Infor Enterprise General Ledger for System i Overview Guide

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Enterprise General Ledger for System i

Enterprise General Ledger for System i (EGLi) is an event-driven general ledger application that provides a central repository for all general ledger information in an organization. Journal entries are created from transactions that occur in ERP applications. EGLi uses the Advanced Transaction Processing (ATP) posting engine to enable configurable transaction processing.

The configurability of the general ledger allows you to compose rules that define the information included in a transaction, the currencies in which transactions are recorded, and the books to which the transactions are posted. You can create the rules for any event in any subsystem and transactions can be posted simultaneously to multiple ledgers.

EGLi is designed to integrate with Infor LX and Infor XA applications. Infor LX provides migration programs that move existing data from CEA into EGLi.

Features

EGLi includes the features discussed below.

Post transactions from subsystem activities

The ERP's subsystems and the general ledger are integrated. Subsystem activities generate journal entries and use automated accounting decisions to post the journal entries to the general ledger.

For example, you can enter a vendor invoice and automatically post the accounts payable and expense entries to the appropriate accounts without user intervention.

The financial event sequences defined within a financial event class determine the ledger and books that are updated with a subsystem transaction. Each financial event sequence specifies a particular ledger and book to update.

Parallel posting

In EGLi, events can be posted to multiple charts of accounts, ledgers, and books simultaneously. These examples show how you can take advantage of the flexibility provided by EGLi:

- Keep separate charts of accounts for IFRS and GAAP accounting
- Maintain financial activity in a region that is autonomous from other regions and from corporate headquarters
- Maintain books in multiple currencies
- Use flexible financial calendars
- Maintain separate books for corporate and business units
- Record taxes by country, state, region
- Track sales by posting to Sales Books

External transactions

You can receive transactions from third-party sources and use the External GL Transactions object to view and maintain the transactions. To create journal entries from these transactions, use the Process Transactions host job. If the journal entries cannot be created, the transaction is marked “Error” and errors are listed on the bottom of the detail card. If you selected the **Allow Journals in Error** parameter for a Financial Event Class, the transaction is created if possible and the transaction is marked as “Processed.”

Deferred posting

When you define subsystem rules, you can define the journal process as “Defer posting.” Use the Deferred GL Transactions object to post the transactions to which the subsystem rule applies. You can use this object to restart transactions that did not complete the posting process.

Ledger account rules

Create rules that define how segment values are combined to form an account for a specific chart of accounts. The rules apply to a particular chart of accounts but can optionally apply to a ledger. You can, for example, define a reject rule that prevents ATP from posting a particular account to a chart of accounts. You can apply a start date to the rule so that you can set up accounts but delay posting until the effective date.

Currency and exchange rates

EGLi uses ERP common objects Currencies and Exchange Rate Sets to track accounting transactions in multiple currencies.

You can update books with all transactions or only transactions in which the transaction currency matches the book currency. For example, if you enter transactions in euros and US dollars for a ledger, you can maintain three books: a book for each transaction currency (US dollars and euro), and a reporting book that records both US dollars and euros in the book's currency.

Upload journal entries from a spreadsheet

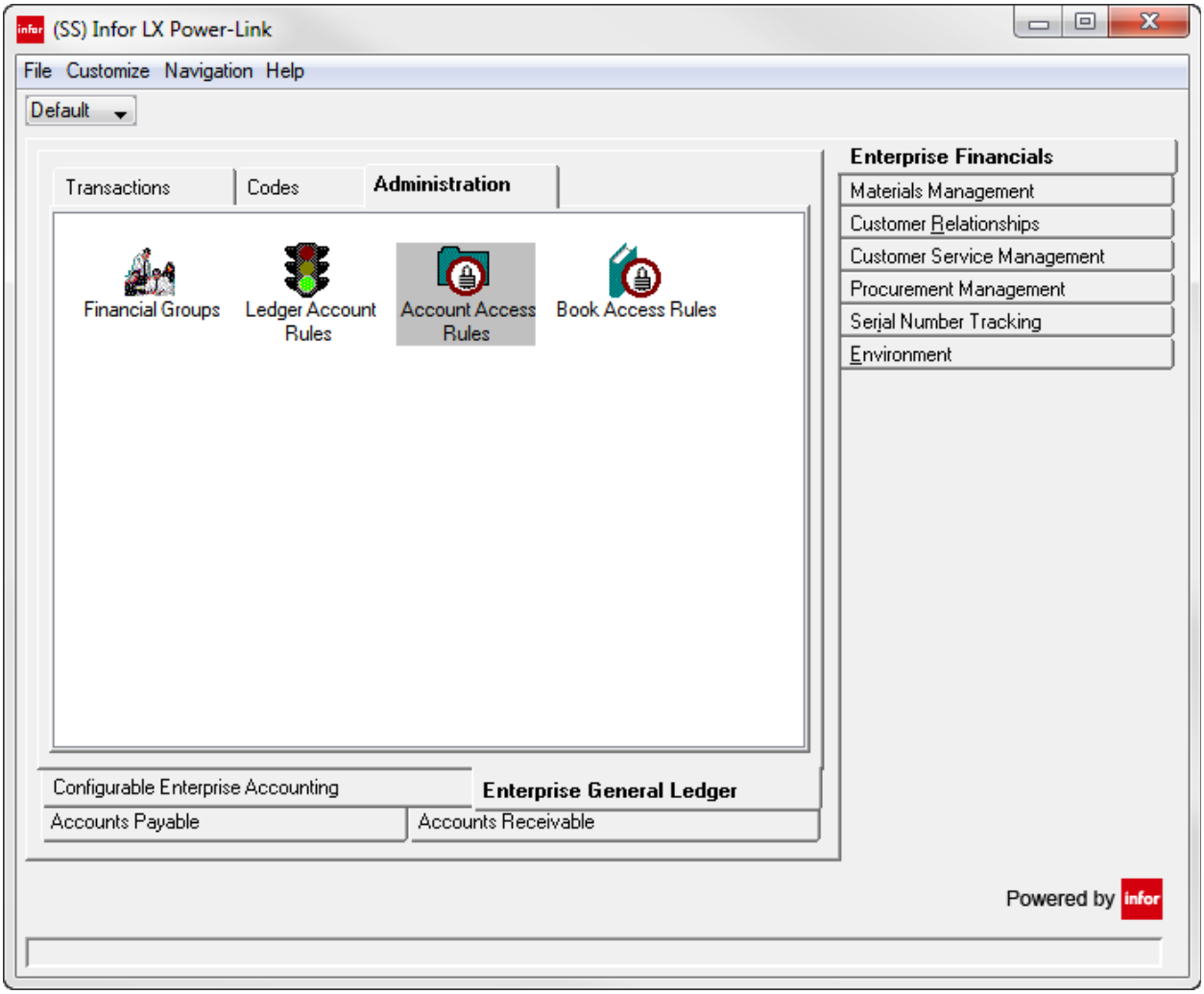
If you prefer to create manual journal entries in a Microsoft® Excel® spreadsheet, you can upload the journals to EGLi. Run the journal upload installation on your PC. The installation adds an Add-Ins tab to Excel spreadsheets. The Add-Ins tab provides a template for a journal entry and options that allow you to connect to the server where EGLi is installed.

