transaction:	Invoice item in full before or after it is received. The order of invoicing and receiving is not applicable since there are never any RNI or INR entries for a cash basis company
Inventoried item?	Yes
<i>Receipt Activity</i> field value:	Regular Receipt, Prepaid, or Receipt Required
Capital Item:	No

Infinium PL calculations

Account	Line Type	Debit	Credit	Calculations
INV	21	\$XX		Invoice quantity multiplied by item cost
PPV	31	\$XX		Difference between item cost and invoice cost multiplied by invoiced quantity
AP Trade	51		\$XX	Invoice quantity multiplied by invoice cost

Infinium PM calculations

Account	Line Type	Debit	Credit	Calculations
Receiving (No entry)				

Example #9

Accounting Method:	Cash Basis
Split Purchase Price Variance:	Not applicable for cash basis company

Transaction:	Invoice item in full before or after it is received. The order of invoicing and receiving is not applicable since there are never any RNI or INR entries for a cash basis company
--------------	---

Inventoried item?	No
-------------------	----

<i>Receipt Activity</i> field value:	Direct Ship, Regular Receipt, Prepaid, or Receipt Required
--------------------------------------	--

Capital Item:	No or Capital Item
---------------	--------------------

Infinium PL calculations

Account	Line Type	Debit	Credit	Calculations
EXP	21	\$XX		Invoice quantity multiplied by invoice cost
AP Trade	51		\$XX	Invoice quantity multiplied by invoice cost

Infinium PM calculations

Account	Line Type	Debit	Credit	Calculations
Receiving (No entry)				

Example #10

Accounting Method:	Accrual or Cash Basis
--------------------	-----------------------

Split Purchase Price Variance:	N/A
--------------------------------	-----

Transaction:	Invoice item before or after received. The order of invoicing and receiving is not applicable since there are never any RNI or INR entries for a cash basis company
--------------	---

Inventoried item?	No
-------------------	----

<i>Receipt Activity</i> field value:	Direct Ship, Regular Receipt, Prepaid, or Receipt Required
--------------------------------------	--

Capital Item:	Yes; non-accrued
---------------	------------------

Infinium PL calculations

Account	Line Type	Debit	Credit	Calculations
EXP (taken from PO detail)	21	\$XX		Invoice quantity multiplied by invoice cost
AP Trade	51		\$XX	Invoice quantity multiplied by invoice cost

Infinium PM calculations

Account	Line Type	Debit	Credit	Calculations
Receiving (No entry)				

Example #11

Accounting Method:	Accrual
Split Purchase Price Variance:	No
Transaction:	Goods partially received, then invoiced in full, then received in full
Inventoried item?	Yes
<i>Receipt Activity</i> field value:	Regular Receipt, Prepaid, or Receipt Required
Capital Item:	No

Infinium PM calculations

Account	Line Type	Debit	Credit	Calculations
INV	--	\$XX		Received quantity multiplied by item cost
RNI	--		\$XX	Received quantity multiplied by item cost

Infinium PL calculations

Account	Line Type	Debit	Credit	Calculations
RNI	34	\$XX		Invoice quantity (not to exceed received quantity) multiplied by item cost
PPV	31	\$XX		Difference between item cost and invoice cost multiplied by invoice quantity
INR	33	\$XX		Invoice quantity in excess of received quantity multiplied by item cost
AP Trade	51		\$XX	Invoice quantity multiplied by invoice cost

Infinium PM calculations

Account	Line Type	Debit	Credit	Calculations
INR	--		\$XX	Received quantity (for new receipt, not to exceed invoiced quantity) multiplied by item cost
INV	--	\$XX		Received quantity (for new receipt) multiplied by item cost

Example #12

Accounting Method:	Accrual
Split Purchase Price Variance:	N/A for non-inventory item
Transaction:	Goods partially received, then invoiced in full, then fully received
Inventoried item?	No
<i>Receipt Activity</i> field value:	Regular Receipt, Prepaid, or Receipt Required
Capital Item:	No or Accrued Capital Item

Infinium PM calculations

Account	Line Type	Debit	Credit	Calculations
EXP	--	\$XX		Received quantity multiplied by purchase order cost
RNI	--		\$XX	Received quantity multiplied by purchase order cost

Infinium PL calculations

Account	Line Type	Debit	Credit	Calculations
RNI	34	\$XX		Invoice quantity (not to exceed received quantity) multiplied by purchase order cost
See note after table	21	\$XX		Difference between purchase order cost and invoice cost multiplied by invoice quantity
INR	33	\$XX		Invoice quantity in excess of received quantity multiplied by purchase order cost
AP Trade	51		\$XX	Invoiced quantity multiplied by invoiced cost

Infinium PM calculations

Account	Line Type	Debit	Credit	Calculations
INR	--		\$XX	Received quantity (for new receipt, not to exceed invoiced quantity) multiplied by purchase order cost
EXP	--	\$XX		Received quantity (for new receipt) multiplied by purchase order cost

Note: If the purchased item is expensed to more than one expense account, the difference between the purchase order cost and the invoice cost is

prorated over each expense account based on each expense account's expense amount.

Example #13

Accounting Method:	Accrual
Split Purchase Price Variance:	No
Transaction:	Partially invoiced, then received in full, then invoiced in full
Inventoried item?	Yes
<i>Receipt Activity</i> field value:	Regular Receipt, Prepaid, or Receipt Required
Capital Item:	No

Infinium PL calculations

Account	Line Type	Debit	Credit	Calculations
INR	33	\$XX		Invoice quantity multiplied by item cost
PPV	31	\$XX		Difference between item cost and invoice cost multiplied by invoice quantity
AP Trade	51		\$XX	Invoice quantity multiplied by invoice cost

Infinium PM calculations

Account	Line Type	Debit	Credit	Calculations
INR	--		\$XX	Received quantity (not to exceed invoiced quantity) multiplied by item cost
RNI	--		\$XX	Received quantity in excess of invoiced quantity multiplied by item cost
INV	--	\$XX		Total quantity received multiplied by item cost

Infinium PL calculations

Account	Line Type	Debit	Credit	Calculations
RNI	34	\$XX		Invoice quantity (not to exceed received quantity) multiplied by item cost
PPV	31	\$XX		Difference between item cost and invoice cost multiplied by invoice quantity
AP Trade	51		\$XX	Invoice quantity multiplied by invoice cost

Example #14

Accounting Method:	Accrual
Split Purchase Price Variance:	N/A for non-inventory item
Transaction:	Partially invoiced, then received in full, then invoiced in full
Inventoried item?	No
<i>Receipt Activity</i> field value:	Regular Receipt, Prepaid, or Receipt Required
Capital Item:	No or Accrued Capital Item

Infinium PL calculations

Account	Line Type	Debit	Credit	Calculations
INR	33	\$XX		Invoice quantity multiplied by purchase order cost
See note after table	21	\$XX		Difference between purchase order cost and invoice cost multiplied by invoice quantity
AP Trade	51		\$XX	Invoice quantity multiplied by invoice cost

Infinium PM calculations

Account	Line Type	Debit	Credit	Calculations
INR	--		\$XX	Received quantity (not to exceed invoiced quantity) multiplied by purchase order cost
RNI	--		\$XX	Received quantity in excess of invoiced quantity multiplied by purchase order cost
EXP	--	\$XX		Total quantity received multiplied by purchase order cost

Infinium PL calculations

Account	Line Type	Debit	Credit	Calculations
RNI	34	\$XX		Invoice quantity (not to exceed received quantity) multiplied by purchase order cost
See note after table	21	\$XX		Difference between purchase order cost and invoice cost multiplied by invoice quantity
AP Trade	51		\$XX	Invoice quantity multiplied by invoice cost

Note: If the line type is 21 and if the purchased item is expensed to more than one expense account, the difference between the purchase order cost and the invoice cost is prorated over each expense account based on each expense account's expense amount.

Example #15

Accounting Method:	Accrual
Split Purchase Price Variance:	Yes
Transaction:	Goods partially received, then invoiced in full, then received in full

Inventoried item?	Yes
<i>Receipt Activity</i> field value:	Regular Receipt, Prepaid, or Receipt Required
Capital Item:	No

Infinium PM calculations

Account	Line Type	Debit	Credit	Calculations
INV	--	\$XX		Received quantity multiplied by item cost
PPV	--	\$XX		Difference between item cost and purchase order cost multiplied by quantity received
RNI	--		\$XX	Received quantity multiplied by purchase order cost

Infinium PL calculations

Account	Line Type	Debit	Credit	Calculations
RNI	34	\$XX		Invoice quantity (not to exceed received quantity) multiplied by purchase order cost
INR	33	\$XX		Invoice quantity in excess of received quantity multiplied by purchase order cost
PPV	31	\$XX		Difference between purchase order cost and invoice cost multiplied by quantity invoiced
AP Trade	51		\$XX	Invoice quantity multiplied by invoice cost

Infinium PM calculations

Account	Line Type	Debit	Credit	Calculations
INR	--		\$XX	Received quantity (not to exceed invoiced quantity) multiplied by purchase order cost
INV	--	\$XX		Received quantity multiplied by item cost
PPV	--	\$XX		Difference between item cost and purchase order cost multiplied by quantity received

Adjustment based scenarios

The accounting entry examples in this section are for adjustment based inventory cost methods.

Each adjustment entry can be either a debit entry or a credit entry. The entry depends on whether the adjustment amount is based on an over or under value on the invoice as compared to the purchase order. The examples on the following pages show the entries as debit amounts.

The accounting transactions for the non-standard or adjustment based cost methods are described below.

Adjusting entries from Infinium PL are written to the Cost Transaction file (PMPCT) and the Accounting Transaction file (PMPAT) in Infinium PM.

Purchase Price Variance (PPV) is not applicable to non-standard cost entries. The system uses an Inventory Adjustment (INA) transaction to account for inventory variances.

Example #1

Accounting Method:	Accrual
Transaction:	Goods received in full, then invoiced in full
Inventoried item?	Yes
<i>Receipt Activity</i> field value:	Regular Receipt, Prepaid, or Receipt Required
Capital Item:	No

Infinium PM calculations

Account	Line Type	Debit	Credit	Calculations
INV	--	\$XX		Received quantity multiplied by purchase order cost
RNI	--		\$XX	Received quantity multiplied by purchase order cost

Infinium PL calculations

Account	Line Type	Debit	Credit	Calculations
RNI	34	\$XX		Invoice quantity (not to exceed received quantity) multiplied by purchase order cost
INA	32	\$XX		Difference between purchase order cost and invoice cost multiplied by invoiced quantity
AP Trade	51		\$XX	Invoice quantity multiplied by invoice cost

Example #2

Accounting Method:	Accrual
Transaction:	Goods received in full, then invoiced in full
Inventoried item?	No
<i>Receipt Activity</i> field value:	Regular Receipt, Prepaid, or Receipt Required
Capital Item:	No or Accrued Capital Item

Infinium PM calculations

Account	Line Type	Debit	Credit	Calculations
EXP	--	\$XX		Received quantity multiplied by purchase order cost
RNI	--		\$XX	Received quantity multiplied by purchase order cost

Infinium PL calculations

Account	Line Type	Debit	Credit	Calculations
RNI	34	\$XX		Invoice quantity (not to exceed received quantity) multiplied by purchase order cost

Account	Line Type	Debit	Credit	Calculations
See note after table	21	\$XX		Difference between purchase order cost and invoice cost multiplied by invoiced quantity
AP Trade	51		\$XX	Invoice quantity multiplied by invoice cost

Note: If the line type is 21 and if the purchased item is expensed to more than one expense account, the difference between the purchase order cost and the invoice cost is prorated over each expense account based on each expense account's expense amount.

Example #3

Accounting Method:	Accrual
Transaction:	Goods invoiced in full, then received in full
Inventoried item?	Yes
<i>Receipt Activity</i> field value:	Regular Receipt, Prepaid, or Receipt Required
Capital Item:	No

Infinium PL calculations

Account	Line Type	Debit	Credit	Calculations
INR	33	\$XX		Invoice quantity multiplied by purchase order cost
INA	32	\$XX		Difference between purchase order cost and invoice cost multiplied by quantity invoiced
AP Trade	51		\$XX	Invoice quantity multiplied by invoice cost

Infinium PM calculations

Account	Line Type	Debit	Credit	Calculations
INR	--		\$XX	Received quantity (not to exceed invoiced quantity) multiplied by purchase order cost
INV	--	\$XX		Received quantity multiplied by purchase order cost

Example #4

Accounting Method:	Accrual
Transaction:	Goods invoiced in full, then received in full
Inventoried item?	No
<i>Receipt Activity</i> field value:	Regular Receipt, Prepaid, or Receipt Required
Capital Item:	No or Accrued Capital Item

Infinium PL calculations

Account	Line Type	Debit	Credit	Calculations
INR		\$XX		Invoice quantity multiplied by purchase order cost
See note after table		\$XX		Difference between purchase order cost and invoice cost multiplied by quantity invoiced
AP Trade			\$XX	Invoice quantity multiplied by invoice cost

Infinium PM calculations

Account	Line Type	Debit	Credit	Calculations
INR			\$XX	Quantity received (not to exceed invoice quantity) multiplied by purchase order cost

Account	Line Type	Debit	Credit	Calculations
EXP		\$XX		Quantity received multiplied by purchase order cost

Note: If the line type is 21 and if the purchased item is expensed to more than one expense account, the difference between the purchase order cost and the invoice cost is prorated over each expense account based on each expense account's expense amount.

