PeopleSoft®

EnterpriseOne B73.3.1 Accounts Receivable PeopleBook

June 1999

J.D. Edwards World Source Company
One Technology Way
Denver, CO 80237

Portions of this document were reproduced from material prepared by J.D. Edwards.

Copyright ©J.D. Edwards World Source Company, 1997 - 1999

All Rights Reserved

SKU B7331CEAAR

J.D. Edwards is a registered trademark of J.D. Edwards & Company. The names of all other products and services of J.D. Edwards used herein are trademarks or registered trademarks of J.D. Edwards World Source Company.

All other product names used are trademarks or registered trademarks of their respective owners.

The information in this guide is confidential and a proprietary trade secret of J.D. Edwards World Source Company. It may not be copied, distributed, or disclosed without prior written permission. This guide is subject to change without notice and does not represent a commitment on the part of J.D. Edwards & Company and/or its subsidiaries. The software described in this guide is furnished under a license agreement and may be used or copied only in accordance with the terms of the agreement. J.D. Edwards World Source Company uses automatic software disabling routines to monitor the license agreement. For more details about these routines, please refer to the technical product documentation.

Table of Contents

Accounts Receivable Overview 1–1
System Integration 1–1
Accounts Receivable Features 1–2
Customer Management 1–3
Transaction Processing 1–3
Multiple Invoice Entry Methods 1–3
Multiple Receipt Application Methods 1–4
Customer Ledger Inquiry 1–5
Deduction Processing 1–5
Credit and Collections Management 1–6
Multi-National Functionality 1–7
Account Numbering Concepts 1–8
Business Unit - The “Where” 1–8
Object.Subsidiary - The “What” 1–9
Accounts Receivable System Flow 1–10
Accounts Receivable Tables 1–11
Descriptions of Tables 1–12
Menu Overview 1–14

Setup

System Setup 2–1
Setting Up A/R Constants 2–3
Setting Up Batch Approval and Post Security for A/R 2–11
Understanding Payment Terms 2–15
What Are Advanced Payment Terms? 2–16
Due Date Rules 2–16
Workday Calendars 2–18
Advanced Payment Term Codes 2–19
Installment Payments 2–20
Setting Up Payment Terms for A/R 2–23
Setting Up Standard Payment Terms 2–23
Working with Advanced Payment Terms 2–31
Understanding User Defined Codes 2–43
What Are the Elements of a User Defined Code Form? 2–44
Understanding User Defined Codes for A/R 2–45
Working with User Defined Codes 2–53
Processing Options for User Defined Codes 2–56
Setting Up Next Numbers 2–57
Setting Up Bank Information for A/R 2–65
Setting Up Bank Account Addresses 2–65

Setting Up G/L Bank Account Information 2–70

Automatic Accounting Instructions 3–1
AAI Prefixes and Suffixes 3–1
What Are Default AAIs? 3–2
What Are the Elements of an AAI Form? 3–3
Understanding AAIs for A/R 3–5
Components of AAIs for A/R 3–5
AAIs During Invoice and Receipt Processing 3–6
Search Sequence for AAIs 3–7
Example: Search for AAIs 3–7
Example: Search for AAIs in a Multi-Currency Environment 3–7
Accounts Receivable AAIs 3–8
Receivables Bank (RB) Accounts 3–8
Receivables Trade (RC) Accounts 3–8
Unapplied Receipts (RCUC) 3–9
Logged Receipts (RCLC) 3–9
Write-Offs (RAxx) 3–9
Discounts Taken (RKD) 3–10
Delinquency Fees (RFC and RFD) 3–10
Realized Gains and Losses (RG and RL) 3–10
Unrealized Gains and Losses (RV, RW, and RR) 3–11
Realized Gains and Losses on Alternate Currency 3–11
Realized Gain and Loss Offset on Alternate Currencies 3–12
Clearing Account for Alternate Currency Receipts 3–13
Realized Gains and Losses on Alternate Currency Receipts 3–14
Deductions (RN) 3–14
Chargebacks (RCxx) 3–14
Drafts (RDxx) 3–14
Netting (NC) 3–15
Working with AAIs 3–17