Account access rules

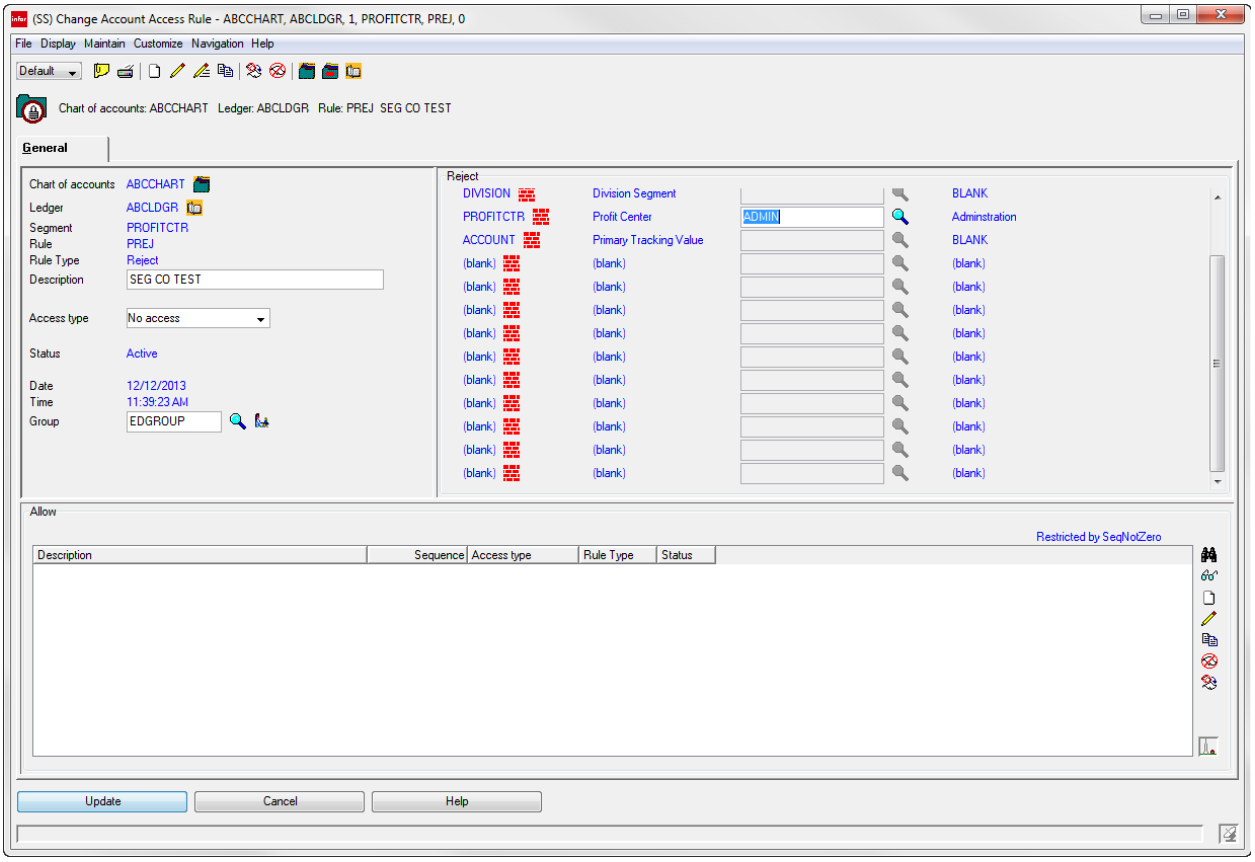
EGLi provides a way to define access rules by Group for segment values and account strings. Access rules can be maintained for any associated Ledger, Segment/Account string combination. You can create Account access rules for all ledgers in a Chart of Accounts. Account Rules limit the account string to specific combinations of segment values.

Account Rules consist of reject and allow rules. You first define a reject rule then define exceptions to the reject rule, which are called allow rules. Account Rules are categorized by Chart of Accounts.

To access the Account Access Rules, select **Codes > Account Access Rules**.



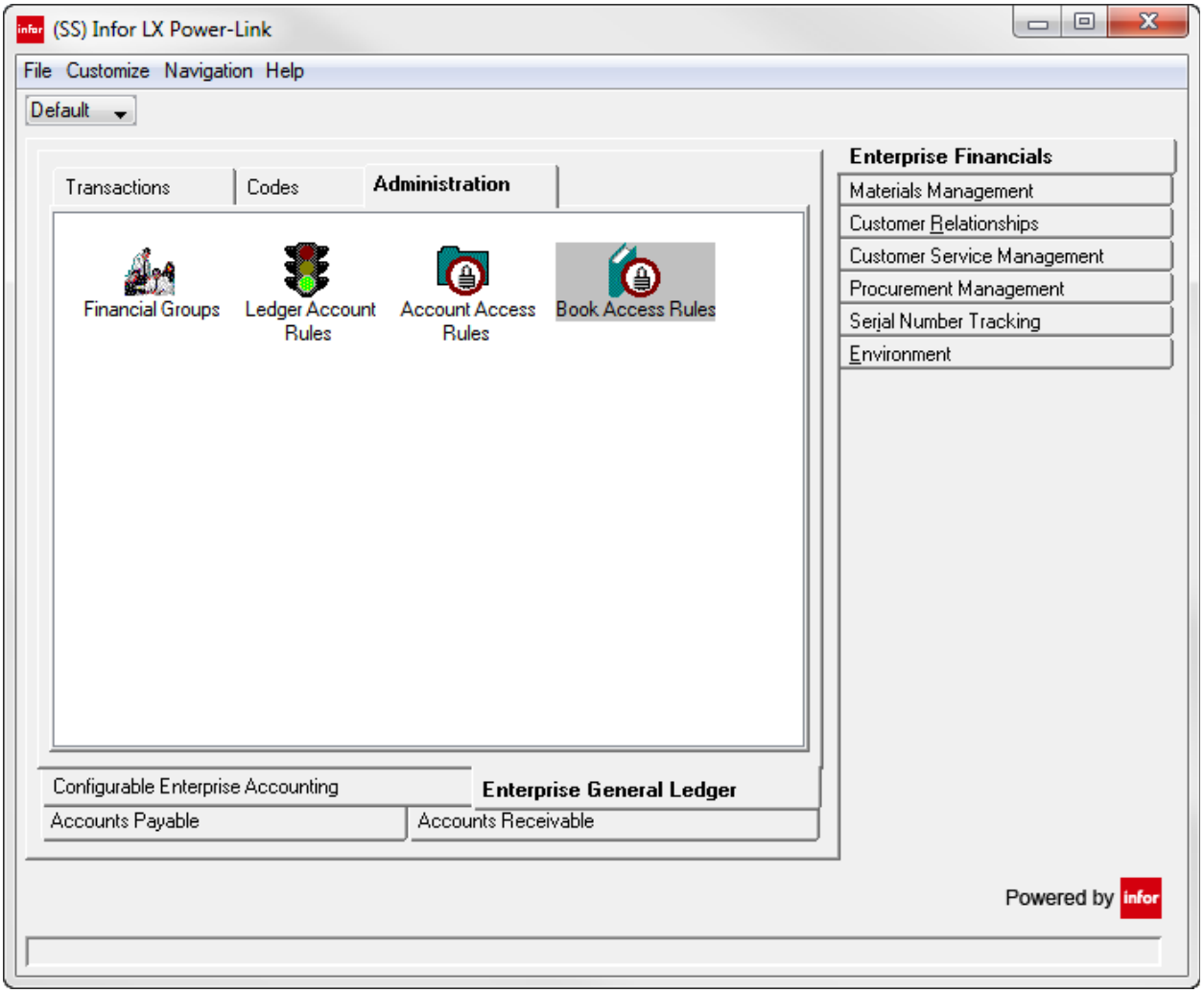
After you create a account ledger, you can create account access rules. Specify a chart of accounts, ledger, rules, exceptions, as well as reject and allow values.