Example #5

Accounting Method:	Accrual
Transaction:	Invoice for full or partial amount
Inventoried item?	No
<i>Receipt Activity</i> field value:	Never to be Received
Capital Item:	No or Capital Item

Infinium PL calculations

Account	Line Type	Debit	Credit	Calculations
EXP	21	\$XX		Invoiced quantity multiplied by invoiced cost
AP Trade	51		\$XX	Invoiced quantity multiplied by invoiced cost

Infinium PM calculations

Account	Line Type	Debit	Credit	Calculations
Receiving (No entry)				

Example #6

Accounting Method:	Cash Basis
Transaction:	Item invoiced in full. The order of receiving and invoicing is not applicable since no entries are recorded at receiving time for a cash basis company.
Inventoried item?	Yes
<i>Receipt activity</i> field value:	Regular Receipt, Prepaid, or Receipt Required
Capital Item:	No

Infinium PL calculations

Account	Line Type	Debit	Credit	Calculations
INV	21	\$XX		Invoice quantity multiplied by purchase order cost
INA	32	\$XX		Difference between purchase order cost and invoice cost multiplied by invoiced quantity
AP Trade	51		\$XX	Invoice quantity multiplied by invoice amount

Infinium PM calculations

Account	Line Type	Debit	Credit	Calculations
Receiving (No entry)				

Example #7

Accounting Method:	Cash Basis
Transaction:	Invoiced in full. The order of receiving and invoicing is not applicable since there are no entries recorded at receiving time for a cash basis company.
Inventoried item?	No

Accounting Method:	Cash Basis
<i>Receipt activity</i> field value:	Direct Ship, Regular Receipt, Prepaid, or Receipt Required
Capital Item:	No or Capital Item

Infinium PL calculations

Account	Line Type	Debit	Credit	Calculations
EXP	21	\$XX		Invoice quantity multiplied by invoice cost
AP Trade	51		\$XX	Invoice quantity multiplied by invoice cost

Infinium PM calculations

Account	Line Type	Debit	Credit	Calculations
Receiving (No entry)				

Example #8

Accounting Method:	Accrual
Transaction:	Goods partially received, then invoiced in full, then received in full
Inventoried item?	Yes
<i>Receipt Activity</i> field value:	Regular Receipt, Prepaid, or Receipt Required
Capital Item:	No

Infinium PM calculations

Account	Line Type	Debit	Credit	Calculations
INV	--	\$XX		Received quantity multiplied by purchase order cost
RNI	--		\$XX	Received quantity multiplied by purchase order cost

Infinium PL calculations

Account	Line Type	Debit	Credit	Calculations
RNI	34	\$XX		Invoice quantity (not to exceed received quantity) multiplied by purchase order cost
INA	32	\$XX		Difference between purchase order cost and invoice cost multiplied by invoiced quantity
INR	33			Invoice quantity in excess of received quantity multiplied by purchase order cost
AP Trade	51		\$XX	Invoice quantity multiplied by invoice cost

Infinium PM calculations

Account	Line Type	Debit	Credit	Calculations
INR	--		\$XX	Received quantity (for new receipt) multiplied by purchase order cost
INV	--	\$XX		Received quantity (for new receipt) multiplied by purchase order cost

Example #9

Accounting Method:	Accrual
Transaction:	Goods partially received, then invoiced in full, then received in full
Inventoried item?	No
<i>Receipt Activity</i> field value:	Regular Receipt, Prepaid, or Receipt Required
Capital Item:	No or Accrued Capital Item

Infinium PM calculations

Account	Line Type	Debit	Credit	Calculations
EXP	--	\$XX		Received quantity multiplied by purchase order cost
RNI	--		\$XX	Received quantity multiplied by purchase order cost

Infinium PL calculations

Account	Line Type	Debit	Credit	Calculations
RNI	34	\$XX		Invoice quantity (not to exceed received quantity) multiplied by purchase order cost
See note after table	21	\$XX		Difference between purchase order cost and invoice cost multiplied by invoiced quantity
INR	33			Invoice quantity in excess of received quantity multiplied by purchase order cost
AP Trade	51		\$XX	Invoice quantity multiplied by invoice cost

Infinium PM calculations

Account	Line Type	Debit	Credit	Calculations
INR	--		\$XX	Received quantity (for new receipt) multiplied by purchase order cost
EXP	--	\$XX		Received quantity (for new receipt) multiplied by purchase order cost

Note: If the line type is 21 and if the purchased item is expensed to more than one expense account, the difference between the purchase order cost and the invoice cost is prorated over each expense account based on each expense account's expense amount.

Example #10

Accounting Method:	Accrual
Transaction:	Partially invoiced, then received in full, then invoiced in full
Inventoried item?	Yes
<i>Receipt Activity</i> field value:	Regular Receipt, Prepaid, or Receipt Required
Capital Item:	No

Infinium PL calculations

Account	Line Type	Debit	Credit	Calculations
INR	33	\$XX		Invoice quantity multiplied by purchase order cost
INA	32	\$XX		Difference between purchase order cost and invoice cost multiplied by invoiced quantity
AP Trade	51		\$XX	Invoice quantity multiplied by invoice cost

Infinium PM calculations

Account	Line Type	Debit	Credit	Calculations
INR	--		\$XX	Received quantity (not to exceed invoice quantity) multiplied by purchase order cost
RNI	--		\$XX	Received quantity in excess of invoice quantity multiplied by purchase order cost
INV	--	\$XX		Total received quantity multiplied by purchase order cost

Infinium PL calculations

Account	Line Type	Debit	Credit	Calculations
RNI	34	\$XX		Invoice quantity (not to exceed received quantity) multiplied by purchase order cost
INA	32	\$XX		Difference between purchase order cost and invoice cost multiplied by invoiced quantity
AP Trade	51		\$XX	Invoice quantity multiplied by invoice cost

Example #11

Accounting Method:	Accrual
Transaction:	Partially invoiced first, but received for an amount greater than invoiced, then invoiced in full
Inventoried item?	No
<i>Receipt Activity</i> field value:	Regular Receipt, Prepaid, or Receipt Required
Capital Item:	No or Accrued Item

Infinium PL calculations

Account	Line Type	Debit	Credit	Calculations
INR		\$XX		Invoice quantity multiplied by purchase order cost
See note after table		\$XX		Difference between purchase order cost and invoice cost multiplied by invoiced quantity
AP Trade			\$XX	Invoice quantity multiplied by invoice cost

Infinium PM calculations

Account	Line Type	Debit	Credit	Calculations
INR			\$XX	Invoice quantity multiplied by purchase order cost
RNI			\$XX	Remaining received quantity multiplied by purchase order cost
EXP		\$XX		Total received quantity multiplied by purchase order cost

Infinium PL calculations

Account	Line Type	Debit	Credit	Calculations
RNI		\$XX		Invoice quantity multiplied by purchase order cost
See note after table		\$XX		Difference between purchase order cost and invoice cost multiplied by invoiced quantity
AP Trade			\$XX	Invoice quantity multiplied by invoice cost

Note: If the line type is 21 and if the purchased item is expensed to more than one expense account, the difference between the purchase order cost and the invoice cost is prorated over each expense account based on each expense account's expense amount.

Standard cost currency scenarios

This topic provides examples of accounting entries that result from Infinium PL and Infinium PM integration with Infinium CM multi-currency processing.

The system books exchange variances that result from either of the following:

- Differences between the exchange rate at invoice time and the exchange rate at receipt time
- Differences between the standard cost exchange rate and the invoice exchange rate

The invoiced amount in all of these examples equals the purchase order (ordered) amount.

The purchase order transaction currency must be the same as the invoice transaction currency.

Example #1

Accounting Method:	Accrual
Split Purchase Price Variance:	No
Transaction:	Goods received in full then invoiced for full amount
Inventoried Item?	Yes
<i>Receipt Activity</i> field value:	Regular Receipt, Prepaid, or Receipt Required
Capital Item:	No

Infinium PM calculations

Account	Line Type	Debit	Credit	Calculations
Inventory	--	\$ XX CAD XX USD		Received quantity multiplied by item cost*
RNI	--		\$ XX CAD XX USD	Received quantity multiplied by item cost*

Infinium PL calculations

Account	Line Type	Debit	Credit	Calculations
RNI	34	\$ XX CAD XX USD		Invoiced quantity (not to exceed received qty) multiplied by Item cost**
PPV	31	\$ XX CAD XX USD		Item cost less invoice cost multiplied by invoice quantity*
PPV Exchange	35	\$ 0 CAD XX USD		Balance base currency
AP Trade	51		\$ XX CAD XX USD	Invoiced quantity multiplied by invoice cost***

* = Item cost exchange rate type and standard cost effective date are used to obtain the exchange rate from Infinium CM

** = Exchange rate from the original receipt RNI transaction used

*** = Invoice to Base exchange rate type and Invoice date are used to obtain the exchange rate from Infinium CM

Example #2

Accounting Method:	Accrual
Split Purchase Price Variance:	No
Transaction:	Goods Invoiced in full, then received in full
Inventoried Item?	Yes
<i>Receipt Activity</i> field value:	Regular Receipt, Prepaid, or Receipt Required
Capital Item:	No

Infinium PL calculations

Account	Line Type	Debit	Credit	Calculations
INR	33	\$ XX CAD XX USD		Invoiced quantity multiplied by Item cost*
PPV	31	\$ XX CAD XX USD		Item cost less invoice cost multiplied by invoice quantity*
PPV Exchange	35	\$ 0 CAD XX USD		Balance base currency
AP Trade	51		\$ XX CAD XX USD	Invoice quantity multiplied by invoice cost ***

Infinium PM calculations

Account	Line Type	Debit	Credit	Calculations
Inventory	--	\$ XX CAD XX USD		Received quantity multiplied by item cost*
INR	--		\$ XX CAD XX USD	Received quantity (not to exceed invoice quantity) multiplied by item cost**

* = Item cost exchange rate type and standard cost effective date are used to obtain the exchange rate from Infinium CM

** = Exchange rate from the original invoice INR transaction used

*** = Invoice to Base exchange rate type and Invoice date are used to obtain the exchange rate from Infinium CM

Example #3

Accounting Method:	Accrual
Split Purchase Price Variance:	No
Transaction:	Goods partially received , then invoiced in full
Inventoried Item?	Yes
<i>Receipt Activity</i> field value:	Regular Receipt, Prepaid, or Receipt Required
Capital Item:	No

Infinium PM calculations

Account	Line Type	Debit	Credit	Calculations
Inventory	--	\$ XX CAD XX USD		Received quantity multiplied by item cost*
RNI	--		\$ XX CAD XX USD	Received quantity multiplied by item cost*

Infinium PL calculations

Account	Line Type	Debit	Credit	Calculations
RNI	34	\$ XX CAD XX USD		Invoiced quantity (not to exceed received qty) multiplied by Item cost**
INR	33	\$ XX CAD XX USD		Invoice quantity in excess of received quantity, multiplied by item cost*
PPV	31	\$ XX CAD XX USD		Item cost less invoice cost multiplied by invoice quantity*

Account	Line Type	Debit	Credit	Calculations
PPV Exchange	35	\$ 0 CAD XX USD		Balance base currency
AP Trade	51		\$ XX CAD XX USD	Invoice quantity multiplied by invoice cost***

* = Item cost exchange rate type and PO creation date are used to obtain the exchange rate from Infinium CM

** = Exchange rate from the original receipt RNI transaction used

*** = Invoice to Base exchange rate type and Invoice date are used to obtain the exchange rate from Infinium CM

Example #4

Accounting Method:	Accrual
Split Purchase Price Variance:	Not applicable for non-Inventory item
Transaction:	Goods received in full then invoiced in full.
Inventoried Item?	No
<i>Receipt Activity</i> field value:	Regular Receipt, Prepaid, or Receipt Required
Capital Item:	No or Accrued

Infinium PM calculations

Account	Line Type	Debit	Credit	Calculations
Expense	--	\$ XX CAD XX USD		Received quantity multiplied by PO cost*
RNI	--		\$ XX CAD XX USD	Received quantity multiplied by PO cost*

Infinium PL calculations

Account	Line Type	Debit	Credit	Calculations
RNI	34	\$ XX CAD XX USD		Invoiced quantity (not to exceed received qty) multiplied by PO cost**
Expense currency exchange	37	\$ 0 CAD XX USD		Balance base currency
AP Trade	51		\$ XX CAD XX USD	Invoiced quantity multiplied by invoice cost***

* = Receipt rate type specified in Infinium PM and receipt date are used to obtain the exchange rate from Infinium CM

** = Exchange rate from the original receipt RNI transaction used

*** = Invoice to Base exchange rate type and Invoice date are used to obtain the exchange rate from Infinium CM

Example #5

Accounting Method:	Accrual
Split Purchase Price Variance:	No
Transaction:	Goods invoiced in full and then received in full.
Inventoried Item?	No
<i>Receipt Activity</i> field value:	Regular Receipt or Prepaid
Capital Item:	No or Accrued

Infinium PL calculations

Account	Line Type	Debit	Credit	Calculations
INR	33	\$ XX CAD XX USD		Invoiced quantity multiplied by PO cost*

Account	Line Type	Debit	Credit	Calculations
AP Trade	51		\$ XX CAD XX USD	Invoice quantity multiplied by invoice cost*

Infinium PM calculations

Account	Line Type	Debit	Credit	Calculations
Expense	--	\$ XX CAD XX USD		Received quantity multiplied by PO cost**
INR	--		\$ XX CAD XX USD	Received quantity (not to exceed invoice quantity) multiplied by PO cost**

* = Invoice to Base exchange rate type and invoice date are used to obtain the exchange rate from Infinium CM

** = Exchange rate from the original invoice INR transaction used

Example #6

Accounting method:	Accrual
Split Purchase Price Variance:	Not applicable for non-Inventory item
Transaction:	Goods partially received and then invoiced in full
Inventoried Item?	No
<i>Receipt Activity</i> field value:	Regular Receipt or Prepaid
Capital Item:	No or Accrued

Infinium PM calculations

Account	Line Type	Debit	Credit	Calculations
Expense	--	\$ XX CAD XX USD		Received quantity multiplied by PO cost*
RNI	--		\$ XX CAD XX USD	Received quantity multiplied by PO cost*

Infinium PL calculations

Account	Line Type	Debit	Credit	Calculations
RNI	34	\$ XX CAD XX USD		Invoiced quantity (not to exceed received qty) multiplied by PO cost**
INR	33	\$ XX CAD XX USD		Invoice quantity, in excess of received quantity, multiplied by PO cost***
Expense currency exchange	37	\$ 0 CAD XX USD		Balance base currency
AP Trade	51		\$ XX CAD XX USD	Invoiced quantity multiplied by invoice cost***

* = Receipt rate type specified in Infinium PM and receipt date are used to obtain the exchange rate from Infinium CM

** = Exchange rate from the original receipt RNI transaction used

*** = Invoice to Base exchange rate type and Invoice date are used to obtain the exchange rate from Infinium CM

Example #7

Accounting method:	Accrual
Split Purchase Price Variance:	Not applicable for non-Inventory item
Transaction:	Invoiced before or after receipt
Inventoried Item?	No
<i>Receipt Activity</i> field value:	Direct ship
Capital Item:	No or Non -Accrued

Infinium PL calculations

Account	Line Type	Debit	Credit	Calculations
Expense	21	\$ XX CAD XX USD		Invoiced quantity multiplied by invoice cost*
AP Trade	51		\$ XX CAD XX USD	Invoiced quantity multiplied by invoice cost*

* = Invoice to Base exchange rate type and Invoice date are used to obtain the exchange rate from Infinium CM

Example #8

Accounting method:	Accrual
Split Purchase Price Variance:	Yes
Transaction:	Goods received in full then invoiced in full.
Inventoried Item?	Yes
<i>Receipt Activity</i> field value:	Regular Receipt, Prepaid, or Receipt Required
Capital Item:	No

Infinium PM calculations

Account	Line Type	Debit	Credit	Calculations
Inventory	--	\$ XX CAD XX USD		Received quantity multiplied by item cost*
PPV	--	\$ XX CAD XX USD		Difference between item cost and PO cost multiplied by received quantity*
RNI	--		\$ XX CAD XX USD	Received quantity multiplied by PO cost*

Infinium PL calculations

Account	Line Type	Debit	Credit	Calculations
RNI	34	\$ XX CAD XX USD		Invoiced quantity (not to exceed received qty) multiplied by PO cost**
PPV	31	\$ XX CAD XX USD		Item cost less invoice cost multiplied by invoice quantity*
PPV Exchange	35	\$ 0 CAD XX USD		Balance base currency
AP Trade	51		\$ XX CAD XX USD	Invoiced quantity multiplied by invoice cost***

