

Using the General Ledger Interfaces

COM Transactions

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Overview

- Individual COM transactions are used by the GL Interface to collect cost & revenue dollars
- Break down the transactions by group:
 - Cost – Sales & Returns
 - Sales (Revenue)
 - Credits – Returns & Allowances
- Each transaction group is broken into 4 sub-categories:
 - Inventory
 - Non-Inventory
 - Special Charges (includes Surcharges)
 - Taxes

Overview

- Review COM options (special charges, surcharges) and the rules required to support them
 - Orders or credits entered on “Non-Inventory Item” screens
 - Use of Special Charges for freight, handling, etc.
 - Use of Surcharges for add-on (CIF) or credit (warranty)

Overview

- COM will allow both credit and sales items on the same order or credit memo
 - A credit amount on an invoice is viewed as a reduction in sales not a credit
 - A debit amount on a credit memo is viewed as a reduction in the return or allowance not a sale

Overview

The screenshot displays the ESERVER application window. The main window title is 'ESERVER' and it contains a menu bar (File, Edit, View, Communication, Actions, Window, Help) and a toolbar. The main content area shows a data entry form for 'AMBA1E1R'. The form includes fields for Order number (C0 11), Last entry, Sequence number, Item number, Order quantity, Order U/M, Warehouse (1), Price: U/M, Base, Cnv selling, Request date (3260), Promise date (3260), Manufacture date (3260), Blanket releases (N), Ship to override, and Price override (N). At the bottom of the main window, there are function key instructions: F2=End order, F3=Exi, F11=Job status, and F12=Re.

A 'C0 Detail Entry' pop-up window is overlaid on the main screen. It contains the following text:

C0 Detail Entry
Type option; press Enter.
Option . . .

Option	Description
020	Customer item entry
030	Non-inventory item entry
040	Basic item entry
045	Speed entry
050	Special charge entry
060	Credit detail item entry
070	Credit customer item
080	Credit non-inv item
090	Credit basic item entry

At the bottom of the pop-up window, there are function key instructions: F3=Exit, F7=Backward, F8=Forward, and F12=Return.

The taskbar at the bottom of the screen shows the Start button, several open applications (Inbox - Micr..., 3 Windows..., Microsoft Po..., ESERVER, 2 Mxacs, Adobe Read..., ESERVER), and the system tray with the date 06/044 and time 6:34 PM.

Overview

AMBA1E1R

Order number : C0 11
Last entry . :

Sequence number _____
Item number . . _____
Order quantity _____
Order U/M _____
Warehouse 1
Price: U/M :
Base _____
Cnv selling :
Request date . 3260
Promise date . 3260
Manufacture date 3260
Blanket releases N
Ship to override _____
Price override N

F2=End order F3=Exi
F11=Job status F12=Re

C0 Detail Entry

Type option; press Enter.
Option _____

Option	Description
100	Credit special charge
110	Review order

F3=Exit F7=Backward F8=Forward
F12=Return

IFM vs. AM Financials

- If your company is using the AM Financials, then you will have to run the Account Assignment and Journal Entry Create jobs to get journal entries
- If your company is using the IFM Financials, every time you ship an order you will create COGS entries and each time you invoice you will create Revenue (Sales) journal entries

Questions

- Any questions on the Overview?
- Next topic will be Rules and the fields that support them.....

Transaction Types

AMVLI01 Maintain Interface Control File

Position to transaction type ____

Type option; then press Enter.
2=Change

Option	Type	Description	Interface Code	More: - + Application Indicator
-	CR**	Cost returns - all items	2	B
-	C**	Cost - all	2	B
-	RALI	Allowances - inventory items	1	B
-	RALN	Allowances - non-inventory items	1	B
-	RALS	Allowances - special charges	1	B
-	RALT	Allowances - taxes	1	B
-	RAL*	Revenue allows.- inventory/non inventory	2	B
-	RA**	Revenue allows. - all items	2	B
-	RILI	Invoices - inventory items	1	B
-	RILN	Invoices - non-inventory items	1	B

F1=Help F3=Exit F5=Refresh F7=Backward
F8=Forward

11/003

1902 - Session successfully started

Start Power Point Presentations Microsoft PowerPoint - [...] ESERVER 10:46 AM

Global Types

- Transactions with an asterisk (*) in them serve as a global transaction that will be used for all transactions within that group
- For example, a rule for transaction code “C***” will be used for CILI, CILN, CLIS, CRLI, CRLN and CRLS transactions
- The interface code “2” is pre-defined by XA for Global Rules which means that they are always active

Selecting Transactions

- Use the “Maintain Interface Control File” option on the General Ledger Management menu to select which transactions will be collected for GL entry
- Time this with the beginning of a fiscal period for complete transactions for that period
- Interface code “1” means that XA is collecting the transactions

Transaction Types

- Accounting will need to review the Customer Service Order Entry procedures to set up correct rules
 - Inventory Sales
 - Non-Inventory Sales
 - Use of Special Charges
 - Taxes
 - Use of Surcharges (Warranty, Re-stocking fees, CIF, etc.)