A/R Tax Setup 4–1
Setting Up Tax Authorities for A/R 4–3
Setting Up Tax Rates and Areas for A/R 4–5
Processing Options for Tax Rate/Areas 4–10
Understanding Tax Explanation Codes for A/R 4–11
What Are the Types of A/R Tax Explanation Codes? 4–11
How Does the System Calculate A/R Taxes? 4–11
Example: Sales Tax (S) 4–12
Example: VAT (V) 4–12
Example: VAT + Sales Tax (C) 4–13
Understanding AAIs for A/R Taxes 4–15
Setting Up Tax Rules by Company for A/R 4–19
Examples: Calculation Rules 4–24
Example: Calculate Tax on Gross with Discount 4–24
Example: Calculate Tax on Gross without Discount 4–25
Example: Calculate Discount on Gross with Tax 4–25
Example: Calculate Discount on Gross without Tax 4–26

Daily

Customer Information **5–1**
Creating Customer Records 5–3
Processing Options for Customer Master Information 5–30
Locating Customer Records 5–31
Processing Options for Locating Customer Records 5–33

Invoice Processing **6–1**
Understanding A/R Batch Control 6–5
Why Would You Activate Batch Control? 6–5
When Do You Use Batch Control? 6–5
Understanding G/L Date Warnings 6–7
What Are the Warning and Error Messages You Might Receive? . . . 6–8
Working with Standard Invoices 6–9
Entering Standard Invoices 6–10
Locating Invoices 6–18
Revising Unposted Invoices 6–20
Adding Attachments to Invoices 6–21
Entering Invoices with Discounts 6–23
Entering Discounts 6–23
Entering Split Invoice Payments 6–27
Entering Installment Invoice Payments 6–28
Entering Credit Memos 6–30
Entering Invoices with Taxes 6–31
Entering Multi-Currency Invoices 6–34
Processing Options for Standard Invoice Entry 6–37
Master Business Function (P03B0011) 6–38
Processing Options for Invoice Entry MBF Processing Options 6–39
Working with Recurring Invoices 6–41
Entering Recurring Invoices 6–43
Reviewing Recurring Invoices 6–45
Processing Options for Recurring Invoice Report 6–45
Revising Recurring Invoices 6–46
Canceling Recurring Invoices 6–48
Recycling Recurring Invoices 6–48
Processing Options for Recycle Recurring Invoices 6–50
Entering Speed Invoices 6–51
Processing Options for Speed Invoice Entry 6–54
Reviewing and Approving Invoices 6–55
Reviewing Invoices 6–55
Multi-Currency Batch Totals 6–56
Approving Invoice Batches 6–59
Understanding the Post Process for A/R 6–61
Posting Invoices 6–65
Posting Batches of Invoices 6–65
Verifying Posted Invoices 6–72
Reviewing Your Workflow Messages 6–72
Reviewing the General Ledger Post Report 6–73
Reviewing the Post Detail Error Report 6–74

Processing Options for Posting Invoices 6–74
Revising Posted Invoices 6–77
Changing Posted Invoices 6–77
Voiding Posted Invoices 6–79
Printing Invoice Journal Information 6–81
Processing Options for Invoice Journal 6–81
Data Selection and Sequence for A/R Invoice Journal Report 6–81
Working with Customer Ledger Information 6–83
Reviewing Receipt Information 6–84
Reviewing Invoice Information 6–86
Updating the Status of an Invoice 6–89
Reviewing Invoice Revisions 6–90
Processing Options for Customer Ledger Inquiry 6–92
Working with Speed Status Change 6–93
Processing Options for A/R Speed Status Update 6–97

Manual Receipts Processing 7–1
Working with Standard Receipts 7–11
Entering Invoice Match Receipts 7–12
Displaying Open Items 7–12
Entering Remittance Information 7–17
Entering Basic Receipts (TI Code 10) 7–20
Entering Alternate Currency Receipts 7–22
Reviewing the Results of Receipts Entry 7–24
Entering Receipts with Earned Discounts (TI Code 10) 7–26
Entering Receipts with Unearned Discounts (TI Code 10) 7–27
Creating Chargebacks for Discounts (TI Code 11) 7–29
Creating Chargeback Invoices (TI Code 16) 7–30
Entering Unapplied Receipts 7–32
Applying Unapplied Receipts to Invoices 7–33
Entering Receipts with Automatic Write-Offs (TI Code 10) 7–34
Entering Receipts with Manual Write-Offs (TI Code 15) 7–36
Entering Receipts with Deductions (TI Code 17) 7–38
Applying Receipts to Invoices Using Multiple Input Methods 7–40
Creating Stand-Alone Records 7–43
Creating Stand-Alone Write-Offs 7–44
Creating Stand-Alone Chargebacks 7–48
Creating Stand-Alone Deductions 7–52
Processing Options for Standard Receipts Entry 7–57
Processing Options for Standard Receipts Entry 7–57
Working with Speed Receipts 7–63
Entering Unapplied Receipts (TI Code 1) 7–65
Example: Unapplied Receipt 7–65
Entering Balance Forward Receipts (TI Code 2) 7–67
Example: Balance Forward Receipt 7–67
Entering Logged Receipts (TI Code 3) 7–69
Example: Logged Receipt 7–69
Working with G/L Receipts (TI Code 4) 7–70
Example: G/L Receipt 7–70
Processing Options for Speed Receipts Entry 7–73