* = Item cost exchange rate type and standard cost effective date are used to obtain the exchange rate from Infinium CM

** = Exchange rate from the original receipt RNI transaction used

*** = Invoice to Base exchange rate type and Invoice date are used to obtain the exchange rate from Infinium CM

Example #9

Accounting method:	Accrual
Split Purchase Price Variance:	Yes
Transaction:	Goods invoiced in full and then received in full.
Inventoried Item?	Yes
<i>Receipt Activity</i> field value:	Regular Receipt or Prepaid
Capital Item:	No

Infinium PL calculations

Account	Line Type	Debit	Credit	Calculations
INR	33	\$ XX CAD XX USD		Invoiced quantity multiplied by PO cost*
PPV Exchange	35	\$ 0 CAD XXUSD		Balance base currency
AP Trade	51		\$ XX CAD XX USD	Invoice quantity multiplied by invoice cost***

Infinium PM calculations

Account	Line Type	Debit	Credit	Calculations
Inventory	--	\$ XX CAD XX USD		Received quantity multiplied by item cost*
INR	--		\$ XX CAD XX USD	Received quantity (not to exceed invoice quantity) multiplied by PO cost**

* = Item cost exchange rate type and standard cost effective date are used to obtain the exchange rate from Infinium CM

** = Exchange rate from the original invoice INR transaction used

*** = Invoice to Base exchange rate type and Invoice date are used to obtain the exchange rate from Infinium CM

Example #10

Accounting method:	Accrual
Split Purchase Price Variance:	Yes
Transaction:	Goods partially received and then invoiced in full.
Inventoried Item?	Yes
<i>Receipt Activity</i> field value:	Regular Receipt or Prepaid
Capital Item:	No

Infinium PM calculations

Account	Line Type	Debit	Credit	Calculations
Inventory	--	\$ XX CAD XX USD		Received quantity multiplied by item cost*
PPV		\$ XX CAD XX USD		Difference between item cost and PO cost multiplied by received quantity*
RNI	--		\$ XX CAD XX USD	Received quantity multiplied by PO cost*

Infinium PL calculations

Account	Line Type	Debit	Credit	Calculations
RNI	34	\$ XX CAD XX USD		Invoiced quantity (not to exceed received qty) multiplied by PO cost**

Account	Line Type	Debit	Credit	Calculations
INR	33	\$ XX CAD XX USD		Invoice quantity, in excess of received quantity, multiplied by PO cost*
PPV	31	\$ XX CAD XX USD		Difference between PO cost and invoice cost multiplied by invoice quantity*
PPV Exchange	35	\$ 0 CAD XX USD		Balance base currency
AP Trade	51		\$ XX CAD XX USD	Invoiced quantity multiplied by invoice cost***

* = Item cost exchange rate type and standard cost effective date are used to obtain the exchange rate from Infinium CM

** = Exchange rate from the original invoice INR transaction used

*** = Invoice to Base exchange rate type and Invoice date are used to obtain the exchange rate from Infinium CM

Example #11

Accounting method:	Cash
Split Purchase Price Variance:	No (Cannot be split for cash accounting method)
Transaction:	Invoiced for full amount, before or after receipt
Inventoried Item?	Yes
<i>Receipt Activity</i> field value:	Regular Receipt, Prepaid, or Receipt Required
Capital Item:	No

Infinium PL calculations

Account	Line Type	Debit	Credit	Calculations
Inventory	21	\$ XX CAD XX USD		Invoiced quantity multiplied by Item cost*
PPV	31	\$ XX CAD XX USD		Item cost less invoice cost multiplied by invoice quantity*
PPV Exchange	35	\$ 0 CAD XX USD		Balance base currency
AP Trade	51		\$ XX CAD XX USD	Invoiced quantity multiplied by invoice cost**

* = Item cost exchange rate type and standard cost effective date are used to obtain the exchange rate from Infinium CM

** = Invoice to Base exchange rate type and Invoice date are used to obtain the exchange rate from Infinium CM

Example #12

Accounting method:	Cash
Split Purchase Price Variance:	Not applicable for non-Inventory item
Transaction:	Goods invoiced before or after receipt.
Inventoried Item?	No
<i>Receipt Activity</i> field value:	Direct ship, Regular Receipt, Prepaid, or Receipt Required
Capital Item:	No or Non-Accrued

Infinium PL calculations

Account	Line Type	Debit	Credit	Calculations
Expense	21	\$ XX CAD XX USD		Invoiced quantity invoice cost*
AP Trade	51		\$ XX CAD XX USD	Invoiced quantity multiplied by invoice cost*

* = Invoice to Base exchange rate type and Invoice date are used to obtain the exchange rate from Infinium CM

Adjustment based cost currency scenarios

This topic provides examples of accounting entries that result from Infinium PL and Infinium PM integration with Infinium CM multi-currency processing.

The system books exchange variances that result from either of the following:

- Differences between the exchange rate at invoice time and the exchange rate at receipt time
- Differences between the standard cost exchange rate and the invoice exchange rate

The invoiced amount in all of these examples equals the purchase order (ordered) amount.

The purchase order transaction currency must be the same as the invoice transaction currency.

Example #1

Accounting method	Accrual
Transaction:	Goods received in full and then invoiced for full amount
Inventoried Item?	Yes
<i>Receipt Activity</i> field value:	Regular Receipt, Prepaid, or Receipt Required
Capital Item:	No

Infinium PM calculations

Account	Line Type	Debit	Credit	Calculations
Inventory	--	\$ XX CAD XX USD		Received quantity multiplied by PO cost*
RNI	--		\$ XX CAD XX USD	Received quantity multiplied by PO cost*

Infinium PL calculations

Account	Line Type	Debit	Credit	Calculations
RNI	34	\$ XX CAD XX USD		Invoiced quantity (not to exceed received qty) multiplied by PO cost**
Inventory Adj.	32	\$ XX CAD XX USD		PO cost less invoice cost multiplied by invoice quantity*
Inventory Adj. Exchange	36	\$ 0 CAD XX USD		Balance base currency
AP Trade	51		\$ XX CAD XX USD	Invoiced quantity multiplied by invoice cost***

* = Receipt rate type specified in Infinium PM and receipt date are used to obtain the exchange rate from Infinium CM

** = Exchange rate from the original receipt RNI transaction used

*** = Invoice to Base exchange rate type and Invoice date are used to obtain the exchange rate from Infinium CM

Example #2

Accounting method:	Accrual
Transaction:	Goods Invoiced in full and then received in full
Inventoried Item?	Yes
<i>Receipt Activity</i> field value:	Regular Receipt or Prepaid
Capital Item:	No

Infinium PL calculations

Account	Line Type	Debit	Credit	Calculations
INR	33	\$ XX CAD XX USD		Invoiced quantity multiplied by PO cost*
Inventory Adj.	32	\$ XX CAD XX USD		PO cost less invoice cost multiplied by invoice quantity*
Inventory Adj. Exchange	36	\$ 0 CAD XX USD		Balance base currency
AP Trade	51		\$ XX CAD XX USD	Invoice quantity multiplied by invoice cost*

Infinium PM calculations

Account	Line Type	Debit	Credit	Calculations
Inventory	--	\$ XX CAD XX USD		Received quantity multiplied by PO cost**
INR	--		\$ XX CAD XX USD	Received quantity (not to exceed invoice quantity) multiplied by PO cost**

* = Invoice to Base exchange rate type and Invoice date are used to obtain the exchange rate from Infinium CM

** = Exchange rate from the original invoice INR transaction used

Example #3

Accounting method:	Accrual
Transaction:	Goods partially received and then invoiced in full
Inventoried Item?	Yes

Receipt Activity field value: Regular Receipt or Prepaid

Capital Item: No

Infinium PM calculations

Account	Line Type	Debit	Credit	Calculations
Inventory	--	\$ XX CAD XX USD		Received quantity multiplied by PO cost*
RNI	--		\$ XX CAD XX USD	Received quantity multiplied by PO cost*

Infinium PL calculations

Account	Line Type	Debit	Credit	Calculations
RNI	34	\$ XX CAD XX USD		Invoiced quantity (not to exceed received qty) multiplied by PO cost**
INR	33	\$ XX CAD XX USD		Invoice quantity in excess of received quantity, multiplied by PO cost***
Inventory Adj.	32	\$ XX CAD XX USD		PO cost less invoice cost multiplied by invoice quantity***
Inventory Adj. Exchange	36	\$ 0 CAD XX USD		Balance base currency
AP Trade	51		\$ XX CAD XX USD	Invoice quantity multiplied by invoice cost***

* = Receipt rate type specified in Infinium PM and receipt date are used to obtain the exchange rate from Infinium CM

** = Exchange rate from the original receipt RNI transaction used

*** = Invoice to Base exchange rate type and Invoice date are used to obtain the exchange rate from Infinium CM

Example #4

Accounting Method:	Accrual
Transaction:	Goods received in full then invoiced in full.
Inventoried Item?	No
<i>Receipt Activity</i> field value:	Regular Receipt, Prepaid, or Receipt Required
Capital Item:	No or Accrued

Infinium PM calculations

Account	Line Type	Debit	Credit	Calculations
Expense	--	\$ XX CAD XX USD		Received quantity multiplied by PO cost*
RNI	--		\$ XX CAD XX USD	Received quantity multiplied by PO cost*

Infinium PL calculations

Account	Line Type	Debit	Credit	Calculations
RNI	34	\$ XX CAD XX USD		Invoiced quantity (not to exceed received qty) multiplied by PO cost**
Expense currency exchange	37	\$ 0 CAD XX USD		Balance base currency
AP Trade	51		\$ XX CAD XX USD	Invoiced quantity multiplied by invoice cost***

* = Receipt rate type specified in Infinium PM and receipt date are used to obtain the exchange rate from Infinium CM

** = Exchange rate from the original receipt RNI transaction used

*** = Invoice to Base exchange rate type and Invoice date are used to obtain the exchange rate from Infinium CM

Example #5

Accounting Method:	Accrual
Transaction:	Goods invoiced in full, then received in full.
Inventoried Item?	No
<i>Receipt Activity</i> field value:	Regular Receipt or Prepaid
Capital Item:	No or Accrued

Infinium PL calculations

Account	Line Type	Debit	Credit	Calculations
INR	33	\$ XX CAD XX USD		Invoiced quantity multiplied by PO cost*
AP Trade	51		\$ XX CAD XX USD	Invoice quantity multiplied by invoice cost*

Infinium PM calculations

Account	Line Type	Debit	Credit	Calculations
Expense	--	\$ XX CAD XX USD		Received quantity multiplied by PO cost**
INR	--		\$ XX CAD XX USD	Received quantity (not to exceed invoice quantity) multiplied by PO cost**

* = Invoice to Base exchange rate type and Invoice date are used to obtain the exchange rate from Infinium CM

** = Exchange rate from the original invoice INR transaction used

Example #6

Accounting Method:	Accrual
Transaction:	Goods partially received and then invoiced in full
Inventoried Item?	No
<i>Receipt Activity</i> field value:	Regular Receipt or Prepaid
Capital Item:	No or Accrued

Infinium PM calculations

Account	Line Type	Debit	Credit	Calculations
Expense	--	\$ XX CAD XX USD		Received quantity multiplied by PO cost*
RNI	--		\$ XX CAD XX USD	Received quantity multiplied by PO cost*

Infinium PL calculations

Account	Line Type	Debit	Credit	Calculations
RNI	34	\$ XX CAD XX USD		Invoiced quantity (not to exceed received qty) multiplied by PO cost**
INR	33	\$ XX CAD XX USD		Invoice quantity, in excess of received quantity, multiplied by PO cost***
Expense currency exchange	37	\$ 0 CAD XX USD		Balance base currency

Account	Line Type	Debit	Credit	Calculations
AP Trade	51		\$ XX CAD XX USD	Invoiced quantity multiplied by invoice cost***

* = Receipt rate type specified in Infinium PM and receipt date are used to obtain the exchange rate from Infinium CM

** = Exchange rate from the original receipt RNI transaction used

*** = Invoice to Base exchange rate type and Invoice date are used to obtain the exchange rate from Infinium CM

Example #7

Accounting Method:	Accrual
Transaction:	Invoiced before or after receipt
Inventoried Item?	No
<i>Receipt Activity</i> field value:	Direct ship
Capital Item:	No or Non -Accrued

Infinium PL calculations

Account	Line Type	Debit	Credit	Calculations
Expense	21	\$ XX CAD XX USD		Invoiced quantity multiplied by invoice cost*
AP Trade	51		\$ XX CAD XX USD	Invoiced quantity multiplied by invoice cost*

* = Invoice to Base exchange rate type and Invoice date are used to obtain the exchange rate from Infinium CM

Example #8

Accounting Method:	Cash
Transaction:	Invoiced for full amount, before or after receipt
Inventoried Item?	Yes
<i>Receipt Activity</i> field value:	Regular Receipt, Prepaid, or Receipt Required
Capital Item:	No

Infinium PL calculations

Account	Line Type	Debit	Credit	Calculations
Inventory	21	\$ XX CAD XX USD		Invoiced quantity multiplied by PO cost*
Inventory Adj.	32	\$ XX CAD XX USD		PO cost less invoice cost multiplied by invoice quantity**
Inventory Adj. Exchange	36	\$ 0 CAD XX USD		Balance base currency
AP Trade	51		\$ XX CAD XX USD	Invoiced quantity multiplied by invoice cost**

* = Receipt rate type specified in Infinium PM and receipt date are used to obtain the exchange rate from Infinium CM

** = Invoice to Base exchange rate type and Invoice date are used to obtain the exchange rate from Infinium CM

Example #9

Accounting Method:	Cash
Transaction:	Goods invoiced before or after receipt.
Inventoried Item?	No

<i>Receipt Activity</i> field value:	Direct ship, Regular Receipt, Prepaid, or Receipt Required
--------------------------------------	---

Capital Item:	No or Non-Accrued
---------------	-------------------

Infinium PL calculations

Account	Line Type	Debit	Credit	Calculations
Expense	21	\$ XX CAD XX USD		Invoiced quantity invoice cost*
AP Trade	51		\$ XX CAD XX USD	Invoiced quantity multiplied by invoice cost*

* = Invoice to Base exchange rate type and Invoice date are used to obtain the exchange rate from Infinium CM

Appendix D Matching Errors

D

The matching process compares the Infinium PL invoice information with the Infinium PM purchase order and receipt information. The system determines whether a matching error exists by applying criteria defined in various matching controls.

This appendix provides the following information:

- Summarizes the kinds of matching controls that affect the generation of matching errors
- Provides tables that summarize various combinations of matching control settings
- Explains the kinds of matching errors that can result for each of these scenarios and provides additional comments for some scenarios

Tolerances

Tolerances are set in Infinium CA. You set tolerance limits at either the company level, commodity level, or item warehouse level. Refer to the “Defining Infinium MM Product Controls” chapter of this guide for more information on setting up tolerance limits.