Rules

- Rules define the Charge and Offset account for each transaction
- If your company has multiple inventory accounts in the ledger, use the Item Class and/or Item Accounting Class to designate the different accounts for inventory relief in cost of sales entries
- If your company books sales by product line, use the same fields to designate different accounts for revenue entries

Fields for Rules

The screenshot shows a Windows XP-style desktop environment. The active window is titled 'ESERVER' and contains a menu bar (File, Edit, View, Communication, Actions, Window, Help) and a toolbar with various icons. The main content area displays the following text:

AMBG501 Specify Rules to Maintain

Specify rules to maintain and include any ranges; or press Enter.

Maintain rules defined for company

Maintain rules defined for transaction type

Include only these ranges (optional):

	From	To
Customer number	_____	_____
Customer class code	_____	_____
Sales code	-	-
Salesrep number	_____	_____
Territory number	_____	_____
Special charge reference	_____	_____
Tax code	_____	_____
Item number	_____	_____
Item class	_____	_____
Item accounting class	_____	_____
Warehouse	_____	_____

At the bottom of the dialog, the following function key assignments are listed:

F1=Help F3=Exit F5=Refresh
F14=Simulate F16=Priority F21=Group copy F22=Group delete

The taskbar at the bottom shows the Start button, system tray icons, and several open applications: Windows Explorer, Microsoft PowerPoint, ESERVER, Microsoft Outlook, and Adobe Reader. The system clock shows the date 05/067 and the time 1:56 PM.

Questions?

- Any questions on Rules?
- Next topic will be the Cost of Sales and Revenue transactions...

Cost of Sales Transactions

- CILI: Cost of Sales – Inventory Items
- Transaction is built when the Invoice is created (even though inventory is lowered when the order is shipped)
- *Charge Account*: Cost of Goods Sold (debit)
- *Offset Account*: Inventory (credit)

Cost of Sales Transactions

- CILN: Cost of Sales – Non-inventory items
- Any item number can be entered on the Non-Inventory Item screen. Cost and Item Class fields are required entry
- *Charge Account:* Cost of Goods Sold (debit)
- *Offset Account:* Not Inventory; expense account (credit)

Cost of Sales Transactions

- CILS: Cost of Sales – Special Charges
- Type Code of Special Charge determines whether cost is required with the charge.
 - Type 1: Freight, cost not required
 - Type 2: Other Charges, cost not required
 - Type 3: Charge with Cost (cost required)
- *Charge Account*: Cost of Sales (debit)
- *Offset Account*: Expense (credit)

Sales Transactions

- RILI: Invoices (Revenue) – Inventory
- Transaction is built when the Invoice is created
- COM system tailoring determines if selling price is established when the order is entered or re-priced when shipped
- *Charge Account: Accounts Receivable (debit)*
- *Offset Account: Sales (Credit)*

Sales Transactions

- RILN: Invoices (Revenue) – Non-Inventory Item
- *Charge Account*: Accounts Receivable (debit)
- *Offset Account*: Sales (credit)

Sales Transactions

- RILS: Invoices (Revenue) – Special Charge
- Special Charges can be added during Order Entry or during Shipping
- There can be multiple special charges on one order
- Different rules can be built based on the Special Charge Reference Code
- *Charge Account:* Accounts Receivable (debit)
- *Offset Account:* Sales/Freight Recovered (credit)

Sales Transactions

- A Surcharge is treated by the GL Interfaces as a Special Charge
- Surcharges are an underused feature of COM that can be either a credit or a debit
- Surcharges can be a percent of sales, a flat amount or an amount multiplied by the quantity ordered
- Uses for Surcharges:
 - Warranty (100% negative)
 - Re-Stocking Fees (negative percent on a credit memo becomes a debit)
 - Containerization, Insurance & Freight – one surcharge can have multiple codes

Sales Transactions

- RILT: Invoices (Revenue) Sales Taxes
- Customer Tax Suffix and Item Tax Indicator work in conjunction to calculate any sales taxes for the item
- *Charge Account:* Accounts Receivable (debit)
- *Offset Account:* Sales Tax Liability (Credit)

Questions?