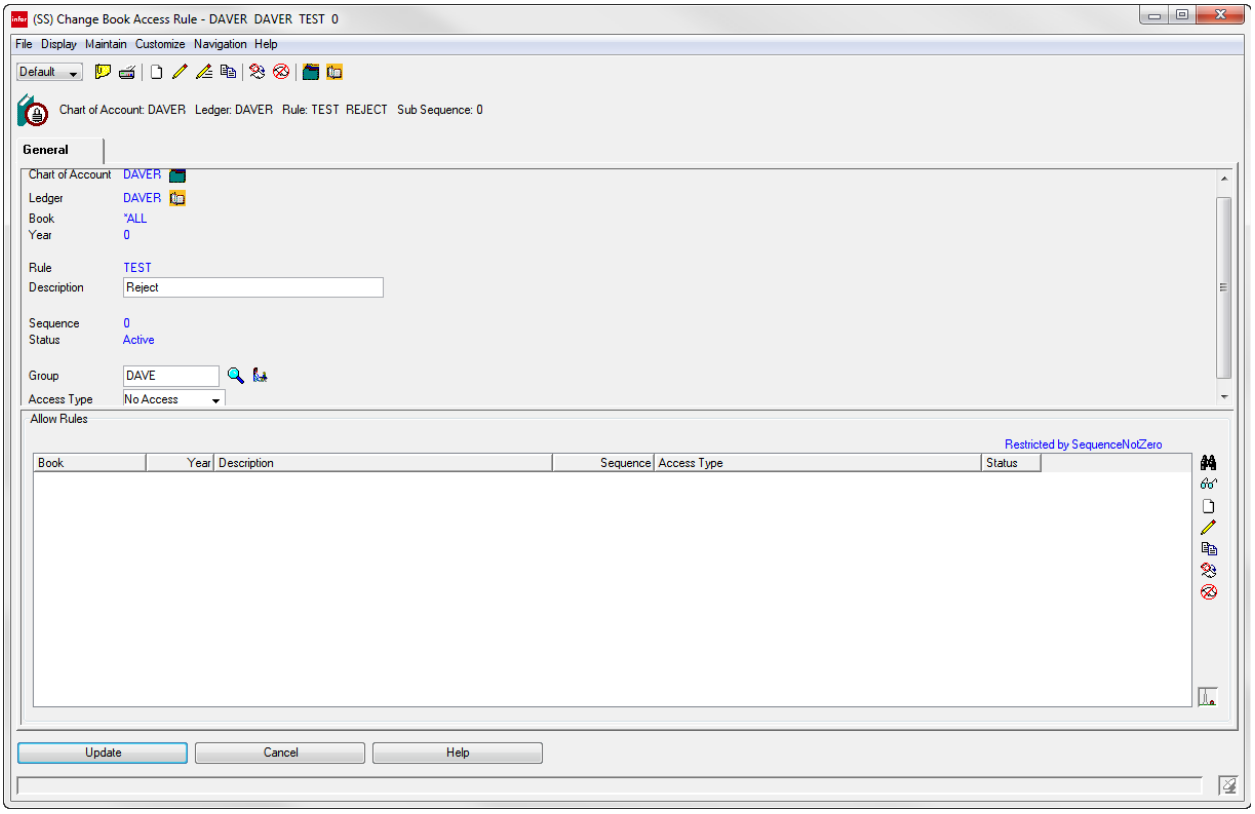
Book access rules

Book Access Rules are ledger based and consist of reject and allow rules. Once a reject rule is created for a user group, everyone in that group is restricted from all books in that ledger. Allow rules can then be created to allow specific access to any book in the ledger for that group.

To access the Book Access Rules, select **Codes > Book Access Rules**.

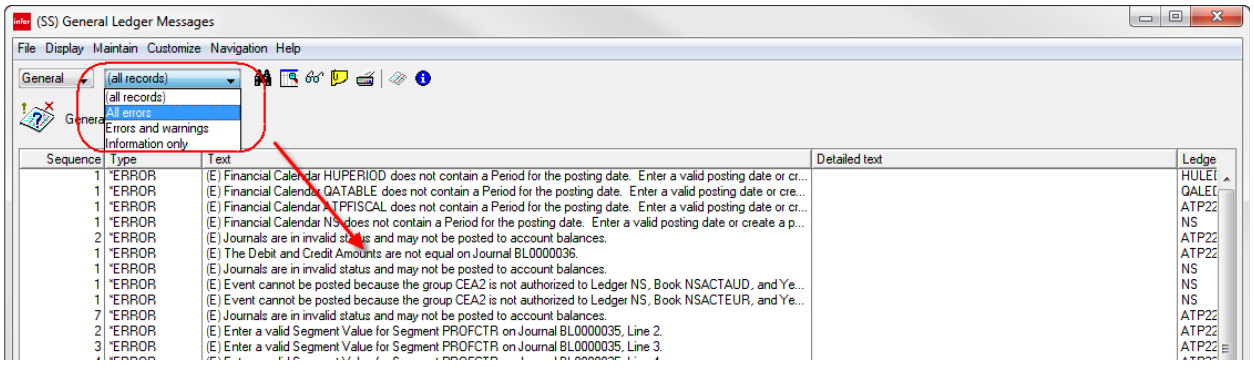


After you create a Ledger and Ledger Book, you can create the book access rules. Specify a chart of accounts, ledger, and rule.



Subsets for general ledger messages

You can view the General Ledger Messages list window based on a subset you select. Each subset restricts the rows in the General Ledger Messages list window for a specific purpose. Some of the subsets in the General Ledger Messages list window provide the opportunity to view three different types of messages: errors, errors and warnings, and information only.



Setup objects

If you use CEA in Infor LX or IFM in Infor XA, these objects are populated with data from your ERP when you complete the migration steps. You must use these objects to add new accounts, create new financial calendars, create models, etc.

- Financial Calendars: When you create a financial calendar, the periods in the calendar are created automatically and include opening and ending periods (not displayed) for the transfer of opening balances. You can optionally define an audit period.
- Account Segments: Define the account segments and the values associated with each segment. Segment values can be up to 16 digits, both alpha and numeric. One segment must be designated as a Natural segment to designate the account type.
- Charts of Accounts: Create the chart of accounts and add the account segments. Unlimited number of charts can be created using up to 14 segments. Any combination of segments can be used with one Natural account. Some segments can be designated as optional.
- Ledgers: Define ledgers and the books to include in each ledger.
- Subsystems: Subsystem events determine which financial event class is used to create journal entries. EGLi includes several predefined subsystem processes to classify subsystem transactions in the ERP. In the Subsystem object, create Subsystem Event Rules to link the subsystem processes with user-defined events and to specify the journal process, for example, to post journal entries when they are created or to defer posting.
- Financial Event Classes: Use this object to define the business transactions with financial impact that should be recorded in the general ledger. You can define Financial Event Classes to post to any combination of Ledger and Books.
- Financial Models: Financial Models are templates that are used to create journal entries. Financial Models are reusable across multiple events. The account string for each line of the journal can be hard coded or it can use Financial Macros. Key non-financial information, for example Tax ID number, customer name, etc., can be stored in reference fields for future analysis.
- Financial Macros: Financial Macros are used to dynamically determine the account string or field references based on variables in each subsystem transaction by retrieving subsystem details and moving that data into the journals. EGLi provides predefined macros to use with each ERP; you can configure macros for a specific business situation.
- Financial Macro Aliases: Aliases represent one or more segments in a chart of accounts. Aliases are translated into segment values when the financial event is processed.
- Reason Codes: Reason codes are used by the Subsystem to identify the Financial Event Class associated with a Financial Model.