The matching process generates either warning or fatal error messages based on the following tolerances:

- Unit price tolerances

You specify how much difference the system is to tolerate between an invoice unit price and the corresponding purchase order unit price. You specify:

- A percentage, a specific amount or both
-

- The percentage or amount over, the percentage or amount under, or both

If you specify both a percentage and a range, the system applies the smaller of the two. If a variance between the two does not fall within the permitted range, the system flags the difference as a matching error.

- Extended amount performance tolerances

You specify the percentage or amount, or both, over or under the extended amount that the system permits, or both over and under. If the difference does not fall within the permitted range, the system flags the difference as a matching error.

- Invoice price performance tolerances

You specify the percentage or amount, or both, over or under the invoice total amount that the system permits, or both over and under. If the difference between the invoice total amount and the purchase order invoiced amount is not within the specified range, the system flags the difference as a matching error.

This tolerance is valid at the company level only.

If the tolerance flag is set to **Accept**, the system generates a warning error message. If the tolerance flag is set to **Reject**, the system generates a fatal error message.

Matching controls and their matching criteria

Matching controls are set in Infinium PX. The matching controls define how the system is to compare information on the invoice to the information on the purchase order. Refer to the “Defining Infinium PX Controls” chapter of this guide for more information on matching controls.

The matching process generates either warning or fatal error messages based on the following matching criteria:

- Invoice to purchase order line quantity

The system calculates a purchase order's available to invoice quantity by subtracting the previously invoiced quantity on the purchase order detail from the *Ordered quantity*.

The system calculates a receipt's available to invoice quantity by subtracting the previously invoiced quantity from the received quantity.

- Line quantity to inspected quantity
-

The system matches the invoice line quantity to the purchase order or receipt quantity that is **Accepted** through final inspection.

- Returned goods in the line quantity

The system reduces the purchase order available to invoice quantity by subtracting purchase order detail or receipt detail returns from the previously invoiced quantity.

Debit memos contain information about defective merchandise that can be scrapped or returned. Scrapped merchandise is not included in the returned goods calculation.

For invoice to purchase order line quantity and line quantity to inspected quantity, you can select the following matching flags:

- | | |
|----------|---|
| 0 | Do not include this criterion. |
| 2 | Include this criterion and display a warning message if matching fails. You can continue to process the invoice. |
| 3 | Include this criterion and display a fatal error message if matching fails. You must correct the error condition or override the error in order to process the invoice. |

For returned goods in the line quantity, you can select the following:

- | | |
|----------|--------------------------------|
| 0 | Do not include this criterion. |
| 1 | Include this criterion. |

Purchase order type controls

You define purchase order types in Infinium PM. Purchase order type controls define which information is required during purchase order entry. Refer to the “Defining Infinium MM Product Controls” chapter of this guide for more information about purchase order type controls.

The two fields in these controls that apply to the matching process are:

- *Match on receipts*

- | | |
|----------|---|
| 1 | The system matches against the received quantity. |
| 0 | The system matches against the purchase order quantity. |
-

- *Match on inspections*

- 1** The system matches against the final inspection **Accepted** quantity.
- 0** The system matches against the ordered or received quantity.

The system uses the *Inspect* field on the Purchase Order Detail screen in conjunction with this field.

The purchase order *Inspect* field

During purchase order entry, you indicate in the purchase order line item *Inspect* field whether the item must be inspected once it is received.

- If you specify yes in this field, the item must pass inspections before it can be invoiced. If you specify no in this field, inspection is not required.
- If you specify no in this field and the purchase order type *Match on inspections* field is set to match against the ordered or received quantity, the system does not perform an inspection match for the ordered item.

Sample matching scenarios

The scenarios below explain various combinations of matching control settings.

Scenario 1

Matching Control	Field	Value
Tolerances	<i>Invoice price performance over/under</i>	Accept or Reject
	<i>Extended amount over/under</i>	Accept or Reject
Matching controls	<i>Invoice to purchase order line quantity</i>	None
	<i>Line quantity to Inspected quantity</i>	None
	<i>Returned goods in line quantity</i>	No

Matching Control	Field	Value
Purchase order type controls	<i>Match on receipts</i>	Ordered quantity
	<i>Match on inspection</i>	Ordered quantity or Inspected quantity
Purchase order detail	<i>Inspect</i>	No or Yes

This scenario uses the ordered quantity in the matching process because the *Match on receipts* field is set to match against the purchase order quantity. The system determines matching errors based on the following calculations:

- Ordered quantity - Previously invoiced = Available to invoice
- Available to invoice x Cost per unit = Extended line amount

The matching errors you may receive are:

Invoice Extended Line Amount xxxx is over PM Tolerance of xxxx

Invoice Total Amount xxxx is over PM Tolerance of xxxx

With the *Match on receipts* field set to match against the purchase order quantity, you can process prepaid items.

Scenario 2

Matching Control	Field	Value
Tolerances	<i>Invoice price performance over/under</i>	Accept or Reject
	<i>Extended amount over/under</i>	Accept or Reject
Matching controls	<i>Invoice to purchase order line quantity</i>	None
	<i>Line quantity to Inspected quantity</i>	None
	<i>Returned goods in line quantity</i>	No
Purchase order type controls	<i>Match on receipts</i>	Received quantity
	<i>Match on inspection</i>	Ordered quantity or Inspected quantity

Matching Control	Field	Value
Purchase order detail	<i>Inspect</i>	No or Yes

This scenario uses the received quantity in the matching process because the *Match on receipts* field is set to match against the received quantity. The system determines matching errors based on the following calculations:

- Received quantity - Previously invoiced = Available to invoice
- Available to invoice x cost per unit = Extended line amount

The matching errors you may receive are:

Invoice Extended Line Amount xxxx is over PM Tolerance of xxxx

Invoice Total Amount xxxx is over PM Tolerance of xxxx

If you select purchase orders instead of receipts and you want to invoice only what has been received, set the *Match on receipts* flag to match against the received quantity.

Scenario 3

Matching Control	Field	Value
Tolerances	<i>Invoice price performance over/under</i>	Accept or Reject
	<i>Extended amount over/under</i>	Accept or Reject
Matching controls	<i>Invoice to purchase order line quantity</i>	None
	<i>Line quantity to Inspected quantity</i>	None
	<i>Returned goods in line quantity</i>	Yes
Purchase order type controls	<i>Match on receipts</i>	Ordered quantity
	<i>Match on inspection</i>	Ordered quantity or Inspected quantity
Purchase order detail	<i>Inspect</i>	No or Yes

This scenario uses the ordered quantity and quantity returned in the matching process because the system specifies yes in the *Returned goods in line quantity* field. The system determines matching errors based on the following calculations:

- Ordered quantity - Returned quantity - Previously invoiced = Available to invoice
- Available to invoice x Cost per unit = Extended line amount

The matching errors you may receive are:

Invoice Extended Line Amount xxxx is over PM Tolerance of xxxx

Invoice Total Amount xxxx is over PM Tolerance of xxxx

The system does not generate a returned goods matching error message. Returned goods are used only in the available to invoice calculation.

You can have the *Match on receipts* flag set to match against the *Ordered quantity*, even though you must receive an item in order to return the item. This scenario indicates that you want to use the ordered quantity rather than the received quantity to determine the available to invoice quantity.

If you do not want to invoice returned items, specify yes in the *Returned goods in line quantity* field.

Scenario 4

Matching Control	Field	Value
Tolerances	<i>Invoice price performance over/under</i>	Accept or Reject
	<i>Extended amount over/under</i>	Accept or Reject
Matching controls	<i>Invoice to purchase order line quantity</i>	None
	<i>Line quantity to Inspected quantity</i>	None
	<i>Returned goods in line quantity</i>	Yes
Purchase order type controls	<i>Match on receipts</i>	Received quantity
	<i>Match on inspection</i>	Ordered quantity or Inspected quantity

Matching Control	Field	Value
Purchase order detail	<i>Inspect</i>	No or Yes

This scenario uses the received quantity and the returned quantity in the matching process because the *Match on receipts* field is set to match against the received quantity and the *Returned goods in line quantity* field is set to yes. The system determines matching errors based on the following calculations:

- Received quantity - Returned quantity - Previously invoiced = Available to invoice
- Available to invoice x Cost per unit = Extended line amount

The matching errors you may receive are:

Invoice Extended Line Amount xxxx is over PM Tolerance of xxxx

Invoice Total Amount xxxx is over PM Tolerance of xxxx

The system does not generate a returned goods matching error message. Returned goods are used in the available to invoice calculation only.

If you do not want to invoice returned items, specify yes in the *Returned goods in line quantity* field.

Scenario 5

Matching Control	Field	Value
Tolerances	<i>Invoice price performance over/under</i>	Accept or Reject
	<i>Extended amount over/under</i>	Accept or Reject
Matching controls	<i>Invoice to purchase order line quantity</i>	Warning or Fatal
	<i>Line quantity to Inspected quantity</i>	None
	<i>Returned goods in line quantity</i>	No

Matching Control	Field	Value
Purchase order type controls	<i>Match on receipts</i>	Ordered quantity
	<i>Match on inspection</i>	Ordered quantity or Inspected quantity
Purchase order detail	<i>Inspect</i>	No or Yes

This scenario uses the ordered quantity in the matching process because the *Invoice to purchase order line quantity* field is set to **Warning** or **Fatal**. The system determines matching errors based on the following calculations:

- Ordered quantity - Previously invoiced = Available to invoice
- Invoice quantity must be less than or equal to the available to invoice quantity

The matching errors you may receive are:

Invoice quantity xxxx is greater than available to invoice quantity xxxx.

Invoice Extended Line Amount xxxx is over PM Tolerance of xxxx

Invoice Total Amount xxxx is over PM Tolerance of xxxx

Adding the invoice to purchase order line quantity match enables you to view the values that the system uses to calculate the tolerance amounts for the extended line amount and the invoice total.

When you select at the receipt level and have the *Match on receipts* flag set to match against the ordered quantity (purchase orders), the system generates quantity messages at the warehouse level and a total of the purchase order. The following is an example with two warehouse invoice quantities:

WHS1 00001 Item#1 Description

Invoice quantity 18 is greater than available to invoice quantity 9

WHS2 00001 Item#1 Description

Invoice quantity 18 is greater than available to invoice quantity 7

00001 Item#1 Description

Invoice quantity 36 is greater than available to invoice quantity 16

The blank warehouse location indicates the total for the purchase order.

Scenario 6

Matching Control	Field	Value
Tolerances	<i>Invoice price performance over/under</i>	Accept or Reject
	<i>Extended amount over/under</i>	Accept or Reject
Matching controls	<i>Invoice to purchase order line quantity</i>	Warning or Fatal
	<i>Line quantity to Inspected quantity</i>	None
	<i>Returned goods in line quantity</i>	No
Purchase order type controls	<i>Match on receipts</i>	Received quantity
	<i>Match on inspection</i>	Ordered quantity or Inspected quantity
Purchase order detail	<i>Inspect</i>	No or Yes

This scenario uses the received quantity in the matching process because the *Invoice to purchase order line quantity* field is set to issue an error message. The system determines matching errors based on the following calculations:

- Received quantity - Previously invoiced = Available to invoice
- Invoice quantity must be less than or equal to the available to invoice quantity

The matching errors you may receive are:

Invoice quantity xxxx is greater than available to invoice quantity xxxx.

Invoice Extended Line Amount xxxx is over PM Tolerance of xxxx

Invoice Total Amount xxxx is over PM Tolerance of xxxx

Adding the invoice to purchase order line quantity match enables the user to view the values that the system uses to calculate the tolerance amounts for the extended line and the invoice total.

The receipt activity value on the purchase order detail line affects the error messages.

If receipt activity specifies **Regular Receipt** or **Prepaid**, the error message is:

Invoice quantity xxxx is greater than available to invoice quantity xxxx.

If receipt activity is **Receipt Required**, the error message is slightly different since you can only invoice for what is received:

Invoice quantity xxxx is greater than quantity received xxxx.

If receipt activity is **Direct Ship**, the system does not generate an error message if the quantity invoiced is less than or equal to the *Ordered quantity*.

If receipt activity is **Direct Ship** and the invoice quantity is greater than the *Ordered quantity*, the error message is:

Invoice quantity xxxx is greater than available to invoice quantity xxxx.

Scenario 7

Matching Control	Field	Value
Tolerances	<i>Invoice price performance over/under</i>	Accept or Reject
	<i>Extended amount over/under</i>	Accept or Reject
Matching controls	<i>Invoice to purchase order line quantity</i>	Warning or Fatal
	<i>Line quantity to Inspected quantity</i>	None
	<i>Returned goods in line quantity</i>	Yes
Purchase order type controls	<i>Match on receipts</i>	Ordered quantity
	<i>Match on inspection</i>	Ordered quantity or Inspected quantity
Purchase order detail	<i>Inspect</i>	No or Yes

This scenario uses the ordered quantity less the returned quantity in the matching process because the *Invoice to purchase order line quantity* field is set to issue an error message. The system determines matching errors based on the following calculations:

- Ordered quantity - quantity returned - Previously invoiced = Available to invoice
- Invoice quantity must be less than or equal to available to invoice quantity

The matching errors you may receive are:

Invoice quantity xxxx is greater than available to invoice quantity
xxxx.

Invoice Extended Line Amount xxxx is over PM Tolerance of xxxx

Invoice Total Amount xxxx is over PM Tolerance of xxxx

The system does not generate a returned goods matching error message. Returned goods are used in the available to invoice calculation only.

You can have the *Match on receipts* flag set to match against the *Ordered quantity*, even though you must receive an item in order to return the item. This scenario indicates that you want to use the ordered quantity rather than the received quantity to determine the available to invoice quantity.

Matching on quantity enables the user to view the values that the system uses to calculate the tolerance amounts for the extended line and the invoice total.

If you do not want to invoice returned items, specify yes in the *Returned goods in line quantity* field.

Scenario 8

Matching Control	Field	Value
Tolerances	<i>Invoice price performance over/under</i>	Accept or Reject
	<i>Extended amount over/under</i>	Accept or Reject

Matching Control	Field	Value
Matching controls	<i>Invoice to purchase order line quantity</i>	Warning or Fatal
	<i>Line quantity to Inspected quantity</i>	None
	<i>Returned goods in line quantity</i>	Yes
Purchase order type controls	<i>Match on receipts</i>	Received quantity
	<i>Match on inspection</i>	Ordered quantity or Inspected quantity
Purchase order detail	<i>Inspect</i>	No or Yes

This scenario uses the received quantity less the returned quantity in the matching process because the *Invoice to purchase order line quantity* field is set to issue an error message. The system determines matching errors based on the following calculations:

- Received quantity – Quantity returned – Previously invoiced = Available to invoice
- Invoice quantity must be less than or equal to the available to invoice quantity

The matching errors you may receive are:

Invoice quantity xxxx is greater than available to invoice quantity
xxxx

Invoice Extended Line Amount xxxx is over PM Tolerance of xxxx

Invoice Total Amount xxxx is over PM Tolerance of xxxx

The system does not generate a returned goods matching error message. Returned goods are used in the available to invoice calculation only.