Approving and Posting Receipts 7–75
Approving Receipts for Posting 7–75
Posting Receipts 7–76
Calculating Realized Gains and Losses During the Post 7–79
Example: British Company Receives Foreign Currency for Foreign Invoice 7–80
Example: Canadian Company Receives Alternate Currency for Foreign Invoice . . 7–81
Example: German Company Receives Alternate Currency for Domestic Invoice . 7–82
Example: German Company Receives Alternate Currency for Foreign Invoice . . . 7–83
Revising Receipts 7–85
Locating Receipts 7–86
Voiding Receipts 7–87
Designating Receipts as Non-Sufficient Funds (NSF) 7–89
Printing Receipt Information 7–91
Printing the Receipts Journal 7–91
Data Sequence for Receipts Journal Report 7–92
Printing the Receipt Deposit Journal 7–92
Processing Options for Receipts Journal Report 7–93

Automatic Receipts Processing 8–1
Defining Algorithms 8–5
Invoice Selection Match Method (R03B50A) 8–8
Balance Forward Match Method (R03B50B) 8–9
Known Invoice Match with Amount (R03B50D) 8–9
Known Invoice Match without Amount (R03B50E) 8–11
Combination Invoice Match (R03B50F) 8–11
Processing Options: Invoice Selection Match (R03B50A) 8–18
Processing Options: Balance Forward Match (R03B50B) 8–21
Processing Options: Known Invoice Match with Amount (R03B50D) . . 8–22
Processing Options: Known Invoice Match without Amount (R03B50E) 8–29
Processing Options: Combination Invoice Match (R03B50F) 8–33
Working with Execution Lists 8–37
Loading Bank Tape Information 8–43
Processing Automatic Receipts 8–45
Updating Receipts Register Information 8–45
Processing Options: Update Receipts Register from Electronic Input . . . 8–46
Data Sequence and Data Selection 8–51
Applying Receipts to Invoices Automatically 8–51
Processing Options: Apply Receipts to Invoices 8–52
Working with Unprocessed Items 8–55
Working with Electronic Receipts 8–55
Reviewing Unprocessed Items 8–58
Reviewing Unprocessed Receipts Online 8–59
Reviewing the Receipts Journal Report 8–60
Processing Options for Receipt Journal 8–61
Reviewing the Receipts Activity Register 8–61
Processing Options for Automatic Receipts Activity Register . . 8–61

Revising Unprocessed Items 8–62
Purging Electronic Receipts 8–63
Processing Options for Purge Electronic Receipts Input 8–63