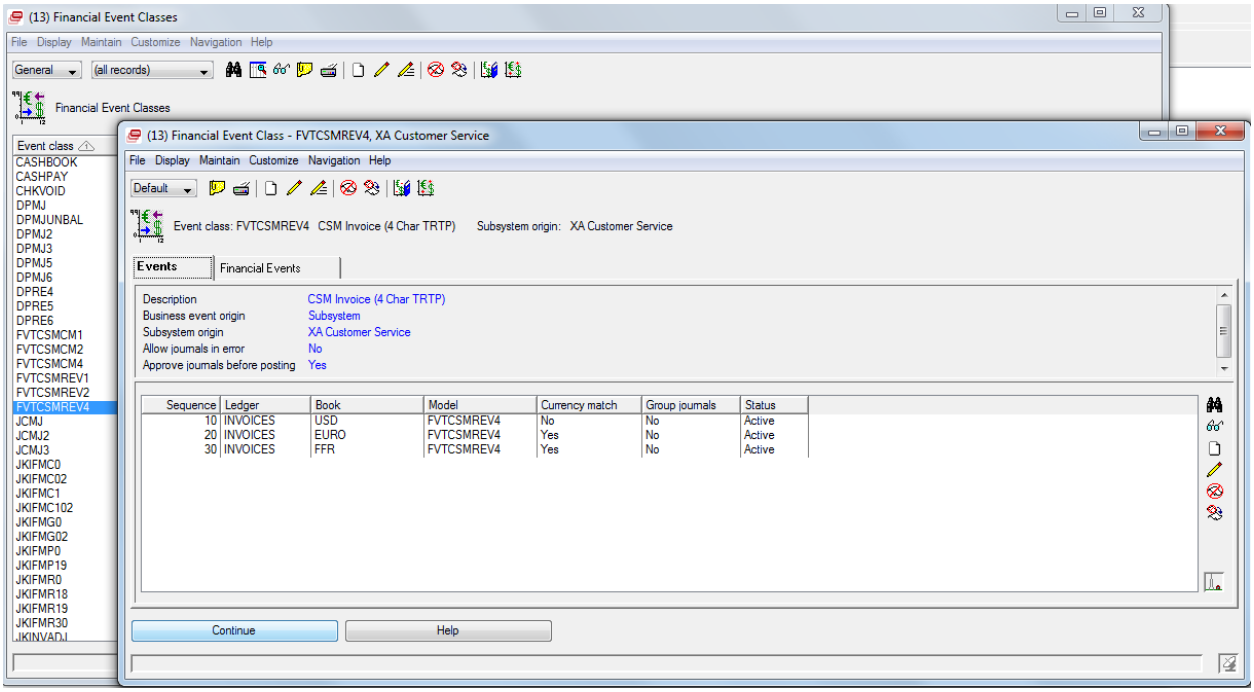
Financial events and journal entries

EGLi provides financial events and journal entry objects that you can use to view and maintain the journal entries that are created by a subsystem transaction and to create and maintain manual journal entries. You can use subsets and sorts to show the Financial Events that you need. Journals are presented in a combined view that shows journal header, notes, transaction and book totals.

This example uses XA data to show a financial event class and the journal entries that can result when a transaction occurs in an XA application in a subsystem that is assigned to this event class.

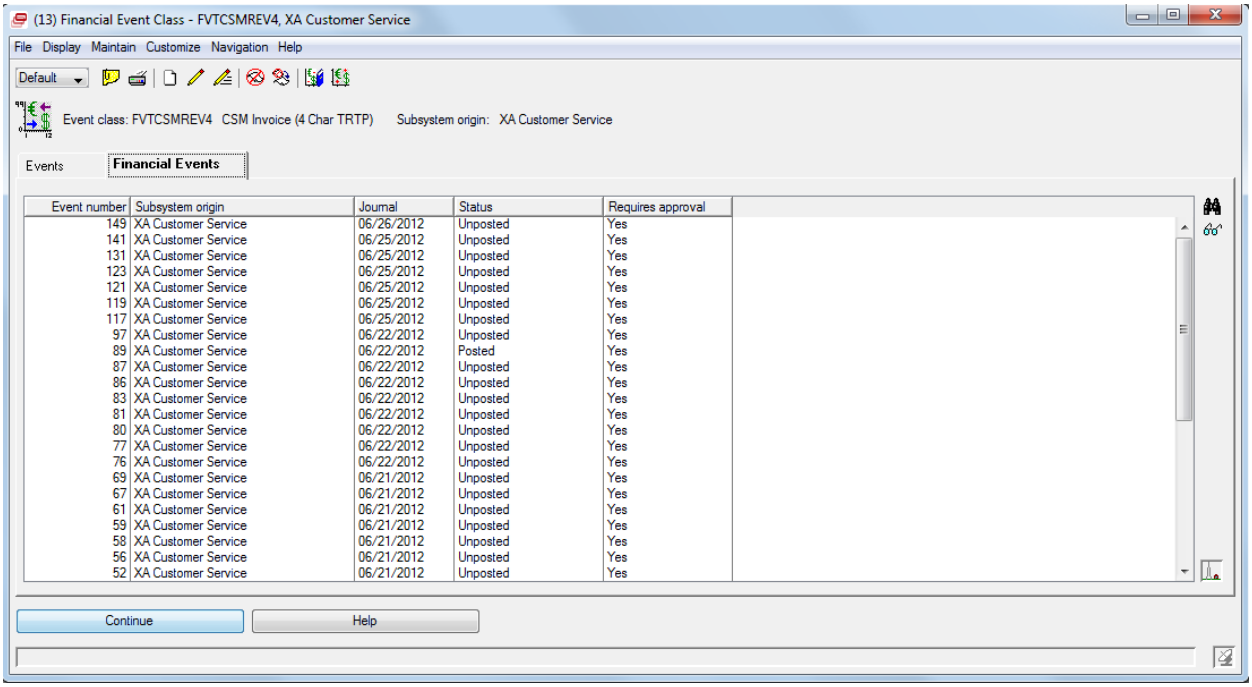
Displaying a financial event class

In this example, the Financial Event Class FVTCSMREV04 is defined as a subsystem event that occurs in the XA Customer Service subsystem.



This event class is defined to post journal entries to the Invoices Ledger and the US dollar, euro, and French franc books in a specified sequence.

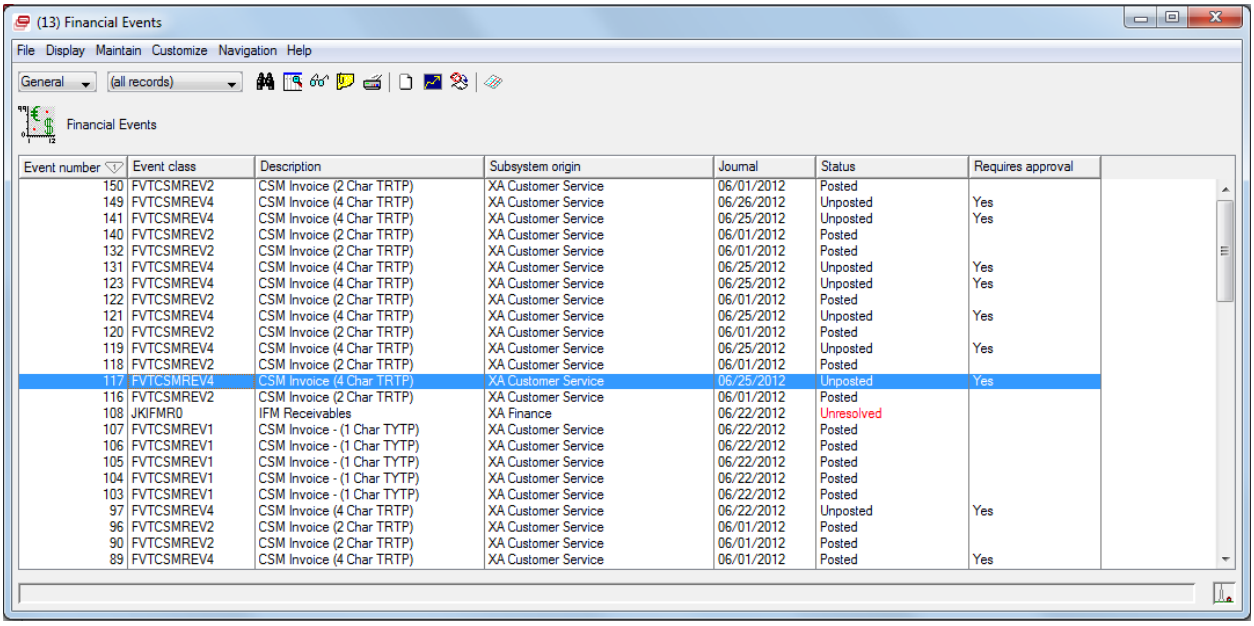
To see a list of the financial events that were recorded for this event class, click the **Financial Events** tab.



The card lists the date the journal entry was created, the posting status, and whether approval is required.

Displaying financial events

To see all financial events, for all subsystems, access the Financial Events list window.