The receipt activity value on the purchase order detail line affects the error messages.

If receipt activity is *Regular Receipt* or *Prepaid*, the error message is:

Invoice quantity xxxx is greater than available to invoice quantity
xxxx.

If receipt activity is *Receipt Required*, the error message is different since you can only invoice for what is received:

Invoice quantity xxxx is greater than quantity received xxxx.

If receipt activity is **0 (No receipts)**, the system does not generate an error message if the quantity invoiced is less than or equal to the *Ordered quantity*.

If receipt activity is **Direct Ship** and the invoice quantity is greater than the *Ordered quantity*, the error message is:

Invoice quantity xxxx is greater than available to invoice quantity xxxx.

Matching on quantity enables the user to view the values that the system uses to calculate the tolerance amounts for the extended line and the invoice total.

If you do not want to invoice returned items, specify yes in the *Returned goods in line quantity* field.

Scenario 9

Matching Control	Field	Value
Tolerances	<i>Invoice price performance over/under</i>	Accept or Reject
	<i>Extended amount over/under</i>	Accept or Reject
Matching controls	<i>Invoice to purchase order line quantity</i>	Warning or Fatal
	<i>Line quantity to Inspected quantity</i>	Warning or Fatal
	<i>Returned goods in line quantity</i>	No
Purchase order type controls	<i>Match on receipts</i>	Ordered quantity or Received quantity
	<i>Match on inspection</i>	No
Purchase order detail	<i>Inspect</i>	No

This scenario uses the ordered or received quantity in the matching process. The system does not perform matching for inspections because the Purchase order detail *Inspect* field is set to no. A prerequisite for inspection

matching is that the *Match on inspection* and *Purchase order detail Inspect* fields are set to yes.

The system determines matching errors based on the following calculations:

- *Ordered quantity/received* – Previously invoiced = Available to invoice
- Invoice quantity must be less than or equal to available to invoice quantity

The matching errors you may receive are:

Invoice quantity xxxx is greater than available to invoice quantity
xxxx

Invoice Extended Line Amount xxxx is over PM Tolerance of xxxx

Invoice Total Amount xxxx is over PM Tolerance of xxxx

Scenario 10

Matching Control	Field	Value
Tolerances	<i>Invoice price performance over/under</i>	Accept or Reject
	<i>Extended amount over/under</i>	Accept or Reject
Matching controls	<i>Invoice to purchase order line quantity</i>	Warning or Fatal
	<i>Line quantity to Inspected quantity</i>	Warning or Fatal
	<i>Returned goods in line quantity</i>	No
Purchase order type controls	<i>Match on receipts</i>	Ordered quantity
	<i>Match on inspection</i>	Inspected quantity
Purchase order detail	<i>Inspect</i>	Yes

This scenario uses ordered quantity and the inspected quantity in the matching process.

If you decide to inspect 25% of a lot that contains 100 units and all 25 units pass inspection, the quantity *Accepted* is 100 units.

The system determines matching errors for the invoice to purchase order line quantity based on the following calculations:

- Ordered quantity – Previously invoiced = Available to invoice
- Invoice quantity must be less than or equal to available to invoice quantity

The system determines matching errors for the line goods to inspected quantity based on the following calculation:

Invoice quantity must be less than or equal to *Accepted* quantity

The matching errors you may receive are:

xxxx is greater than the Accepted inspection quantity of xxxx

Invoice quantity xxxx is greater than available to invoice quantity
xxxx

Invoice Extended Line Amount xxxx is over PM Tolerance of xxxx

Invoice Total Amount xxxx is over PM Tolerance of xxxx

You can have the *Match on receipts* flag set to ordered quantity even though you must receive an item in order to return the item. This scenario indicates that you want to use the ordered quantity rather than the received quantity to determine the available to invoice quantity and the inspection quantity.

If you do not want to invoice items until they pass inspection, set the *Match on inspection* field to 1.

Scenario 11

Matching Control	Field	Value
Tolerances	<i>Invoice price performance over/under</i>	Accept or Reject
	<i>Extended amount over/under</i>	Accept or Reject
Matching controls	<i>Invoice to purchase order line quantity</i>	Warning or Fatal
	<i>Line quantity to Inspected quantity</i>	Warning or Fatal
	<i>Returned goods in line quantity</i>	No
Purchase order type controls	<i>Match on receipts</i>	Received quantity
	<i>Match on inspection</i>	Inspected quantity

Matching Control	Field	Value
Purchase order detail	<i>Inspect</i>	Yes

This scenario uses the received quantity, the *Invoice to purchase order line quantity* field, and inspection quantities in the matching process.

The system determines matching errors for the invoice to purchase order line quantity based on the following calculations:

- Received quantity - Previously invoiced = Available to invoice
- Invoice quantity must be less than or equal to available to invoice quantity

The system determines matching errors for the line goods to inspected quantity based on the following calculation:

Invoice quantity must be less than or equal to *Accepted* quantity

The matching errors you may receive are:

xxxx is greater than the *Accepted* inspection quantity of xxxx

Invoice quantity xxxx is greater than available to invoice quantity
xxxx

Invoice Extended Line Amount xxxx is over PM Tolerance of xxxx

Invoice Total Amount xxxx is over PM Tolerance of xxxx

If you do not want to invoice items until you know they pass inspections, set the *Match on inspection* field to match against the final inspection *Accepted* quantity.

Scenario 12

Matching Control	Field	Value
Tolerances	<i>Invoice price performance over/under</i>	Accept or Reject
	<i>Extended amount over/under</i>	Accept or Reject

Matching Control	Field	Value
Matching controls	<i>Invoice to purchase order line quantity</i>	Warning or Fatal
	<i>Line quantity to Inspected quantity</i>	Warning or Fatal
	<i>Returned goods in line quantity</i>	Yes
Purchase order type controls	<i>Match on receipts</i>	Ordered quantity
	<i>Match on inspection</i>	Inspected quantity
Purchase order detail	<i>Inspect</i>	Yes

This scenario uses the *Ordered quantity*, returned goods, and inspections in the matching process.

The system determines matching errors for the invoice to purchase order line quantity based on the following calculations:

- $\text{Ordered quantity} - \text{Quantity returned} - \text{Previously invoiced} = \text{Available to invoice}$
- Invoice quantity must be less than or equal to available to invoice quantity

The system determines matching errors for the line goods to inspected quantity based on the following calculation:

Invoice quantity must be less than or equal to *Accepted* quantity

The matching errors you may receive are:

xxxx is greater than the Accepted inspection quantity of xxxx

Invoice quantity xxxx is greater than available to invoice quantity
xxxx

Invoice Extended Line Amount xxxx is over PM Tolerance of xxxx

Invoice Total Amount xxxx is over PM Tolerance of xxxx

Scenario 13

Matching Control	Field	Value
Tolerances	<i>Invoice price performance over/under</i>	Accept or Reject
	<i>Extended amount over/under</i>	Accept or Reject
Matching controls	<i>Invoice to purchase order line quantity</i>	Warning or Fatal
	<i>Line quantity to Inspected quantity</i>	Warning or Fatal
	<i>Returned goods in line quantity</i>	Yes
Purchase order type controls	<i>Match on receipts</i>	Received quantity
	<i>Match on inspection</i>	Inspected quantity
Purchase order detail	<i>Inspect</i>	Yes

This scenario uses the received quantity, returned goods, and the inspection quantities in the matching process.

The system determines matching errors for the invoice to purchase order line quantity based on the following calculations:

- Received quantity – Quantity returned – Previously invoiced = Available to invoice
- Invoice quantity must be less than or equal to available to invoice quantity

The system determines matching errors for the line goods to inspected quantity based on the following calculation:

Invoice quantity must be less than or equal to *Accepted* quantity

The matching errors you may receive are:

xxxx is greater than the Accepted inspection quantity of xxxx

Invoice quantity xxxx is greater than available to invoice quantity
xxxx

Invoice Extended Line Amount xxxx is over PM Tolerance of xxxx

Invoice Total Amount xxxx is over PM Tolerance of xxxx

Notes

Appendix E Additional Charge Prorating and Accounting Transactions

E

This appendix provides reference information and examples about the processes and accounting transactions related to prorating purchase order tax, freight, and other additional charges.

This appendix consists of the following topics:

Topic	Page
Overview and background	E-2
Infinium PM Include-in-cost prorating	E-9
Infinium PL proration transactions	E-11
Examples of proration transactions	E-27

For information about Infinium PL user maintenance of tax, freight, and other purchase order additional charges, refer to the “Modifying Purchase Order Invoices” chapter of this guide.

Overview and background

This topic summarizes control and process information for understanding the Infinium PL handling and prorating of purchase order additional charges.

Controls affecting tax additional charges

Infinium PL vendor tax controls

Infinium PM retrieves default tax data from a tax default hierarchy of sources during purchase order creation, as described in the *Infinium PM Guide to Setup and Processing*. The Infinium PL vendor controls are included within that hierarchy. Infinium PM also communicates directly with Infinium GT. Purchase orders selected for invoicing already contain tax data based on the applicable Infinium GT tax rate and authority code defaults.

Infinium PL also uses the payables ledger vendor tax defaults for purchase order invoices during the addition of new tax information directly to the invoice.

The Infinium PL vendor tax controls include the following defaults:

- *Country code / Registration number*
- *Default tax authority / Rate code*
- *Default category code*
- *Recoverable?* 1 (Yes) 0 (No)
- *Self assess?* 1 (Yes) 0 (No)
- *Tax inclusive?* 1 (Yes) 0 (No)

These defaults apply when you add new tax additional charges at the:

- Invoice header
 - Purchase order header
 - Purchase order detail line
 - Purchase order multi-ship line
-

Tax proration controls

Prorating of tax additional charges applies to purchase orders and standard invoices.

The Infinium PL entity controls provide fields for prorating taxes. These control fields allow you to specify which kinds of tax are to be prorated by typing **1** for yes or **0** for no:

- *VAT recoverable?*
- *VAT non-recoverable?*
- *Sales/Use?*

VAT taxes are the value added taxes that apply in certain countries such as Canada and England. In Infinium GT, VAT applies to any tax of which a percentage is recoverable.

The following table summarizes the results of the settings in these fields.

Value	Infinium PL Action
1	Prorates these taxes over the applicable expense accounts specified in the invoice.
0	Retrieves the tax expense account from Infinium GT and books the tax amount to that account.

Accounting group controls for freight and other charges

Accounting group controls

The Infinium PL company controls include separate controls for each division within the company. The division controls contain accounting group controls.

The controls for each accounting group allow you to specify how the system is to handle freight additional charges and how the system is to handle other non-tax additional charges.

Freight method

The accounting group freight method fields allow you to specify any one of the following:

- Using the freight account identified in these controls

- Prorating the freight charges across applicable invoice expense accounts
- Using neither method, meaning that the user manually specifies the accounts and amounts for the freight charges during invoice entry

Prorating freight additional charges applies to both standard invoices and purchase order invoices.

Refer to the “Defining Infinium PL Controls” chapter of this guide for more information about accounting groups.

During creation of an invoice, Infinium PL uses the freight method specified for the accounting group that you identify in the invoice header.

Other additional charges method

Other additional charges are additional charges that are neither taxes nor freight charges.

The accounting group allows you to specify one of the following methods for expensing other additional charges:

- Manually specifying the accounts and amounts for the other charges during invoice entry
- Automatically distributing a charge to the other charge account identified in these controls
- Prorating the other charges across applicable invoice expense accounts

Prorating other additional charges applies only to purchase order invoices.

Refer to the “Defining Infinium PL Controls” chapter of this guide for more information about accounting groups.

During creation of invoices, Infinium PL uses the other charges method specified for the accounting group that you identify in the invoice header.

The flow of purchase order tax additional charge information

The Infinium PM user creates purchase order tax data using:

- Default tax information retrieved by Infinium PM from the Infinium CA tax hierarchy
 - Tax amount calculated by Infinium GT based on the tax authority, rate code, tax date, and tax basis amount sent by Infinium PM
-

The Infinium PL user processes purchase order tax data using:

- The purchase order tax defaults, tax basis, and tax amount data received from the Infinium PM purchase order records during purchase order/receipt selection for purchase order invoices

Infinium PL accepts the tax information from Infinium PM that comes over with the purchase order

- Direct retrieval of default vendor tax information from the Infinium PL vendor controls during the addition of new taxes directly within Infinium PL
- Changes to the tax amount received from Infinium PM
- An Infinium PL prompt that allows the user to specify or to decline recalculation of the taxes through Infinium GT after the user has made invoice data changes that can affect the taxes

During the posting process, Infinium PL updates:

- The Infinium GT records with the purchase order invoice tax information. Infinium PM does not update Infinium GT.
- Infinium MM with include in cost tax amounts. Infinium MM updates the cost matrix.

The following diagram summarizes the flow of tax information.

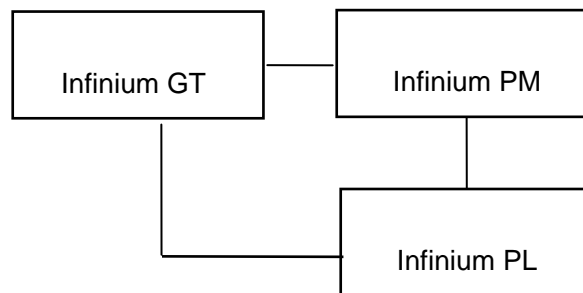


Figure E-1: Tax Information Flow

Infinium GT tax on tax options

Infinium GT provides for linking tax authorities in a hierarchy and for using tax on tax options during the calculation of linked taxes. Tax on tax refers to the calculation of taxes depending on each other in contrast to the independent calculation of each tax separately from other taxes.

If tax authority links apply, Infinium PL checks the *Infinium GT Tax on Tax* field during the tax calculation and tax recalculation processes.

For an explanation of the tax on tax options, refer to the *Infinium GT Guide to Setup and Processing*.

Rules for the prorating of purchase order additional charges

Infinium PL allows prorating of purchase order additional charges over invoice expense accounts. The prorated amounts are proportional to each applicable expense account's distribution amount.

- You cannot prorate additional charges that are included in cost. Prorating is for the expensing of additional charges rather than including those charges in cost. If you include charges in cost, they are not expensed.

Infinium PL calculates the additional charge amounts that are specified to be included in cost by using the percentages specified in Infinium PM.

- Additional charges can be on any of four levels:
 - Invoice header
 - Purchase order header
 - Purchase order detail line
 - Purchase order detail line's multi-ship entry

Prorating occurs over the accounts that are on the same level and lower levels than the additional charge's level.

For example, an additional charge on the purchase order detail line is prorated over the expense accounts specified for any multi-ship lines under that line.