A/R Draft Processing 9–1
What Are the Types of Drafts? 9–2
What Are the Steps for Processing Drafts? 9–2
Invoice Creation 9–4
Draft Origination (Optional) 9–4
Draft Acceptance 9–5
Draft Remittance (Optional) 9–5
Draft Collection 9–6
Setting Up A/R Draft Processing 9–9
Setting Up AAIs for A/R Drafts 9–9
AAIs for Drafts Receivable (RD1x) 9–10
AAIs for Drafts Remitted for Cash (RD2x) 9–10
AAIs for Drafts Remitted for Discount (RD3x) 9–10
AAIs for Contingent Liability (RD4x) 9–11
AAIs for Void/Non-Sufficient Funds (RD5) 9–11
Setting Up User Defined Codes for A/R Drafts 9–11
Payment Instrument Codes 9–11
Pay Status Codes 9–12
Setting Up Drafts as the Default Payment Instrument 9–13
Setting Up Statements or Invoices for A/R Drafts 9–15
Setting Up Bank Account Information for A/R Drafts 9–16
Setting Up Draft Bank Accounts for Customers 9–16
Printing the Bank Account Exception Report for A/R Drafts 9–19
Processing Options for Bank Account Exception Report 9–19
Working with Draft Origination 9–21
Printing Invoices with Draft Attachments 9–21
Processing Options: Invoice Print with Draft 9–22
Data Selection for Invoice Print with Draft 9–23
Data Sequence for Invoice Print with Draft 9–23
Printing Statements with Draft Attachments 9–23
Processing Options for Statement Print with Draft 9–24
Data Selection for Statement Print with Draft 9–24
Data Sequence for Statement Print with Draft 9–24
Working with Draft Acceptance 9–25
Entering Manual Drafts 9–25
Processing Options for Draft Entry 9–31
Creating Automatic Drafts 9–35
Processing Options for Pre-Authorized Drafts 9–36
Revising Drafts 9–38
Voiding Drafts (Void/NSF) 9–40
Working with Draft Remittance 9–43
Creating Bank Registers for A/R Drafts 9–44
Example: Bank Register 9–44
Reviewing and Revising Bank Registers for A/R Drafts 9–47
Remitting Drafts 9–49
Processing Options for Draft Remittance 9–50
Data Selection for Draft Remittance 9–52

Understanding Contingent Liability 9–52
Working with Draft Collection 9–53
Processing Options for Draft Collection with Status Update 9–54
Data Selection for Draft Collection with Status Update 9–55
Approving and Posting A/R Drafts 9–57
Reviewing and Approving Journal Entries for A/R Drafts 9–57
Posting Journal Entries for A/R Drafts 9–58

Automatic Debits 10–1
Working with Automatic Debits 10–3
Creating a Batch of Automatic Debits 10–4
Processing Options for Create Automatic Debit Batch 10–5
Data Selection and Data Sequence 10–8
Processing a Batch of Automatic Debits in Final Mode 10–8
Formatting a Batch of Automatic Debits 10–9
Purging a Batch of Automatic Debits 10–12

Deduction Processing 11–1
Setting Up Activity Codes for Deductions 11–5
Working with Deductions 11–9
Entering Deductions Associated with Invoices 11–10
Entering Deductions Associated with Receipts 11–13
Researching and Resolving Deductions 11–14
Creating a Credit Memo Activity 11–18
Voiding Activities and Deductions 11–20

Credit and Collections Management 12–1
Setting Up Credit and Collections Information 12–3
Setting Up Letter Text for Delinquency Notices and Statements 12–4
Setting Up Credit and Collection Managers 12–7
Setting Up Policies 12–9
Assigning Credit and Collection Information 12–20
Setting the Processing Options for Credit Analysis Refresh 12–25
Processing Options: Credit Analysis Refresh 12–25
Working with Delinquency Notices and Fees 12–33
Generating Delinquency Notices 12–33
Working with Delinquency Fees 12–39
Updating Accounts Using Credit Analysis Refresh 12–43
Managing Accounts for Credit and Collection Activity 12–45
Working Accounts Using Workflow Management 12–46
Working Accounts Using Account Balance Inquiry 12–49
Reviewing Parent/Child Account Balances 12–55
Managing Account Activities 12–57
Processing Options for Activity Log Report 12–61
Revising Credit Information 12–61
Creating Credit Reporting Tapes 12–65
What Are the Requirements for Credit Reporting Tapes? 12–66
Processing Options for TRW and Dun & Bradstreet 12–67
Processing Options for Creditel 12–67

Updating A/R Information for Customer Analysis 12–69
Updating Invoice Amounts 12–69
Processing Options for Update PYE and YTD Amounts 12–70
Setting Up Credit and Collections Date Patterns 12–70
Updating Statistical Information 12–74
Processing Options for A/R Statistical History Refresh 12–76
Reviewing Statistical Information 12–77
Purging Statistical History Records 12–80
Processing Options for A/R Statistical History Purge/Repost 12–80