Event number	Event class	Description	Subsystem origin	Journal	Status	Requires approval
150	FVTCSMREV2	CSM Invoice (2 Char TRTP)	XA Customer Service	06/01/2012	Posted	
149	FVTCSMREV4	CSM Invoice (4 Char TRTP)	XA Customer Service	06/26/2012	Unposted	Yes
141	FVTCSMREV4	CSM Invoice (4 Char TRTP)	XA Customer Service	06/25/2012	Unposted	Yes
140	FVTCSMREV2	CSM Invoice (2 Char TRTP)	XA Customer Service	06/01/2012	Posted	
132	FVTCSMREV2	CSM Invoice (2 Char TRTP)	XA Customer Service	06/01/2012	Posted	
131	FVTCSMREV4	CSM Invoice (4 Char TRTP)	XA Customer Service	06/25/2012	Unposted	Yes
123	FVTCSMREV4	CSM Invoice (4 Char TRTP)	XA Customer Service	06/25/2012	Unposted	Yes
122	FVTCSMREV2	CSM Invoice (2 Char TRTP)	XA Customer Service	06/01/2012	Posted	
121	FVTCSMREV4	CSM Invoice (4 Char TRTP)	XA Customer Service	06/25/2012	Unposted	Yes
120	FVTCSMREV2	CSM Invoice (2 Char TRTP)	XA Customer Service	06/01/2012	Posted	
119	FVTCSMREV4	CSM Invoice (4 Char TRTP)	XA Customer Service	06/25/2012	Unposted	Yes
118	FVTCSMREV2	CSM Invoice (2 Char TRTP)	XA Customer Service	06/01/2012	Posted	
117	FVTCSMREV4	CSM Invoice (4 Char TRTP)	XA Customer Service	06/25/2012	Unposted	Yes
116	FVTCSMREV2	CSM Invoice (2 Char TRTP)	XA Customer Service	06/01/2012	Posted	
108	JKIFMR0	IFM Receivables	XA Finance	06/22/2012	Unresolved	
107	FVTCSMREV1	CSM Invoice - (1 Char TYTP)	XA Customer Service	06/22/2012	Posted	
106	FVTCSMREV1	CSM Invoice - (1 Char TYTP)	XA Customer Service	06/22/2012	Posted	
105	FVTCSMREV1	CSM Invoice - (1 Char TYTP)	XA Customer Service	06/22/2012	Posted	
104	FVTCSMREV1	CSM Invoice - (1 Char TYTP)	XA Customer Service	06/22/2012	Posted	
103	FVTCSMREV1	CSM Invoice - (1 Char TYTP)	XA Customer Service	06/22/2012	Posted	
97	FVTCSMREV4	CSM Invoice (4 Char TRTP)	XA Customer Service	06/22/2012	Unposted	Yes
96	FVTCSMREV2	CSM Invoice (2 Char TRTP)	XA Customer Service	06/01/2012	Posted	
90	FVTCSMREV2	CSM Invoice (2 Char TRTP)	XA Customer Service	06/01/2012	Posted	
89	FVTCSMREV4	CSM Invoice (4 Char TRTP)	XA Customer Service	06/01/2012	Posted	Yes

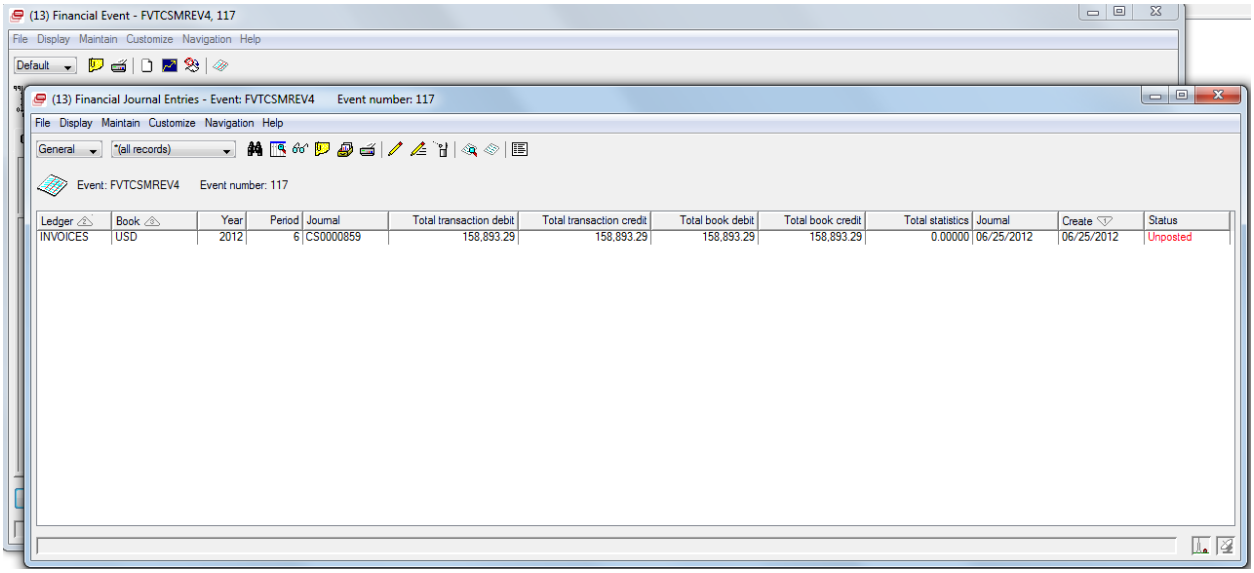
From this list window you can view the journal entries created for an event, in this example, event number 117.

Displaying financial journal entries and lines

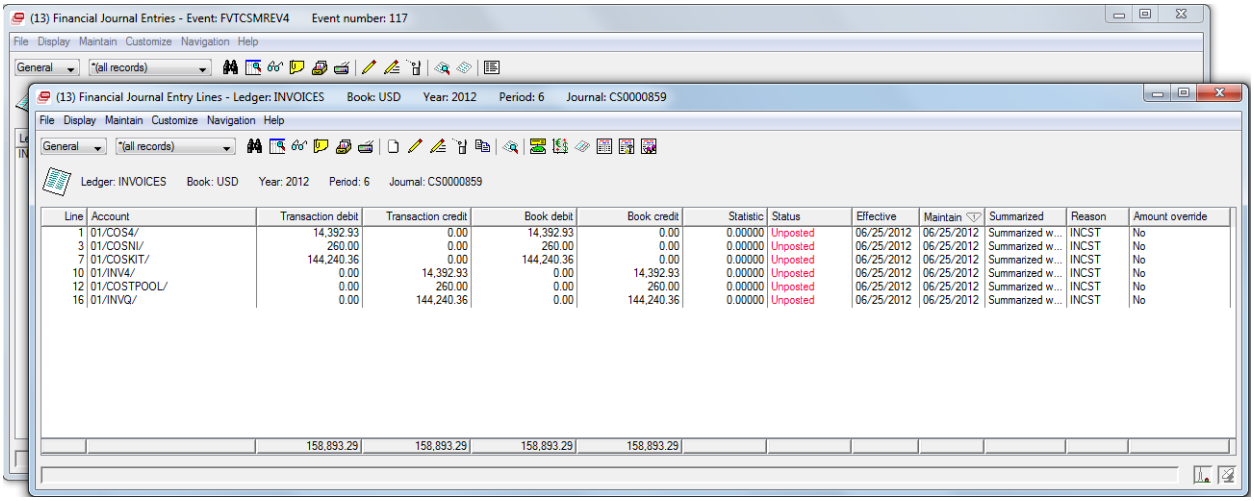
You can create subsets, sorts, and views to customize the list of journal lines to accommodate your needs. The subsets and sorts that you define for journal lines can be applied to the detail information.

Analysis and reference fields are available to analyze account balances customer, vendor, item, etc. as required.

Select the event and then select **Display > Financial Journal Entries**.