- Infinium PL does not prorate additional charges over RNI (received not invoiced) or INR (invoiced not received) accounts.
 - The RNI account is a control account. The system credits the RNI account when the item is received (before it is invoiced) to ensure that there is an offsetting debit when the invoice arrives.
 - The INR account is the corresponding control account on the invoice side that is debited when an item is invoiced (before it is received) to ensure that there is an offsetting credit when the receipt arrives.

If the invoice contains these kinds of control accounts, the system prorates the additional charges over the original expense or inventory-related expense accounts for the goods specified in the purchase order.

Distinctions between Infinium PM and Infinium PL prorating

The following table summarizes:

- The distinctions between Infinium PM prorating and Infinium PL prorating
- How Infinium PL handles amounts that were included in inventory cost and, therefore, are not prorated.

Application	Type of Process	Description
Infinium PM	Prorating of additional charges to include in cost	<p>Infinium PM provides for prorating additional charges over detail lines and multi-ship entries in order to include those charges in inventory cost. When additional charges are included in inventory cost, they cannot be expensed.</p> <p>Infinium PM produces one Additional Charge Inventory Adjustment account for each PO line or multi-ship entry to which Infinium PM is prorating an additional charge, regardless of how many accounts are used on the line or multi-ship entry.</p> <p>Refer to the “Infinium PM Include-in-cost prorating” section of this appendix for more information about Infinium PM inclusion in cost.</p>
Infinium PL	Prorating of additional charges not included in cost	Infinium PL provides for spreading additional charges that are to be expensed (not included in cost) over invoice expense accounts.

Application	Type of Process	Description
Infinium PL	Handling amounts that were included in cost	<p>Infinium PL generates an entry to debit the Additional Charge Inventory Adjustment account for the additional charges that were included in cost.</p> <p>Infinium PL does not prorate these amounts to the expense accounts.</p> <p>Infinium PL uses the purchase order prorating percentages to determine how much to include in cost even if the invoiced proration base amounts--quantity, cost, weight, and volume--differ from the ordered proration base amounts.</p>

The booking of additional charges to inventory

Since Infinium PM provides for including additional charges in inventory cost, Infinium PL books those charges to inventory.

This booking to inventory transaction is type 38.

If part or all of an additional charge is included in cost, Infinium PL books the costed portion of the additional charge to an Additional Charge Inventory Adjustment account specified in Infinium PM. The costed portion in the amount of the charge is attributable to inventory items.

The prorating processes

The following sections of this appendix summarize:

- Infinium PM prorating for the inclusion of amounts in inventory cost
 - Infinium PL processes for generating accounting transactions
 - Examples of the accounting transactions that result from a range of different scenarios involving inclusion in cost and prorating
-

Infinium PM Include-in-cost prorating

The only prorating that occurs in Infinium PM is the prorating of additional charges (tax, freight, and other) across detail lines or multi-ship entries for the purpose of including those charges in inventory cost.

This prorating requires use of weighted average costing.

The following topics describe the Infinium PM prorating processes that occur when the Infinium PM user completes entry of a purchase order. The prorating details depend on:

- Specifying that an additional charge is to be included in inventory cost
- The level of the additional charge (purchase order header, purchase order detail line, purchase order multi-ship entry)
- The prorating method specified in Infinium PM (extended cost, quantity, weight, or cube)

Refer to the Infinium PM documentation for more information about these prorating methods.

Prorating purchase order header additional charges

Infinium PM allows tax, freight, and other additional charges at the purchase order header level.

- Infinium PM prorates the purchase order header additional charges over all the detail lines, using the specified prorating method.
- If the purchase order has multi-ship entries, Infinium PM prorates the purchase order header additional charges over all the multi-ship entries, using the specified prorating method.

Infinium PM automatically creates a proration additional charge record for each detail line and multi-ship entry to which the original header additional charge was prorated.

Here Infinium PM identifies the original additional charge and performs internal calculations to determine how much of that additional charge is to be prorated for inclusion in cost.

Prorating purchase order detail line additional charges

Infinium PM allows tax, freight, and other additional charges at the purchase order detail line level.

- If the purchase order detail line has no multi-ship entries, Infinium PM performs no prorating of this line's additional charges since there is no lower level over which to prorate.
- If the purchase order detail line has multi-ship entries, Infinium PM prorates the detail line's additional charges over all the multi-ship entries, using the specified prorating method.

Infinium PM creates an additional charge record for each multi-ship entry level to which the original additional charge was prorated.

If a detail line contains multi-ship entries, Infinium PM requires that tax additional charges reside at the multi-ship level and not at the detail level.

Handling purchase order multi-ship level additional charges

Infinium PM allows tax, freight, and other additional charges at the multi-ship level.

No prorating applies to additional charges originally entered at the multi-ship entry level, since there are no lower levels over which to prorate these charges.

Infinium PL proration transactions

Inclusion in cost

The following notes apply to all the costing cases described in this section:

- To be included in cost, an additional charge must be flagged as included in cost within Infinium PM and must be related to an inventory item.
- Inclusion in cost applies only for weighted average cost companies.

Standard cost companies use fixed inventory cost and, therefore, cannot roll additional charges into inventory.

Booking additional charges included in cost

The following notes apply to all the costing examples described in this topic:

- Amounts included in cost are booked to inventory, not expensed.

Amounts included in cost are included as part of inventory valuation. At invoice time, Infinium PL therefore uses accounting transactions described later in this topic to debit the Additional Charge Inventory Adjustment account for charges included in cost.

- Infinium PL books the charge to the account that is built by Infinium JP for additional charges that are included in cost.
- Infinium PL calculates the amount to debit by multiplying the additional charge on the invoice by the percentage specified in the applicable Infinium PM additional charge record. This is the record Infinium PM created during the inclusion-in-cost proring process described earlier in this appendix.

Booking additional charges not included in cost

The following notes apply to all the expensing examples in this topic:

- Infinium PL books to expense the portion of an additional charge that is attributable to non-inventory items.
-

- Infinium PL can book to any of the following, depending on circumstances:
 - The expense account specified on the additional charge
 - The tax expense account specified in Infinium GT
 - The expense accounts to which the goods are booked (prorated)

Summary of transaction types

The following table summarizes the transactions that result from invoicing a weighted average cost company purchase order that mixes items that are included in cost and items that are not included in cost.

Account	Line Type	Debit	Credit	Purpose
Additional charge inventory adjustment	38	Additional charge costed amount		To charge an appropriate amount of the additional charge to inventory, using the account specified in Infinium PM
Additional charge expense:		Additional charge expensed amount		To book to expense any additional charge that is not included in inventory cost
Freight	22			The system uses one of the following:
Tax	24			■ Infinium GT expense account
	25			■ Additional charge expense account
	26			■ Accounting group expense account
	27			
	28			
	29			
Other	30			By prorating, all the accounts to which the related goods were expensed
AP Trade	51		Total invoice amount	To record an AP Trade entry for the total invoice including the additional charges

Transaction use case: the PO data

The sample transaction use case assumes the following purchase order information:

- The total purchase order amount is \$300 goods plus \$65 additional charges
- Non-tax additional charges are included in cost
- Non-recoverable tax amounts are included in cost
- Recoverable tax amounts are not included in cost

PO Header

Freight charge \$20 (prorated over purchase order by cost)

PO Line 1

Inventory item

Quantity = 1 Cost per unit = \$10 Extended cost = \$10

VAT recoverable tax = \$0.35

VAT non-recoverable tax = \$0.35

Sales tax (non-recoverable) = \$0.80

Prorated freight = \$0.67

line 1 cost \$10 ÷ total goods \$300 = 3.33% x \$20 freight

Accounts:

Inventory 1

Inventory 2

Inventory 3

PO Line 2

Non-inventory item

Quantity = 2 Cost per unit = \$20 Extended cost = \$40

VAT recoverable tax = \$1.40

VAT non-recoverable tax = \$1.40

Sales tax (non-recoverable) = \$3.20

Prorated freight = \$2.67

line 2 cost \$40 ÷ total goods \$300 = 13.33% x \$20 freight

Accounts:

Expense 1
Expense 2
Expense 3

PO Line 3: Multi-Ship 1

Inventory item

Quantity = 3 Cost per unit = \$30 Extended cost = \$90

VAT recoverable tax = \$3.15
VAT non-recoverable tax = \$3.15
Sales tax (non-recoverable) = \$7.20

Prorated freight = \$6.00
line 3.1 cost \$90 ÷ total goods \$300 = 30% x \$20 freight

Account: Inventory

PO Line 3: Multi-Ship 2

Quantity = 4 Cost per unit = \$40 Extended cost = \$160

VAT recoverable tax = \$ 5.60
VAT non-recoverable tax = \$ 5.60
Sales tax (non-recoverable) = \$12.80

Prorated freight = \$10.66
line 3.2 cost \$160 ÷ total goods \$300 = 53.33% x \$20 freight

Account: Expense

PO Totals

Goods: \$300

Total Additional Charges:

Freight \$20

Tax \$45

\$10.50 recoverable VAT
\$10.50 non-recoverable VAT
\$24.00 non-recoverable sales tax

Total PO - Goods plus charges \$365

Transaction use case: the accounting entries

The following list of transactions illustrates how the system books the preceding purchase order amounts when the purchase order is invoiced in full.

In this example, the system also prorates over the invoice expenses the following amounts that are not included in cost:

- The freight additional charges that are not included in cost (attributable to non-inventory items)
- The non-recoverable taxes that are not included in cost

The system expenses the recoverable taxes to the Infinium GT tax expense account. They are not specified to be included in cost or prorated.

The freight charge of \$20 is prorated over the purchase order proportionally to the goods costs on the purchase order. Since the freight charge is at the header, the system stores the prorated amounts at the header.

Purchase Order Item	Transaction/Account	Amount
PO Header Freight Charge \$20	Dr Inventory cost	PO line 1 0.67
	Dr Expense 1	PO line 2 0.89
	Dr Expense 2	PO line 2 0.89
	Dr Expense 3	PO line 2 0.89
	Dr Inventory cost	PO line 3.1 6.00
	Dr Expense	PO line 3.2 10.66
PO Line 1: Quantity 1 @ \$10 = \$10 Extended Cost	Dr Inventory/RNI/INR	3.33
	Dr Inventory/RNI/INR	3.33
	Dr Inventory/RNI/INR	3.34
PO Line 1 Taxes:		
Recoverable VAT 0.35	Dr GT recoverable tax expense	0.35
Non-recoverable VAT 0.35	Dr Inventory cost adjustment	0.35
Non-recoverable sales tax 0.80	Dr Inventory cost adjustment	0.80
PO Line 2 (Non-Inventory): 2 @ \$20 = \$40	Dr Expense/RNI/INR	13.33
	Dr Expense/RNI/INR	13.33
	Dr Expense/RNI/INR	13.34

Purchase Order Item	Transaction/Account	Amount
PO Line 2 Taxes:		
Recoverable VAT 1.40	Dr GT recoverable tax expense	0.47
Non-recoverable VAT 1.40	Dr Expense 1	0.46
	Dr Expense 2	0.47
	Dr Expense 3	1.40
Non-recoverable sales tax 3.20	Dr Expense 1	1.07
	Dr Expense 2	1.06
	Dr Expense 3	1.07
PO Line 3 Multi-Ship 1: Inventory item 3 @ \$30 = \$90	Dr Inventory/RNI/INR The accounts used depend on whether the invoice came in before receipt and whether the WAC company uses a cash or accrual accounting method.	90.00
PO Line 3 Multi-Ship 1: Taxes		
Recoverable VAT 3.15	Dr GT recoverable tax expense	3.15
Non-recoverable VAT 3.15	Dr Inventory cost	3.15
Non-recoverable sales tax 7.20	Dr Inventory cost	7.20
PO Line 3 Multi-Ship 2: Non-inventory item 4 @ \$40 = \$160	Dr Expense/RNI/INR The account used depends on whether the invoice came in before receipt and whether the WAC company uses a cash or accrual accounting method.	160.00
PO Line 3 Multi-Ship 2: Taxes		
Recoverable VAT 5.60	Dr GT recoverable tax expense	5.60
Non-recoverable VAT 5.60	Dr Expense	5.60
Non-recoverable sales tax 12.80	Dr Expense	12.80
Total Invoice - Credit	AP Trade	365

The following topics provide more information about how the system determines which transaction to generate under which circumstances.

Including purchase order tax charges in inventory cost

This section describes the processes by which the system determines whether a charge is included in inventory cost and how much of the charge is included.

The tax processes described in this appendix apply only if you are using Infinium PL and Infinium PM with Infinium GT.

Step 1: Checking whether the tax is included in cost

Infinium PL checks the Infinium PM P.O. Additional Charges (PMPPG) file's *Include tax in cost* field in the record for this additional charge.

If you added the additional charge directly in Infinium PL, this step does not apply since there is no corresponding Infinium PM additional charge record.

If the Infinium PM *Include in cost value* is 1 (yes), Infinium PL continues to the next step. Otherwise, this topic does not apply and the system uses a different process.

Step 2: Checking which types of taxes are costed

Infinium PL then checks the Infinium PM *Tax type included* field to determine which types of tax are marked to be included in cost. The value in this field is defined at the Infinium CA entity or company level.

The following table summarizes the meaning of the possible values in this *Tax type included* field.

Value	Description	Processing
1	Total	Both recoverable and non-recoverable taxes are included in the inventory cost. Infinium PL books the included tax amount to the Additional Charge Inventory Adjustment account specified in the Infinium PM additional charge record.

Value	Description	Processing
2	Non-recoverable	<p>Only the non-recoverable tax amount is included in cost. This includes sales/use taxes as well as non-recoverable VAT taxes.</p> <p>Infinium PL books the non-recoverable portion of the tax amount to the Additional Charge Inventory Adjustment account specified in the Infinium PM additional charge record.</p> <p>The system expenses recoverable tax amounts. Refer to the next topic, "Expensing tax additional charges not included in inventory cost."</p>
3	Recoverable	<p>Only recoverable taxes are included in inventory cost.</p> <p>Infinium PL books the recoverable tax amount to the Additional Charge Inventory Adjustment account specified in the Infinium PM prorated additional charge record.</p> <p>The system expenses non-recoverable tax amounts. Refer to the next topic, "Expensing tax additional charges not included in inventory cost."</p>

Step 3: The resulting transactions

The example in the following table shows the transactions that result for a \$10.00 tax additional charge allocated in Infinium PM to a specific inventory item.

Account	Line Type	Debit	Credit	Description
Additional Charge Inventory Adjustment	38	10.00		<p>This is the amount of the invoiced additional charge that has been prorated to the inventory item.</p> <p>To calculate this amount, Infinium PL multiplies the invoiced additional tax charge by the proration percentage in Infinium PM. Infinium PM determines the proration percentage by determining the inventory item's percentage of the total purchase order.</p> <p>Infinium PL books the amount to the Additional Charge Inventory Adjustment account specified in the Infinium PM additional charge file.</p>
AP Trade	51		10.00	Infinium PL then generates a balancing AP Trade account credit.