A/R Reports 13–1
Printing A/R Standard Reports 13–3
Printing the Open A/R Detail – Summarized with Currency Report (R03B413B) . 13–3
Processing Options for A/R Summary with Currency 13–4
Printing the Open A/R Detail with Remarks Report (R03B4201A) 13–6
Processing Options for Open A/R Details 13–7
Printing the Open A/R Foreign Amounts Report (P03B429) 13–7
Processing Options for Currency Detail – Foreign and Domestic . . . 13–8
Processing Options for Currency – Foreign/Domestic with Aging . . 13–9
Processing Options for Currency – Foreign/Domestic with Aging . . 13–10
Printing the Open A/R Detail with Aging Report (R03B4201B) 13–11
Processing Options: Open A/R Details with Aging (R03B4201B) 13–11
Printing Analytical Reports 13–15
Printing the Customer Receipts History Report (R03B4201A) 13–15
Processing Options for Customer Receipts History Report 13–16
Printing the Open A/R Summary Analysis Report (R03B155) 13–17
Printing the Statistical Trend Analysis Report (R03B165) 13–18
Printing the Invoice Trend Analysis Report (R03B168) 13–19
Printing the Receipt Trend Analysis Report (R03B167) 13–20
Printing the Aging Trend Analysis Report (R03B166) 13–21
Printing the Collection Report (R03B461) 13–22
Processing Options for Collection Report 13–22
Printing Netting Reports 13–23
Creating the A/R and A/P Netting Report Workfile Table 13–23
Processing Options for Build A/R and A/P Netting File 13–24
Data Selection for Build Netting Report Workfile 13–24
Printing the Receivables and Payables Netting Report 13–24
Data Selection for Receivables and Payables Netting Report 13–25
Data Sequence for Receivables and Payables Netting Report 13–25
Printing the Netting - Aging Report 13–25
Data Selection for the Netting - Aging Report 13–26
Data Sequence for the Netting - Aging Report 13–26
Processing Options for A/R – A/P Netting Report 13–26

Periodic

A/R Notification Processing 14–1
Printing A/R Invoices 14–3
Processing Options: Invoice Print 14–3
Updating A/R from the Address Book 14–5
Processing Options for Update A/R from Address Book 14–5
Processing Statements 14–7
Generating Statements 14–7
Processing Options: Statement Notification Refresh 14–10
Reviewing Statements 14–15
Resetting Statements 14–19
Processing Options for Resetting Statements 14–20
Purging Statements 14–21
Processing Options for Statement/Notification Purge 14–21

Period–End Processing 15–1
Working with Credit Reimbursements 15–3
Generating Credit Reimbursements 15–3
Reviewing and Approving Credit Reimbursements 15–6
Posting Credit Reimbursements 15–7
Processing A/R Integrity Reports 15–9
Running A/R Integrity Reports 15–9
Running the A/R Invoices to G/L by Batch Integrity Report 15–10
Running the A/R to G/L Integrity by Offset Account Report 15–11
Running the A/R to G/L Receipts Integrity by Batch Report 15–12
Correcting Out-Of-Balance Conditions 15–12

Unrealized Currency Gains and Losses 16–1
Example: Gain/Loss for a Foreign Invoice 16–2
Understanding AAIs for A/R Gains and Losses 16–5
Calculating A/R Unrealized Gains and Losses 16–7
Processing Options for A/R Unrealized Gains/Losses 16–9

Advanced & Technical

Batch Invoice Processing 17–1
Converting Invoices for Batch Processing 17–3
Completing Required Fields in the Invoice Transaction - Batch File table (F03B11Z1) 17–3
Table 1: Required Fields in the Invoice Transaction - Batch File table (F03B11Z1) 17–4
Completing Required Fields in the Journal Entry Transactions - Batch File table (F0911Z1) 17–6
Table 2: Required Fields in the Journal Entry Transactions - Batch File table (F0911Z1) 17–6
Completing Required Fields in the Journal Entry Transactions - Batch Tag File table (F0911Z1T) 17–8

Table 2: Required Fields in the Journal Entry Transactions - Batch Tag File table (F0911Z1T) 17–9
Converting Invoices with Taxes 17–10
Converting Transactions with Multi-Currency 17–10
Processing Batch Invoices 17–11
Processing the Transaction Information 17–11
Errors in Processing 17–12
Submitting Invoices for Processing 17–13
Processing Options for Invoice Batch Processor 17–13
Verifying Batch Invoice Information 17–15
Posting Batch Invoices 17–16
Reviewing Batch Invoices 17–17
Revising Unprocessed Batch Invoices 17–21
Adding Invoices to Batches 17–21
Correcting Unprocessed Batch Invoices 17–22
Changing, Deleting, or Voiding Invoices 17–23
Purging Processed Batch Invoices 17–25
Purging A/R Invoices and Receipts 17–27
Purging Invoice Transactions 17–28
Purging Receipt Transactions 17–28
Processing Options for Invoice/Receipt Transaction Purge 17–29