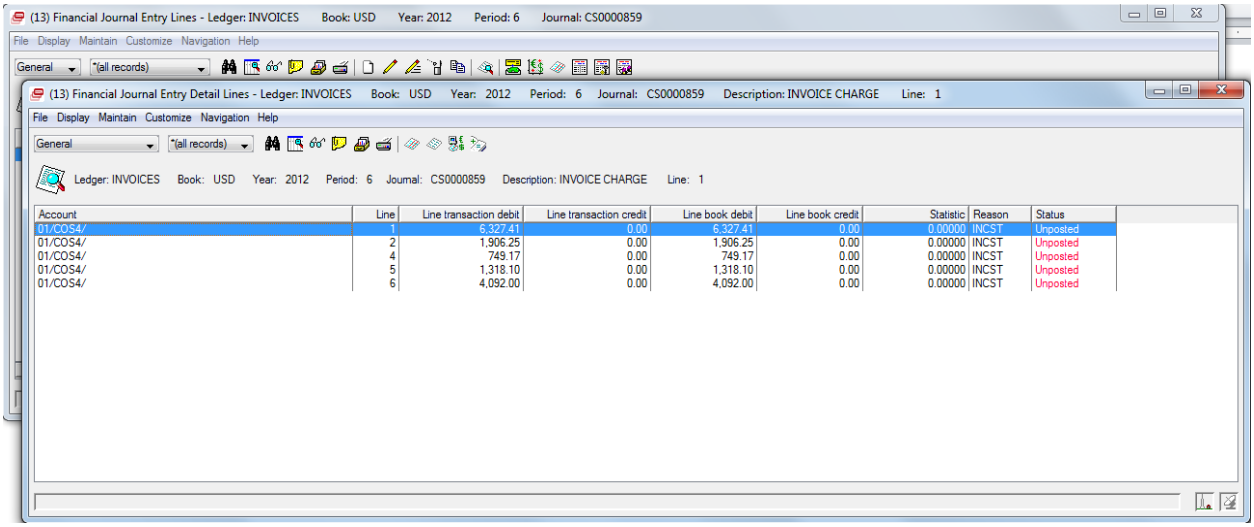


The card shows the journal entry created for the event. To view the journal entry lines, select the journal entry and then select **Display > Financial Journal Entry Lines**.



The card shows the journal entry lines and the accounts to which the transaction amounts are credited or debited. In this example, the journal entry lines are summarized with detail.

Because the journal lines are summarized, you can drill back to see one more levels of detail. To view the line detail, select the line and then select **Display > Financial Journal Entry Detail Lines**.

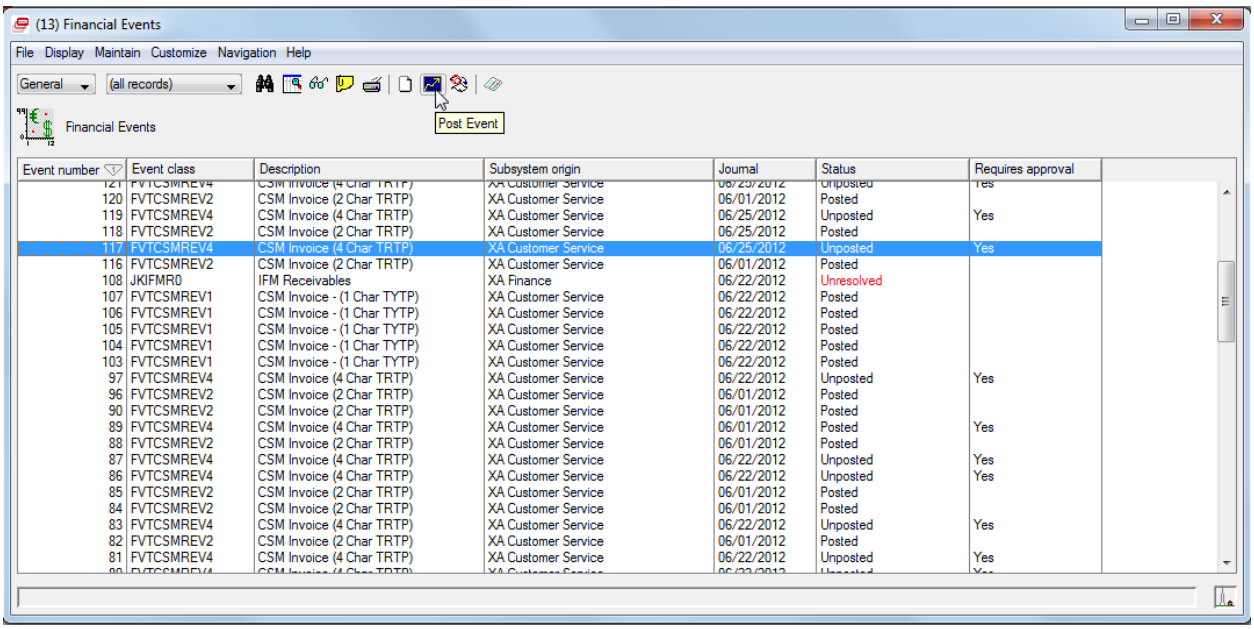


The card shows the lines that were summarized to create the journal entry line detail.

You can view the transactions in the Financial Journal Entry and Financial Journal Entry Line objects and maintain them if the transactions are not posted.

Posting the journal

Post the financial journal entry in Financial Events. This example shows posting event number 117 in Financial Events:



Ledger Book Balance Summary

Ledger Book Balance Summary includes all posted financial events and journal entries. The list card shows the descriptions, periods and years for the books, as well as ongoing balances, credits and debits for posted items. You can see opening and closing balances by period and use drill back capabilities to see the journal entries and lines.

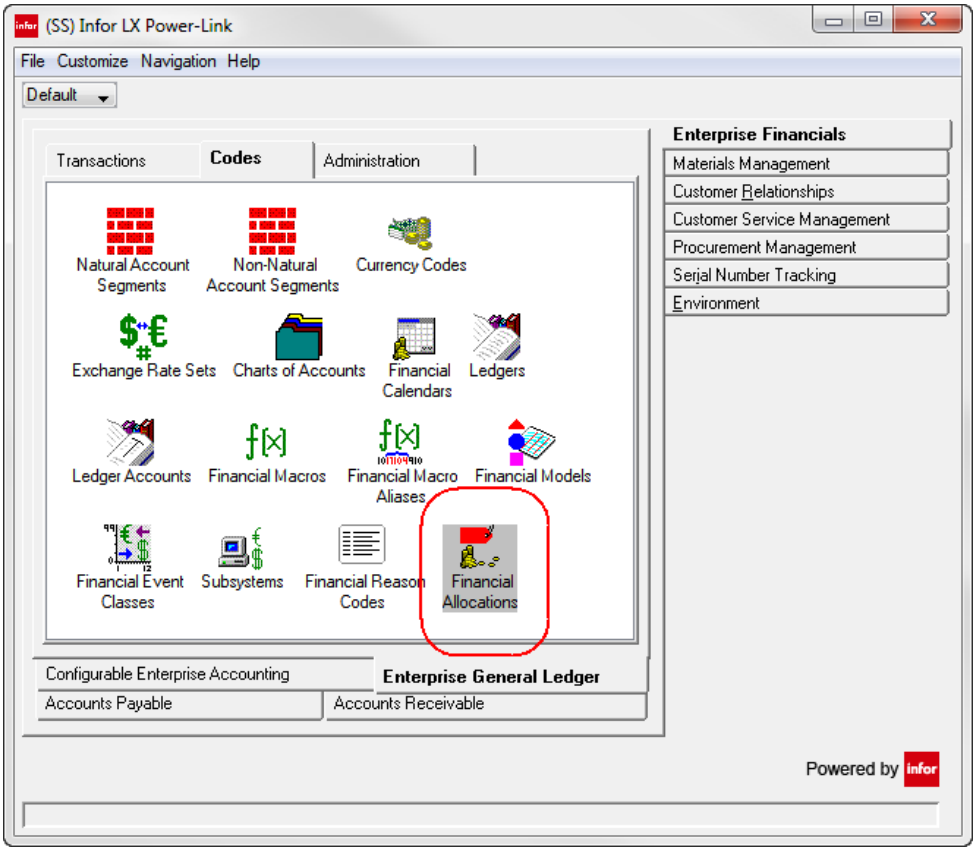
Financial Allocations

EGLi provides the Financial Allocation feature so that you can define and maintain allocations. The allocations are used to distribute actual or budgeted balances. Allocation processing supports step-down allocations and variable budgeting.