Expensing tax additional charges not included in inventory cost

Tax additional charges not included in cost can fall into any of the following categories:

- A weighted average cost company's purchase order tax additional charges, when the Infinium PM user chooses not to include the tax charge in inventory cost
- A standard cost company's purchase order tax additional charges
- Tax additional charges entered directly into an Infinium PL invoice

Step 1: Checking whether the tax is included in cost

Infinium PL checks the Infinium PM *Include in cost* field value in the record for this additional charge.

If you added the additional charge directly in Infinium PL, this step does not apply since there is no corresponding Infinium PM additional charge record.

If the Infinium PM *Include in cost* field value is 0 (for no), Infinium PL continues to the next step. Otherwise, this topic does not apply and the system uses the previously described Included in Cost process.

Step 2: Checking Infinium PL entity tax prorating

If the tax additional charge is not included in cost, it is expensed. Infinium PL checks the Infinium PL entity level tax prorating settings. These settings tell the system which processing applies to the type of tax with which the system is currently working: booking to tax expense, or prorating over invoice expenses.

Infinium PL provides entity control settings to define processing for the following three kinds of tax:

- VAT recoverable tax

VAT (value added tax) taxes apply for example in Canada and Europe. In some cases, the payer can recover this cost from the government.

- VAT non-recoverable tax

- Sales/Use tax

Refer to the “Controls affecting tax additional charges” topic in the overview to this appendix for more information about these settings.

The following table summarizes how the system processes accounting transactions for the taxes based on the entity level tax proration settings. These settings apply to each of the three tax types.

Value	Processing
0	<p>Infinium PL does not prorate the tax and does not continue to Step 3.</p> <p>Instead, Infinium PL does the following:</p> <ul style="list-style-type: none">■ Retrieves the applicable tax expense account from Infinium GT <p>The applicable tax expense account is the account associated with this type of tax.</p> <ul style="list-style-type: none">■ Books the tax amount to that account
1	<p>Infinium PL prorates the tax amount over the invoice expenses. Refer to the scenarios later in this appendix for examples of this prorating.</p>

Step 3: Prorating tax amounts during posting

If the entity level Infinium PL settings specify prorating tax amounts, the system uses the following rules to prorate each tax amount that is not included in cost.

- The actual prorating, as in the case of the standard invoice prorating, occurs during the invoice posting process. Prior to posting the invoice you can do the following:
 - View the prorating details, including the list of accounts and the amount prorated to each, at the Additional Charge Accounts screen during invoice modification
 - Generate a proof report that lets you preview the prorating results before you run the posting process

Refer to the “Modifying Purchase Order Invoices” chapter of this guide for the viewing procedure. Refer to the “Proofing, Matching, and Posting the Invoices” chapter of this guide for the proofing procedure.

- In each case, the system prorates the amount over the applicable expense accounts proportionally to the amounts associated with those accounts.
- The system only prorates over expense accounts, including in some cases capital asset accounts that are treated in the same way as expense accounts. The system does not prorate to other kinds of accounts.
 - Inventory accounts are excluded. These are used for inventory items.
 - Balancing accounts are excluded. These are accounts such as inter-company accounts, PPV (purchase price variance) accounts, inventory adjustment accounts, and currency exchange adjustment accounts.
- If prorating is to occur over an invoice line that contains inventory accounts, Infinium PL uses an alternative account for prorating to that line. The alternative account is an expense account specified in an Infinium PM field in the additional charge record.
- The following table summarizes the selection of expense accounts.

If the tax is at this level...	The system prorates the tax amount proportionally over...
Invoice Header	All the invoice’s expense accounts
PO Header	All this purchase order’s invoice expense accounts
PO Detail	All invoice expense accounts associated with this purchase order detail line
PO Multi-Ship	All invoice expense accounts associated with this purchase order multi-ship entry

Example of prorating results

To perform the prorating, the system performs the following steps:

- 1 Identifies the accounts to which to prorate
- 2 Calculates the combined total of the amounts in all of those accounts
- 3 Calculates the percentage of that total represented by each account's individual amount
- 4 Books to each account the total tax amount multiplied by that account's percentage of the combined total

This results in prorating of the tax amount to the various invoice expense accounts, as shown in the following example:

Tax additional charge at invoice header = \$20

Invoice expense accounts:

001-001-5001	\$ 30	6.71%	Tax amount = \$1.34
001-001-5002	\$200	44.74%	Tax amount = \$8.95
001-001-5003	\$ 67	14.99%	Tax amount = \$3.00
001-001-5004	\$150	33.56%	Tax amount = \$6.71
Total	\$447	100%	\$20.00

The tax amounts are booked in separate entries to the invoice expense accounts.

Including freight charges in inventory cost

Including freight charges in cost applies only in the case of weighted average cost companies.

The Infinium PL Accounting Group controls allow you to specify in the *Freight method* field any of three ways to handle freight charges:

- 1 = none (no automatic freight distribution)
 - 2 = account (expense freight to an account specified in this account group control)
 - 3 = prorate (prorate the freight charge across invoice expenses)
-

These settings are available for both standard and purchase order/receipt invoices. Whether Infinium PL uses these controls for a purchase order/receipt invoice depends on the process summarized in this topic.

Step 1: Checking whether freight is included in cost

Infinium PL checks the Infinium PM *Include in cost* field value in the record for this additional charge.

If you added the additional charge directly in Infinium PL, this step does not apply since there is no corresponding Infinium PM additional charge record.

If the Infinium PM *Include in cost* field value is 1 (for yes), Infinium PL continues to the next step. Otherwise, this topic does not apply and the system uses a different process.

Step 2: Using the clearing account

Infinium PL does not prorate the inventory portion of freight charges over the invoice expenses. Instead, Infinium PL books the freight charge to the account specified in the Infinium PM additional charge record.

Expensing freight charges not included in inventory cost

This topic applies under the following conditions:

- A weighted average cost company purchase order has a freight charge not flagged as included in cost
- The purchase order freight charge is for a standard cost company
- The freight charge has been added directly to the invoice

The Infinium PL accounting group controls allow you to specify in the *Freight method* field any of three ways to handle freight charges as described in Step 2 of this topic.

These settings are available for both standard and purchase order/receipt invoices. Whether Infinium PL uses these controls for a purchase order/receipt invoice depends on the process summarized in this topic.

Step 1: Checking whether freight is included in cost

Infinium PL checks the Infinium PM *Include in cost* field in the record for this additional charge.

This step does not apply if:

- The company is a standard cost company

Standard cost companies do not allow inclusion of additional charges in cost.

- You added the additional charge directly in Infinium PL

There is no corresponding Infinium PM additional charge record. The charge cannot be included in inventory cost.

If the Infinium PM *Include in cost* field value is **0** (for no), Infinium PL continues to the next step. Otherwise, this topic does not apply and the system uses a different process.

Step 2: Applying the accounting group controls

Infinium PL identifies the accounting group that you specified at the invoice header.

The system does not use accounting groups specified for individual lines. Detail level accounting groups are only for specifying the AP trade account to use for offsetting invoice expense.

The system then applies the value in that accounting group's *Freight method* field:

- **1** for none; the user must manually allocate the charges
- **2** for automatic distribution of the freight charge to the account specified in the following *Freight account* field
- **3** for prorating the freight charge across invoice expenses

Step 3: Prorating the freight amount during posting

If prorating applies, the system uses the invoice expense records or the inventory related expense account as the basis for allocating the charge.

The following table summarizes how the system prorates amounts from different purchase order levels.

If the charge is at this level...	The system prorates that freight amount proportionally over...
Invoice Header	All the invoice's non-inventory expense accounts
PO Header	All the non-inventory expense accounts associated with this purchase order number

If the charge is at this level...	The system prorates that freight amount proportionally over...
PO Detail	All the non-inventory expense accounts associated with this purchase order detail line
PO Multi-Ship	All the non-inventory expense accounts associated with this purchase order multi-ship (ship to) entry

The system prorates the amount over the applicable accounts based on the percentage of those accounts' combined total amount that is represented by each of the accounts' amounts.

Example: The prorating is over three accounts that have amounts respectively of \$25, \$25, and \$50. The combined total of these accounts is \$100.

- The first and second accounts are each 25% of that combined total and the third account is 50% of that combined total.
- If the freight charge is \$10, the system prorates \$2.50 (25%) to each of the first two accounts, and \$5 (50%) to the third account.

Including other additional charges in inventory cost

This topic applies only to weighted average cost companies. Standard cost companies use fixed inventory cost and, therefore, cannot roll additional charges into inventory.

Amounts included in cost are not expensed. They are included as part of inventory valuation. At invoice time, Infinium PL therefore uses the following accounting transactions to debit the Additional Charge Inventory Adjustment account for charges included in cost.

The system processes for including non-tax, non-freight additional charges in inventory cost are similar to the processes already described for freight additional charges.

Expensing other additional charges not included in inventory cost

The system processes for expensing non-tax, non-freight additional charges that are not specified as to be included in cost are similar to the processes already described for freight additional charges.

These processes differ from the processes for freight charges as follows:

- The system uses the Infinium PL accounting group *Other charge method* and *Other charge account* fields rather than the accounting group freight method fields.
- Prorating of non-tax, non-freight additional charges, is not available for standard invoices.

Examples of proration transactions

Scenario 1: Weighted average cost company including all in cost

Scenario 1 has the following characteristics:

Variable	This Scenario
Cost Accounting Type	Weighted average cost company
Include in cost?	Yes
Prorate in Infinium PL?	Yes
Type of items	Inventory only

PO Totals

The purchase order totals in this scenario are as follows:

Quantity	100
Total Goods	\$180
Freight Header Charge (included in cost)	\$12

Taxes

In the examples, the following applies to the taxes:

- The non-recoverable tax amounts (NR) are included in inventory cost.
- The recoverable tax amounts (R) are not included in inventory cost.

Infinium PL prorates the portions of additional charges that are not included in cost over invoice expenses except for recoverable taxes, which are expensed to an account that is specified in Infinium GT.

Detail line data

In Scenario 1, the detail lines are below.

Detail 1 10% (Freight Allocation from Header @10% = \$1.20)

Quantity = 10 CPU = \$1 Extended cost = \$10
 (\$10/\$100 = 10%)

VAT 7% Tax = \$0.70 (\$0.40 R, \$0.30 NR) Other 8% Tax = \$0.80

Detail 2 20% (Freight allocation @ 20% = \$2.40)

Quantity = 20 CPU=\$1 Extended Cost = \$20
 (\$20/\$100 = 20%)

VAT Tax = \$2.80 (\$1.80 R, \$1.00 NR) Other Tax \$3.20

Detail 3 30% (Freight allocation @ 30% = \$3.60)

Quantity = 30 CPU = \$1 Extended Cost = \$30
 (\$30/\$100 = 30%)

VAT Tax = \$6.30 (\$3.30 R, \$3.00 NR) Other Tax = \$7.20

Detail 4 40% (Freight allocation @ 40% = \$4.80:
 Multi-Ship 1 = \$1.80, MS2 = \$3.00)

Multi-Ship 1 15%
 Quantity = 15 CPU = \$1 Extended Cost = \$15
 (\$15/\$100 = 15%)

VAT Tax = \$2.10 (\$1.20 R, \$0.90 NR) Other Tax = \$2.40

Multi-Ship 2 25%
 Quantity = 25 CPU = \$1 Extended Cost = \$25
 (\$25/\$100 = 25%)

VAT Tax = \$3.50 (\$2.00 R, \$1.50 NR) Other Tax = \$4.00

All of the above lines are for inventory items.

Example A for Scenario 1

Example A illustrates the results for the above scenario when:

- The company uses the accrual method of accounting.
-

- Purchase order detail line 1 has been received in full and is invoiced.

The invoice information in this example is as follows:

Quantity = 10 CPU=\$1 Extended Cost = \$10.00
 VAT Tax = \$0.70 (\$0.40 R, \$0.30 NR) Other Tax = \$00.80
 Freight = \$1.20

The following table summarizes the resulting accounting transactions.

Account	Line Type	Debit	Credit	Description
RNI	34	10.00		Invoice quantity (not to exceed received quantity) x PO cost
Tax VAT Recoverable	24	.40		To book to Infinium GT account. Recoverable VAT is not included in cost and not prorated to expense.
Additional Charge Inventory Adjustment: Non-Recoverable VAT	25	.30		To book non-recoverable VAT to inventory. Non-recoverable VAT is specified as to be included in cost.
Additional Charge Inventory Adjustment: Sales tax	26	.80		To book sales tax to inventory. Sales tax (as non-recoverable) is specified as to be included in cost.
Additional Charge Inventory Adjustment: Freight	37	.12 (10%)		To book freight to inventory. Freight is specified as to be included in cost. This invoice has only \$1.20 of the original \$12 estimated freight amount. Since the system cannot determine which part of the \$12 is being charged on this invoice, the system prorates the amount charged in accordance with the percentage specified by the original purchase order proration calculation.
	37	.24 (20%)		
	37	.36 (30%)		
	37	.18 (15%)		
	37	.30 (25%)		
AP Trade	51		12.70	To book liability.

Example B for Scenario 1

Example B illustrates the results for the above scenario when:

- The company uses the accrual method of accounting.
- Purchase order detail line 1 has been received in full and is invoiced.
- The CPU (cost per unit) is higher on the invoice than on the purchase order.

The invoice information in this example is as follows:

Quantity = 10 CPU=\$1.50 Extended Cost = \$15.00
 VAT Tax = \$1.05 (\$0.60 R, \$0.45 NR) Other Tax = \$1.20
 Freight = \$1.20

The following table summarizes the resulting accounting transactions.

Account	Line Type	Debit	Credit	Description
RNI	34	10.00		Invoice quantity (not to exceed received quantity) x PO cost
Inventory Adjustment	32	5.00		To book difference between purchase order cost per unit (CPU) and invoice CPU
Tax VAT Recoverable	24	.60		To book to Infinium GT account. Recoverable VAT is not included in cost and not prorated to expense.
Additional Charge Inventory Adjustment: Non-Recoverable VAT	25	.45		To book non-recoverable VAT to inventory. Non-recoverable VAT is specified as to be included in cost.
Additional Charge Inventory Adjustment: Sales tax	26	1.20		To book sales tax to inventory. Sales tax (as non-recoverable) is specified as to be included in cost.

Account	Line Type	Debit	Credit	Description
Additional Charge Inventory Adjustment: Freight	37	.12 (10%)		To book freight to inventory. Freight is specified as to be included in cost. This invoice has only \$1.20 of the original \$12 estimated freight amount. Since the system cannot determine which part of the \$12 is being charged on this invoice, the system prorates the amount charged in accordance with the percentage specified by the original purchase order proration calculation.
	37	.24 (20%)		
	37	.36 (30%)		
	37	.18 (15%)		
	37	.30 (25%)		
AP Trade	51		18.45	To book liability.

Example C for Scenario 1

Example C illustrates the results for the above scenario when:

- The company uses the cash method of accounting.
- Purchase order detail line 1 has been received in full and is invoiced.