A/R Cash Forecasting 18–1
Forecasting A/R Cash Flow 18–3
Processing Options for A/R Cash Forecasting 18–4

Customer Currency Conversion 19–5
Converting Customer Currency Codes and Amounts 19–7
Example: Customer Currency Codes and Amounts Before and After 19–9
Example: Parent/Child Structure with Different Currencies 19–10
Processing Options for Euro Address Book Conversion – F0301/F03012 19–11
Data Selection for Euro Address Book Conversion – Customer 19–12

Appendices

Appendix A: Quick Reference Codes for A/R A–1
Appendix B: Currency Codes and Decimals B–1
Multi-Currency Option “Off” B–1
Multi-Currency Option “On” B–1
Units Ledgers B–1
Amount Ledgers B–1
Monetary (Currency-Specific) Accounts B–2
Technical Considerations B–2
Balances by Currency Post B–3
Summarized Currency Post B–3
Appendix C: Auto Receipts Input Requirements C–1
Table Layout – Electronic Receipts Input C–1

Appendix D: Periodic Statistical Calculations D–7
Calculating the Statistical History Build (R03B16) D–7
Setup Considerations D–7
Troubleshooting D–7
Examples of DSO D–10
Calculating the Statistical History Build (Key Fields) D–12
Appendix E: A/R Conversion Process E–1
Converting A/R Data from WorldSoftware to OneWorld E–1
Appendix F: Training Chart of Accounts F–1

Appendix G: Vertex Quantum for Sales and Use Tax G–1
Company and Divisional Considerations G–6
Product Considerations G–6
Customer and Supplier Considerations G–6
International Tax Considerations G–6
Co-existence Considerations G–6
Setting Up the J.D. Edwards/Quantum Interface G–7
Activating Quantum G–8
Setting Up Automatic Accounting Instructions for Quantum G–10
Assigning Non-Stock Product Categories to Order Types G–10
Defining Tax Information for Items G–12
Assigning GeoCodes to Address Book Records G–15
Assigning GeoCodes Globally to Address Book Records G–17
Assigning GeoCodes Manually to Address Book Records G–18
Calculating Taxes for Related Addresses G–22
Working with Quantum Taxes G–25
Overriding GeoCodes on an Invoice G–27
Overriding GeoCodes on a Voucher G–28
Overriding GeoCodes on a Sales Order G–29
Overriding GeoCodes on a Purchase Order G–30
Overriding GeoCodes on a Contract G–32
Overriding GeoCodes on a Service Order G–33
Processing Quantum Tax Information G–37
Printing Tax Information G–37
Posting Tax Information G–38

Glossary

Index

Accounts Receivable Overview

The J.D. Edwards Accounts Receivable system helps you manage your cash flow so that you have the flexibility that you need for effective cash management. It provides real-time information so that you can make immediate decisions about extending credit, forwarding collections, and applying cash.

With the Accounts Receivable system, you can streamline the day-to-day functions of your entire A/R department. You can simplify and accelerate the process of applying receipts and have up-to-date information that improves communication among your billing and credit and collections departments.

For organizations that have offices around the world, J.D. Edwards software provides the flexibility needed to operate in multiple countries, each with unique currency, language, and statutory requirements.

System Integration

The Accounts Receivable system works with other J.D. Edwards systems to ensure that all receivable transactions and information are fully integrated into accounts receivable.

The following systems integrate with the Accounts Receivable system:

General Accounting	The system writes debits and credits to various general ledger accounts when it processes invoices and receipts. When you enter an invoice, the system credits a revenue account and debits the accounts receivable account. When the customer pays the invoice, the system credits the accounts receivable account and debits the bank account.
Sales Order Management	After shipping and invoicing a product, the sales order is updated and invoices are created in accounts receivable. Once entered, these are regular A/R invoices and can have receipts applied to them.
Contract Billing	After contract-based services are rendered, invoices are created in the Contract Billing system. When these invoices are posted and the accounts receivable is updated, you can handle the invoices like any other A/R invoices.

Service Billing

After work-order-based services are rendered, invoices are created in the Service Billing system. When these invoices are posted and the accounts receivable is updated, you can handle the invoices like any other A/R invoices.