- Any questions on Cost of Sales or Sales?
- Next topic will be Credits

Credit Memos

- Each credit memo must have a Credit Memo code
 - R: Customer Return. This will add items returned to inventory and credit the customer's AR balance. There is a menu option titled "Process Credit Returns" to record the receipt of the returned goods.
 - A: Customer Allowance. This will credit the customer's AR balance with no impact to inventory (even though you enter an item number when creating the credit)

Credit Memos

The screenshot shows the ESERVER application window with a menu bar (File, Edit, View, Communication, Actions, Window, Help) and a toolbar. The main window displays a credit memo form for company AMBBQPVR. The form fields include Company (1), Warehouse (1), Customer, Ship to, Credit memo Number, Date (3), Reference, Purchase Order Number, Sales code, Credit code (R), Invoice reference, Reason code, and Contract number. The 'Credit code' field is highlighted with a light blue arrow pointing to the text 'Credit Code – CO Header'. Below the form, the 'Next panel ID' is 010, with the note 'Sold to override'. A dialog box titled 'Credit memo code list' is open, showing a 'Position to' field with '1=Select.' and a table of options: 'A Allowance' and 'R Return to Inventory'. The dialog also lists function keys: 'F3=Exit', 'F5=Refresh', and 'F24=More keys'. At the bottom of the dialog, 'Return to Inventory' is selected. The Windows taskbar at the bottom shows the Start button, several open applications (Inbox - Micro..., 3 Windows..., Microsoft Po..., ESERVER, 2 Mxacs, Adobe Read...), and the system tray with the time 5:43 PM and date 06/036.

Credit Code – CO Header

Credit Memos

ESERVER
File Edit View Communication Actions Window Help

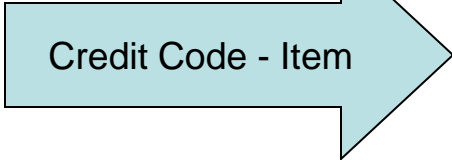
AMBA5E1R Credit Detail Item Entry ADD

Order number : CM 90001 701 American Computer
Last entry . :

Sequence number _____ Comments . N Automatic pricing
Item number . . 1000 _____ PC, 166 MHZ, DESKTOP
Credit quantity _____ 1.000-
Order U/M . . . EA
Warehouse . . . 1
Price: U/M : EA US Dollar Local
Base 999.950 Selling price 999.950
Cnv selling : 999.9500000 Net sales . . 999.95-
Credit date . . 32606 Stock qty . . : 1.000- U/M EA
Credit code . . R
Reason code . . _____
Ship to override _____ N
Price override N Tax indicator . TAX

F2=End order F3=Exit F4=Prompt F9=Alt entry F10=Actions
F11=Job status F12=Return F18=Change defaults
(I) Order quantity's sign changed. Confirm Y (Y/N)

MA b 24/073
1902 - Session successfully started
Start [Icons] 5:46 PM



Credit Costs

- CRLI: Cost Relief for Returns
- Only created when the Credit Code for the item is an “R”
- Transaction is created when the Invoice Print job is run even though the inventory quantity is updated when Process Credit Return is performed
- *Charge Account*: Cost of Sales (credit)
- *Offset Account*: Inventory (debit)

Credit Costs

- CRLN: Cost Relief for Returns – Non-Inventory Item
- Item cost and Item Class must be entered when Item is added to Credit Memo
- *Charge Account:* Cost of Sales (credit)
- *Offset Account:* Not inventory; expense account (debit)

Credit Costs

- CRLS: Cost Relief for Returns – Special Charge
- If there is a Special Charge with Type Code = 3, then a CRLS transaction will be created
- *Charge Account:* Cost of Sales (credit)
- *Offset Account:* Expense (debit)

Credit Memos

- RALI: Allowances – Inventory Items
- RRLL: Return – Inventory Items
- Line item credit code determines which transaction will be built
- *Charge Account: Accounts Receivable (credit)*
- *Offset Account: Sales (debit)*

Credit Memos

- RALN: Allowance – Non-Inventory Item
- RRLN: Allowance – Non-Inventory Item
- Non-Inventory items have the same “R” or “A” credit code as inventory items
- *Charge Account:* Accounts Receivable (credit)
- *Offset Account:* Sales (debit)

Credit Memos

- RALS: Allowance – Special Charge
- RRLS: Return – Special Charge
- Credit Code from the Order Header record becomes the default code for the special charge
- *Charge Account:* Accounts Receivable (credit)
- *Offset Account:* Sales (debit)

Credit Memos

- RALT: Allowance – Tax
- RRLT: Return – Tax
- If the Customer Tax Suffix and the Item Tax Indicator cause sales tax to also be credited, then one of these transactions will be created (depending on Credit Code)
- *Charge Account:* Accounts Receivable (credit)
- *Offset Account:* Sales Tax Liability (debit)

Summary

- Can pick which transactions are collected in the “General Ledger Interfaces”
- Build rules to set the Charge and Offset accounts per transaction
- Review the Customer Service Order Entry procedures to verify that the orders are entered in such a way as to support the GL Rules