The invoice information in this example is as follows:

Quantity = 10 CPU=\$1.00 Extended Cost = \$10.00
 VAT Tax = \$0.70 (\$0.40 R, \$0.30 NR) Other Tax = \$0.80
 Freight = \$1.20

Account	Line Type	Debit	Credit	Description
Inventory	21	10.00		Invoice quantity x PO cost

Account	Line Type	Debit	Credit	Description
Tax VAT Recoverable	24	.40		To book to Infinium GT account. Recoverable VAT is not included in cost and not prorated to expense.
Additional Charge Inventory Adjustment: Non-Recoverable VAT	25	.30		To book non-recoverable VAT to inventory. Non-recoverable VAT is specified as to be included in cost.
Additional Charge Inventory Adjustment: Sales tax	26	.80		To book sales tax to inventory. Sales tax (as non-recoverable) is specified as to be included in cost.
Additional Charge Inventory Adjustment: Freight	37	.12 (10%)		To book freight to inventory. Freight is specified as to be included in cost. This invoice has only \$1.20 of the original \$12 estimated freight amount. Since the system cannot determine which part of the \$12 is being charged on this invoice, the system prorates the amount charged in accordance with the percentage specified by the original purchase order proration calculation.
	37	.24 (20%)		
	37	.36 (30%)		
	37	.18 (15%)		
	37	.30 (25%)		
AP Trade	51		12.70	To book liability

Scenario 2: Weighted average cost company including some in cost

Scenario 2 has the following characteristics:

Variable	This Scenario
Cost Accounting Type	Weighted average cost company
Include in cost?	Yes
Prorate in Infinium PL?	Yes
Type of items	Mixture of inventory and non-inventory

In Scenario 2 a weighted average cost company includes some additional charges in cost. The examples of transactions for this scenario apply to the additional charges that were included in cost.

PO Totals

The purchase order totals in this scenario are as follows:

Quantity	100
Total Goods	\$180
Freight Header Charge (included in cost)	\$12

Taxes

In the examples, the following applies to the taxes:

- The non-recoverable tax amounts (NR) are included in cost.
- The recoverable tax amounts (R) are expensed. They are not included in cost.

Infinium PL prorates over the invoice expenses the portions of additional charges that are not included in cost. Exception: Infinium PL books the recoverable taxes to an account that is specified in Infinium GT.

Detail Line Data

In Scenario 2, the detail lines are as follows.

In this case, detail line 2 has a non-inventory item.

Detail 1 10% (Freight Allocation @ 10% = \$1.20)

Quantity = 10 CPU = \$1 Extended cost = \$10

VAT Tax = \$0.70 (\$0.40 R, \$0.30 NR) Other Tax = \$0.80

Detail 2 20% (Freight allocation @ 20% = \$2.40)

Quantity = 20 CPU=\$2 Extended Cost = \$40

VAT Tax = \$2.80 (\$1.80 R, \$1.00 NR) Other Tax \$3.20

Detail 3 30% (Freight allocation @ 30% = \$3.60)

Quantity = 30 CPU = \$3 Extended Cost = \$90

VAT Tax = \$6.30 (\$3.30 R, \$3.00 NR) Other Tax = \$7.20

Detail 4 40% (Freight allocation @ 40% = \$4.80:
Multi-Ship 1 = \$1.80, MS2 = \$3.00)

Multi-Ship 1 15%

Quantity = 15 CPU = \$1 Extended Cost = \$15

VAT Tax = \$2.10 (\$1.20 R, \$0.90 NR) Other Tax = \$2.40

Multi-Ship 2 25%

Quantity = 25 CPU = \$1 Extended Cost = \$25

VAT Tax = \$3.50 (\$2.00 R, \$1.50 NR) Other Tax = \$4.00

All of the above lines except for detail line 2 are for inventory items.

Example A for Scenario 2

Example A illustrates the results for the above scenario when:

- The company uses the accrual method of accounting.
- The purchase order has been received in full and invoiced in full.

The invoice information in this example is as follows:

Quantity = 100 Extended Cost = \$180.00

Taxes: Same as the purchase order for each line

Freight = \$25.00

The following table summarizes the resulting accounting transactions.

Account	Line Type	Debit	Credit	Description
RNI (PO line 1)	34	10.00		Invoice quantity (not to exceed received quantity) x PO cost
RNI (PO line 2)	34	40.00		
RNI (PO line 3)	34	90.00		
RNI (PO line 4 MS 1)	34	15.00		
RNI (PO line 4 MS 2)	34	25.00		
Tax VAT Recoverable (PO line 1)	24	.40		To book to Infinium GT account. Recoverable VAT is not included in cost and not prorated to expense.
Tax VAT Recoverable (PO line 2)	24	1.80		
Tax VAT Recoverable (PO line 3)	24	3.30		
Tax VAT Recoverable (PO line 4 MS 1)	24	1.20		
Tax VAT Recoverable (PO line 4 MS 2)	24	2.00		
Additional Charge Inventory Adjustment: Non-Recoverable VAT (PO line 1)	25	.30		To book non-recoverable VAT to inventory. Non-recoverable VAT is specified as to be included in cost.
Non-inventory expense accounts (PO line 2)	25	1.00		To book non-recoverable VAT to expense. This is a non-inventory line. Expense is to be prorated.
Additional Charge Inventory Adjustment: Non-Recoverable VAT (PO line 3)	25	3.00		To book non-recoverable VAT to inventory. Non-recoverable VAT is specified as to be included in cost.
Additional Charge Inventory Adjustment: Non-Recoverable VAT (PO line 4 MS 1)	25	.90		

Account	Line Type	Debit	Credit	Description
Additional Charge Inventory Adjustment: Non-Recoverable VAT (PO line 4 MS 2)	25	1.50		
Additional Charge Inventory Adjustment: Sales tax (PO line 1)	26	.80		To book sales tax to inventory. Sales tax (as non-recoverable) is specified as to be included in cost.
Additional Charge Inventory Adjustment: Sales tax (PO line 2)	26	3.20		To book this non-recoverable sales tax to expense. Since this is a non-inventory line, the sales tax cannot be included in cost. Expense is specified as to be prorated.
Additional Charge Inventory Adjustment: Sales tax (PO line 3)	26	7.20		To book sales tax to inventory. Sales tax (as non-recoverable) is specified as to be included in cost.
Additional Charge Inventory Adjustment: Sales tax (PO line 4 MS 1)	26	2.40		
Additional Charge Inventory Adjustment: Sales tax (PO line 4 MS 2)	26	4.00		
Additional Charge Inventory Adjustment: freight	37	2.50		To book freight to inventory. Freight is specified as to be included in cost. This invoice has only \$1.20 of the original \$12 estimated freight amount.
PO lines 1, 3, 4 MS, 1 and 4 MS 2	37	7.50		
Line 2 is not included here since line 2 is a non-inventory item.	37	3.75		Since the system cannot determine which part of the \$12 is being charged on this invoice, the system prorates the amount charged in accordance with the percentage specified by the original purchase order proration calculation.
	37	6.25		

Account	Line Type	Debit	Credit	Description
Non-inventory expense account or accounts (PO line 2)	22	5.00 (20%)		To book freight to expense since non-inventory freight cannot be included in cost. Expense is specified as to be prorated.
AP Trade	51		238.00	To book liability.

Example B for Scenario 2

Example B illustrates the results for Scenario 2 when:

- The company uses the cash method of accounting.
- Purchase order detail line 1 has been received in full and is invoiced.

The invoice information in this example is as follows:

Quantity = 10 CPU=\$1.00 Extended Cost = \$10.00
VAT Tax = \$0.70 (\$0.40 R, \$0.30 NR) Other Tax = \$0.80
Freight = \$1.20

Account	Line Type	Debit	Credit	Description
Inventory (PO line 1)	34	10.00		Invoice quantity x PO cost
Expense (PO line 2)	34	40.00		
Inventory (PO line 3)	34	90.00		
Inventory (PO line 4 MS 1)	34	15.00		
Inventory (PO line 4 MS 2)	34	25.00		
Tax VAT Recoverable (PO line 1)	24	.40		To book to Infinium GT account. Recoverable VAT is not included in cost and not prorated to expense.
Tax VAT Recoverable (PO line 2)	24	1.80		
Tax VAT Recoverable (PO line 3)	24	3.30		
Tax VAT Recoverable (PO line 4 MS 1)	24	1.20		

Account	Line Type	Debit	Credit	Description
Tax VAT Recoverable (PO line 4 MS 2)	24	2.00		
Additional Charge Inventory Adj: Non- Recoverable VAT (PO line 1)	25	.30		To book non-recoverable VAT to inventory. Non- recoverable VAT is specified as to be included in cost.
Additional Charge Inventory Adj: Non- Recoverable VAT (PO line 3)	25	3.00		
Additional Charge Inventory Adj: Non- Recoverable VAT (PO line 4 MS 1)	25	.90		
Additional Charge Inventory Adj: Non- Recoverable VAT (PO line 4 MS 2)	25	1.50		
Non-inventory item expense account or accounts (PO line 2)	25	1.00		To book non-recoverable VAT to expense. Since this is a non-inventory line, tax cannot be included in cost. Expense is specified as to be prorated.
Additional Charge Inventory Adjustment: Sales tax (PO line 1)	26	.80		To book sales tax to inventory. Sales tax (as non-recoverable) is specified as to be included in cost.
Additional Charge Inventory Adjustment: Sales tax (PO line 3)	26	7.20		
Additional Charge Inventory Adjustment: Sales tax (PO line 4 MS 1)	26	2.40		
Additional Charge Inventory Adjustment: Sales tax (PO line 4 MS 2)	26	4.00		

Account	Line Type	Debit	Credit	Description
Additional Charge Inventory Adjustment: Sales tax (PO line 2)	26	3.20		To book this non-recoverable sales tax to expense. Since this is a non-inventory line, the sales tax cannot be included in cost. Expense is specified as to be prorated.
Additional Charge Inventory Adjustment: freight	37	2.50 (10%)		To book freight to inventory. Freight is specified as to be included in cost. This invoice has only \$1.20 of the original \$12 estimated freight amount.
PO lines 1, 3, 4 MS 1, and 4 MS 2	37	7.50 (30%)		
Line 2 is not included here since line 2 is a non-inventory item.	37	3.75 (15%)		Since the system cannot determine which part of the \$12 is being charged on this invoice, the system prorates the amount charged in accordance with the percentage specified by the original purchase order proration calculation.
	37	6.25 (25%)		
Non-inventory expense account or accounts (PO line 2)	22	5.00 (20%)		To book freight to expense since non-inventory freight cannot be included in cost. Expense is specified as to be prorated.
AP Trade	51		238.00	To book liability.

Scenario 3: WAC or standard company not including charges in inventory cost

Scenario 3 has the following characteristics:

Variable	This Scenario
Cost Accounting Type	Weighted average or standard
Include in cost?	No
Prorate in Infinium PL?	Yes
Type of items	Mixture of inventory and non-inventory

PO Totals

The purchase order totals in this scenario are as follows:

Quantity	100
Total Goods	\$180
Freight Header Charge (included in cost)	\$12

Taxes

In the examples, the following applies to the taxes:

- The non-recoverable tax amounts (NR) are prorated over invoice expenses.
- The recoverable tax amounts (R) are not prorated over expenses. These recoverable tax amounts are booked to the account specified in Infinium GT.

Detail Line Data

In Scenario 3, the detail lines are as follows. Purchase order line 2 is for a non-inventory item, as in Scenario 2. The detail line amounts are as in Scenario 2.

Detail 1 10% (Freight Allocation @10% = \$1.20)

Quantity = 10 CPU = \$1 Extended cost = \$10

VAT Tax = \$0.70 (\$0.40 R, \$0.30 NR) Other Tax = \$0.80

(Freight allocation @ 20% = \$2.40)

Extended Cost = \$40

Other Tax \$3.20

(Freight allocation @ 30% = \$3.60)

Extended Cost = \$90

Other Tax = \$7.20

(Freight allocation @ 40% = \$4.80:
\$1.80, MS2 = \$3.00)

Extended Cost = \$15

Other Tax = \$2.40

Extended Cost = \$25

Other Tax = \$4.00

Example for Scenario 3

The example for Scenario 3 illustrates the results when:

- The company uses the accrual method of accounting.
- Purchase order detail line 1 has been received in full and is invoiced.

The invoice information in this example is as follows:

Extended Cost = \$180.00

Tax = same as purchase order for each line

Freight = \$25.00

The following table summarizes the resulting accounting transactions.

Account	Line Type	Debit	Credit	Description
RNI (PO line 1)	34	10.00		Invoice quantity (not to exceed received)
RNI (PO line 2)	34	40.00		

Account	Line Type	Debit	Credit	Description
RNI (PO line 3)	34	90.00		quantity) x PO cost
RNI (PO line 4 MS 1)	34	15.00		
RNI (PO line 4 MS 2)	34	25.00		
Tax VAT Recoverable (PO line 1)	24	.40		To book to Infinium GT account. Recoverable VAT is not included in cost and not prorated to expense.
Tax VAT Recoverable (PO line 2)	24	1.80		
Tax VAT Recoverable (PO line 3)	24	3.30		
Tax VAT Recoverable (PO line 4 MS 1)	24	1.20		
Tax VAT Recoverable (PO line 4 MS 2)	24	2.00		To book to Infinium GT account. Recoverable VAT is not included in cost and not prorated to expense.
Inventory related expense or expenses (PO line 1)	25	.30		To prorate non-recoverable VAT over invoice expenses. Non-recoverable VAT is specified as to be prorated.
Non-inventory expenses (PO line 2)	25	1.00		To prorate non-recoverable VAT over invoice expenses. Non-recoverable VAT is specified as to be prorated.
Inventory related expense or expenses (PO line 3)	25	3.00		To prorate non-recoverable VAT over invoice expenses. Non-recoverable VAT is specified as to be prorated.
Inventory related expense or expenses (PO line 4 MS 1)	25	.90		
Inventory related expense or expenses (PO line 4 MS 2)	25	1.50		

Account	Line Type	Debit	Credit	Description
Inventory related expense or expenses (PO line 1)	26	.80		To prorate sales tax over invoice expenses. Sales tax (as non-recoverable) is specified as to be prorated.
Inventory related expense or expenses (PO line 2)	26	3.20		
Inventory related expense or expenses (PO line 3)	26	7.20		
Inventory related expense or expenses (PO line 4 MS 1)	26	2.40		
Inventory related expense or expenses (PO line 4 MS 2)	26	4.00		
Inventory related expense or expenses	22	2.50 (10%)		To prorate freight over invoice expenses. Freight is specified as to be prorated.
PO lines 1, 3, 4 MS 1, and 4 MS 2	22	7.50 (30%)		
Line 2 is not included here since line 2 is a non-inventory item.	22	3.75 (15%)		
	22	6.25 (25%)		
Non-inventory expense account or accounts (PO line 2)	22	5.00 (20%)		To prorate freight over invoice expenses. Freight is specified as to be prorated.
AP Trade	51		238.00	To book liability.

Notes