Enterprise Workflow Management

To effectively manage customer accounts, you must be notified of the events associated with an account that required immediate attention from the credit manager or collections manager. For example, a collections manager should be notified when a customer's account becomes delinquent. This enables you to determine whether to assess late fees or send delinquency notices.

To accomplish this, the Accounts Receivable system provides several mailboxes within the Agent Message Center that lets you receive and respond to messages about various A/R tasks.

Accounts Receivable Features

An Accounts Receivable system must be able to receive high volumes of information from multiple external sources. It must also be able to easily transmit this information to the appropriate tables. The J.D. Edwards Accounts Receivable system is designed to provide:

- Flexibility and efficiency
- High-volume transaction processing for both invoices and receipts
- Workflow orientation
- Timely information
- Rules-based processing

The features of the Accounts Receivable system include:

- Customer management
- Transaction processing
- Credit and collections management
- Reporting
- Statement processing
- Multi-national functionality

Customer Management

With efficient customer management, you can improve your customer relationships and leverage your organization's ability to respond to credit and collections issues. As part of managing your customer information, you can determine:

- Whether a customer receives a statement, and if so, the language in which it is printed
- Whether you assess finance charges or generate delinquency notices for overdue invoices
- Whether a customer is eligible for automatic receipts processing
- If you want to assign a specific person for credit management, collections management, or deductions

Transaction Processing

When processing transactions, the system provides features that allow you to implement your current objectives and make adjustments when those objectives change. The features of transaction processing include:

- Multiple invoice entry methods
- Multiple receipt application methods
- Customer ledger inquiry
- Deduction processing

Multiple Invoice Entry Methods

Typically, you generate invoices using external sources or other J.D. Edwards systems, such as Sales Order Management or Property Management. However, you can also enter invoices directly or generate recurring invoices using the Accounts Receivable system.

You can manually enter invoices using the method that is the most efficient for you. Choose from either of the following methods:

Standard Invoice Entry	Use this method to enter a recurring invoice, a credit memo, or an invoice with multiple pay items or special accounting instructions You also use this method to create model journal entries and percent journal entries for your invoices. This method lets you change, delete, and void an entire invoice or parts of an invoice. With standard receipts entry, you can apply receipts in a domestic, foreign, or alternate (third) currency.

Speed Invoice Entry

Use this method when you have several simple invoices to enter. This high-performance method allows you to quickly enter invoices that have only one pay item and simple accounting instructions.

Because this method is designed for speed and efficiency during entry, you cannot use it to change, delete, or void invoices.

Multiple Receipt Application Methods

Prompt receipt application enables you to have timely information about your current cash position. For controlled, efficient, and accurate results, you can apply receipts either manually or automatically.

Receipts, like invoices, are most often processed using automated methods. However, you can choose from either of the following methods to manually enter payments from your customers:

Standard Receipts Entry

Use this method to select and load open invoices for a customer to apply receipts. You can also use this method to:

- Enter customer remittance information
- Create chargebacks and write-offs for disputed items at the invoice or pay item level and cross-reference them with the associated invoice
- Override or accept discounts that the system automatically calculates during invoice entry
- Change or void an entire receipt or a partial receipt
- Differentiate between a voided receipt and a non-sufficient funds (NSF) receipt for credit and collection purposes
- Enter deductions for amounts that customers reduce from their payments
- Apply receipts in an alternate currency

Speed Receipts Entry

Use this method to quickly enter high-volume, simple receipts. This method only allows you to enter one receipt per entry line. In doing so, you can quickly enter the cash in the Accounts Receivable system to obtain an immediate picture of your cash position. With this method you can enter the following types of receipts:

- Unapplied receipts
- Balance forward receipts
- Logged receipts
- Miscellaneous or G type receipts and redistribute them among multiple G/L accounts

When you process receipts automatically, you use a magnetic tape from a customer's bank to load receipts into the Accounts Receivable system for processing. With automatic receipts processing, you can:

- Recognize cash in your general ledger immediately regardless of the success of the matching process
- Define the algorithms that the system uses to automatically apply receipts to invoices
- Define flexible selection criteria to reduce the number of candidate invoices read by an algorithm
- Match against any receipts that are not fully matched to invoices