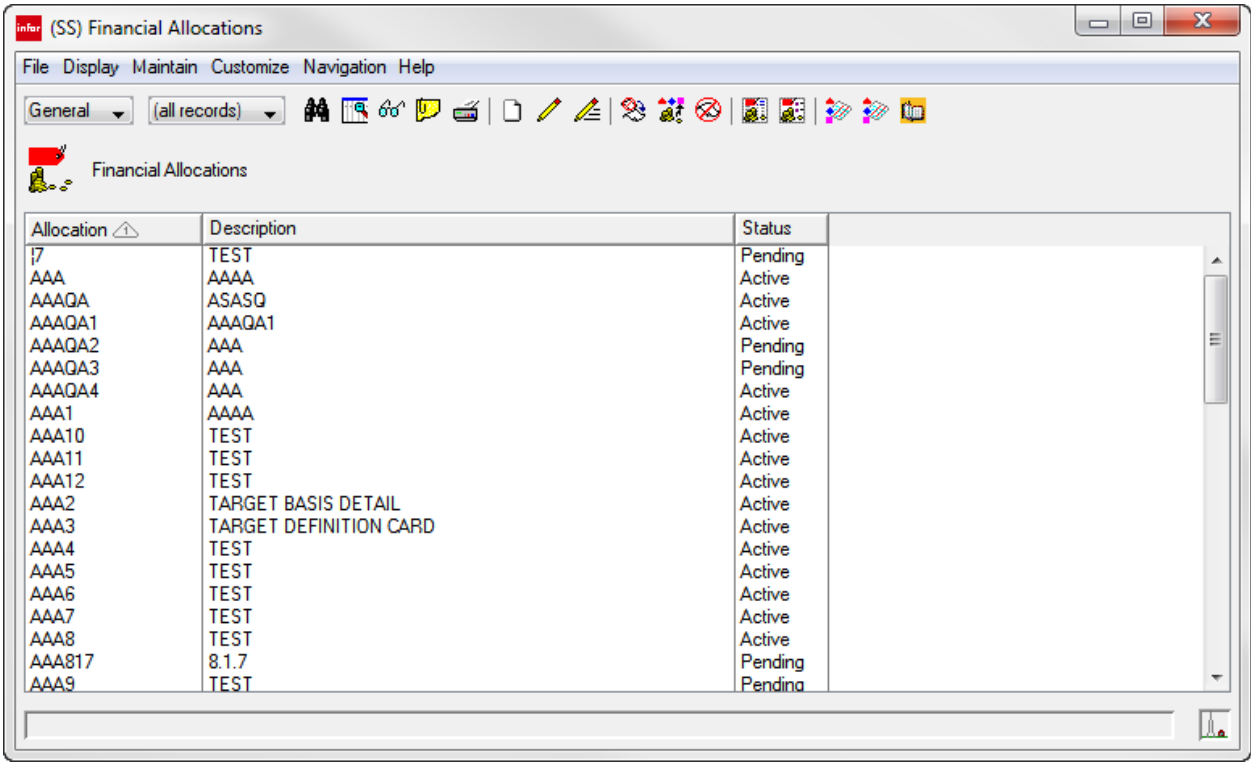
When you define an allocation, set the source that specifies the total amount to be allocated; the target accounts to receive the allocation; and the basis on which allocations are made. A source may be a pool of accounts, a fixed dollar amount, or a fixed statistical value. You may define any number of source and target accounts. An allocation target basis may be either a fixed or variable percentage of the source.

To access Financial Allocations:

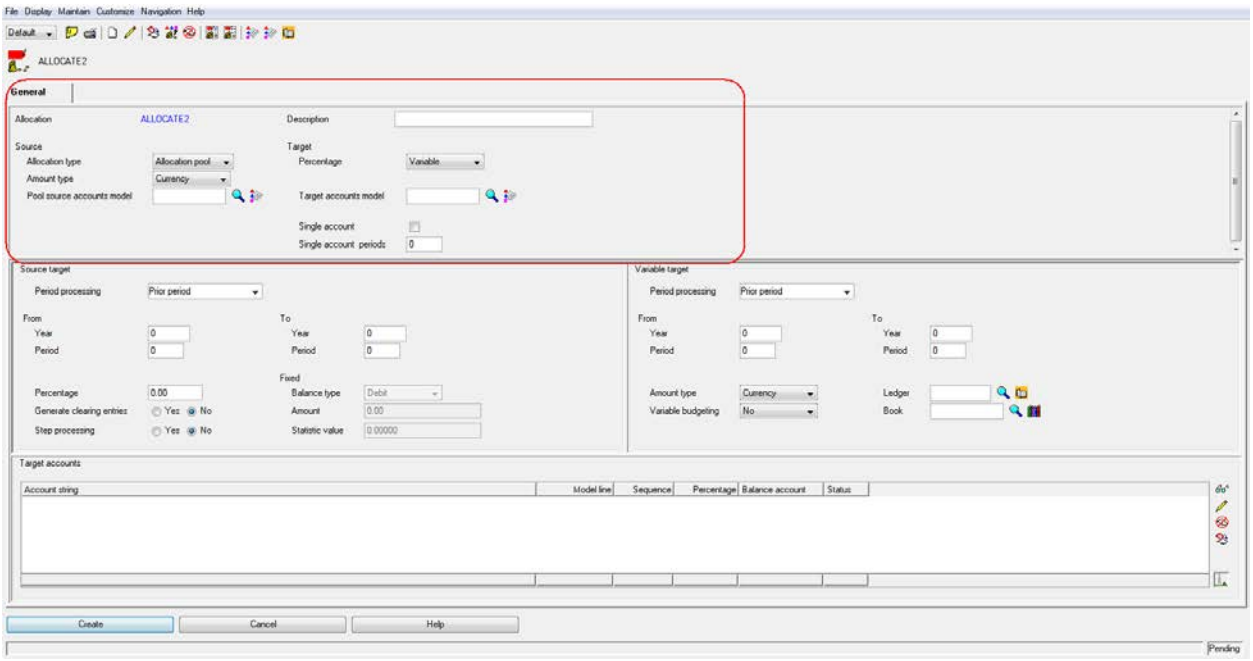
Select **Enterprise General Ledger > Codes > Financial Allocations**.



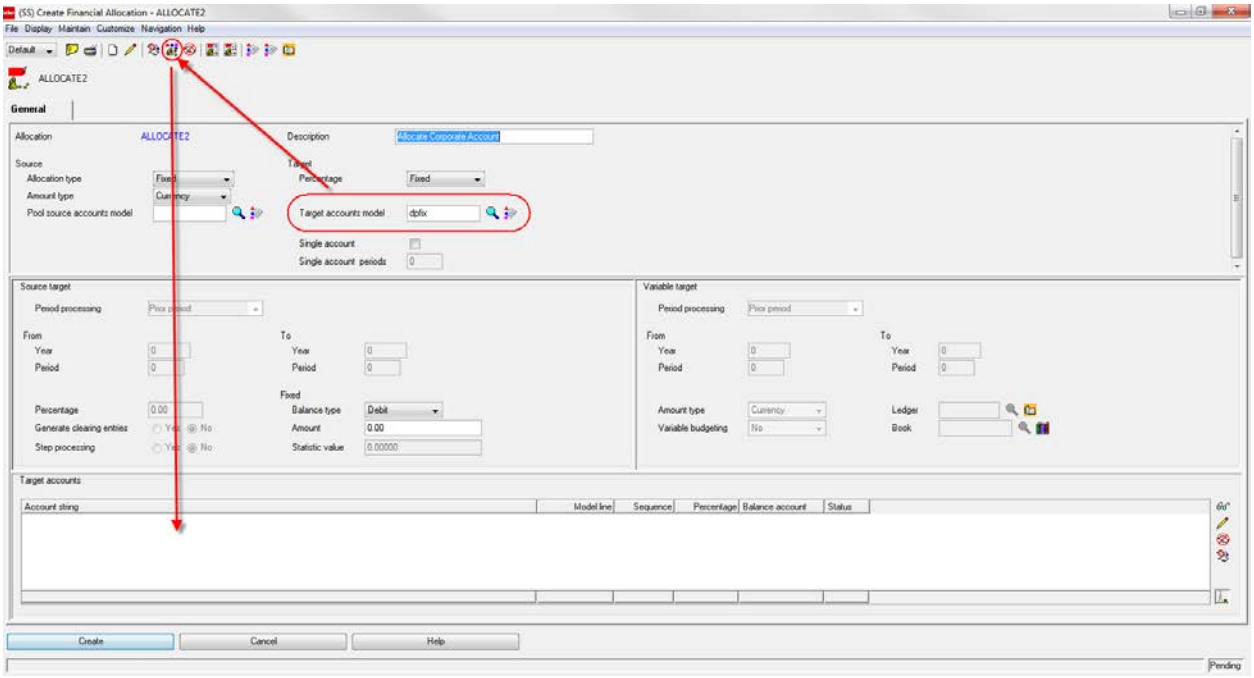
The Financial Allocations window is displayed with a list of financial allocation definitions. You can select a definition to view or update or create a new financial allocation.



To create a new financial allocation, click **Create**. The Financial Allocation Definition Detail window is displayed. Specify information about the allocation such as a description, allocation type, target percentage, etc. If you are editing the allocation, you can only edit the description, source and variable target information.



To add target account(s) for a financial allocation, specify a financial target model and click **Generate Accounts**.



Specify parameters for the Source target and Variable target accounts in the parameter sections. The available parameters are based upon the type of allocation being created.

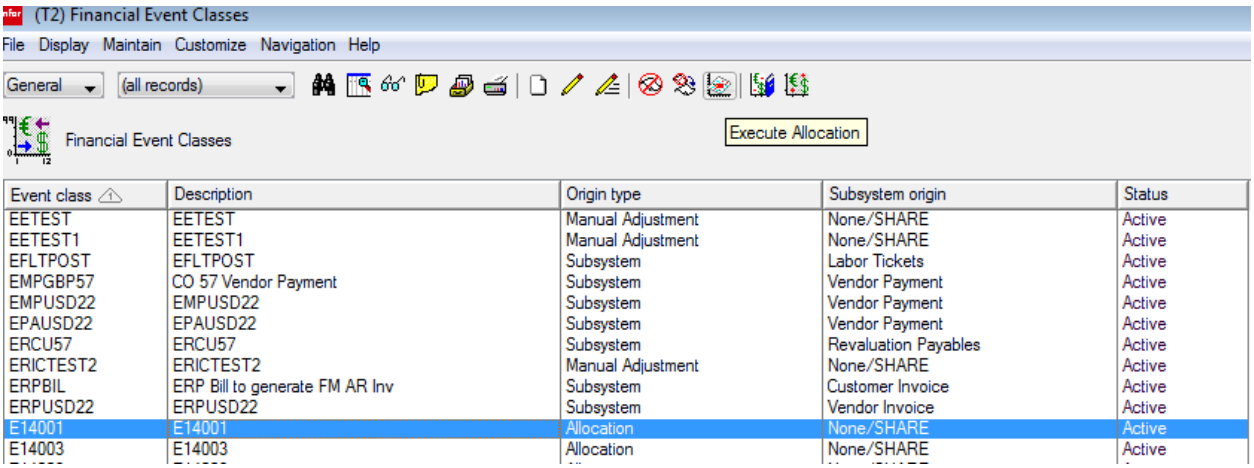
Execute allocations on a financial event class

To execute an allocation, the Financial Event Class object is used.

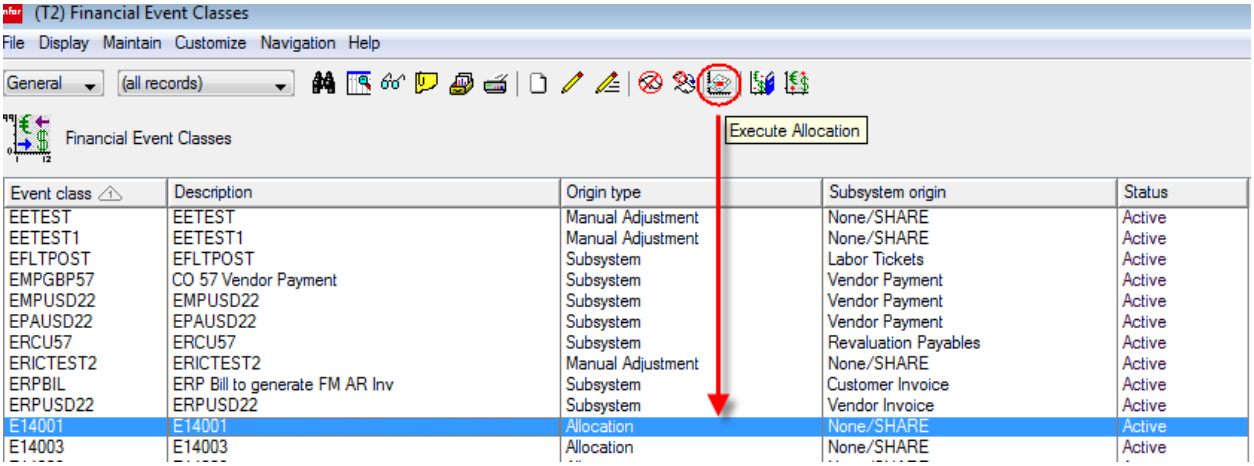
To access Financial Event Classes:

Select **Enterprise General Ledger > Codes > Financial Event Classes**.

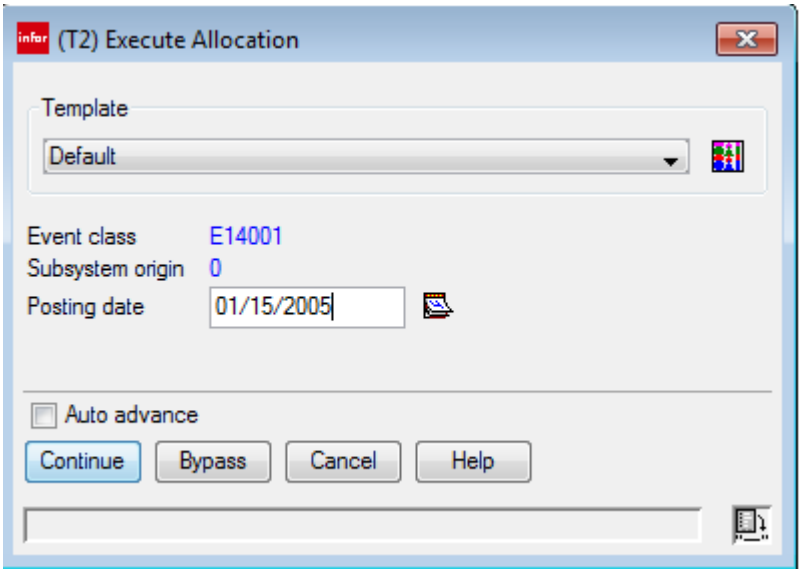
To execute a financial allocation for a financial event class, select an Allocation type financial event class.

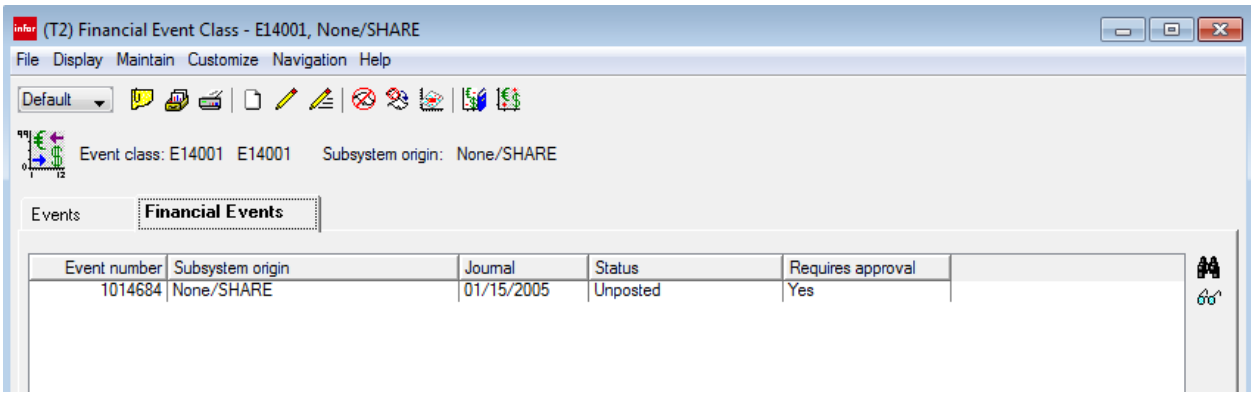


Click **Execute Allocation**.



Specify a posting date and click **Continue**.



To see the allocation for the financial event class, select the financial event class in the Financial Event Class window.

After you have selected the financial event class, click the **Financial Events** tab to view the created allocation.