Customer Ledger Inquiry

The ability to quickly access and analyze the transaction history of a customer is fundamental to an A/R department. To accomplish this, you can use the Customer Ledger Inquiry to review a comprehensive audit trail of the sequential events within a transaction, such as the status of an invoice or a receipt. Additionally, you can review:

- The detail of a transaction and its associated G/L distribution information
- Associated sales order information
- The result of applying a receipt to a customer or an invoice
- Unresolved matters, such as unapplied receipts, unapplied credit memos, chargebacks, and partially paid invoices
- Audit trails records for changes to posted invoices
- Payment history of an associated invoice or group of invoices

Deduction Processing

Often, when you receive payment from customers, a customer will reduce the amount of a payment for unknown reasons or for reasons that might be associated with a specific invoice or a group of invoices, such as damaged goods. The amount by which a customer's payment is reduced is known as a deduction. The flexibility of the Accounts Receivable system enables you to process deductions and provide statistical information for internal and customer analysis.

Credit and Collections Management

Credit and collections management requires you to maintain a balance between credit extended and cash flow. To successfully manage your credit and collections, you need an accurate picture of your customers' account balances and credit histories.

With the credit and collections management features, you can:

- Work accounts more aggressively with daily, system-generated messages of customer accounts that require attention
- Define multiple aging categories for a better balance between risk and control
- Accelerate collection efforts by allowing you to define policies for specific customers or a group of customers that the system uses to automatically process finance charges or generate delinquency notices
- Review a current, online list of credit and collection activities performed against an account

The Accounts Receivable system works within the context of your business environment. For example, any customer account can be associated with a parent or national account, providing you with the total credit exposure for a group of related companies.

Reporting

Successful accounts receivable management requires timely and accurate information about cash flow, customer terms, discount opportunities, aging information, and so on. The Accounts Receivable system provides this type of information, both online and in report format.

You can print the standard A/R reports to review open A/R balances and aging information for your customers. Additionally, you can print analytical reports to review receipts history and customer trends.

Statement Processing

You send statements to your customers to inform them of their account activities. For example, you can print a statement for a customer to show their current open balance or a summary of their account.

The Accounts Receivable system enables you to view the customer's statement online for review. Then, you can process and print the statement, if necessary.

Multi-National Functionality

Multi-national functionality allows you to build a global customer network to optimize your credit and collection efforts. The multi-national functionality in the Accounts Receivable system includes:

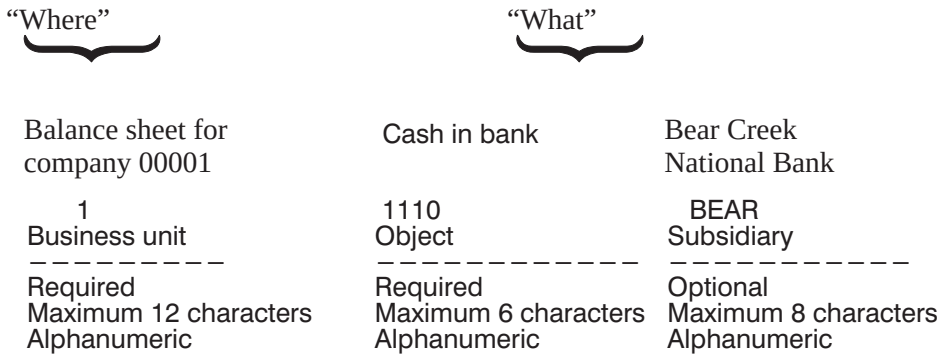
Currency processing	Create invoices in either the domestic or foreign currency, using any currency in the world – from the Australian dollar to the Belgian franc. You can apply receipts in a domestic, foreign, or alternate (third) currency and forecast receipts for your receivables by currency.
Multiple languages	Communicate with customers in their preferred languages to enhance relationships and reduce potential misunderstandings regarding invoices and other correspondence.

See Also

- *Customers and the Euro* in the *Euro Implementation Guide* for information about the new currency for Economic and Monetary Union (EMU) member nations

Account Numbering Concepts

This guide uses the Business Unit.Object.Subsidiary standard notation for account numbers.



The account number includes both the "where" and "what". You can use periods, commas, or other user defined symbols to separate the components of the account number. The period (.) separator is the default.

Business Unit - The "Where"

The business unit describes where in your organization the transaction will have an impact. It represents the lowest organizational level within your business, where you record all revenues, expenses, assets, liabilities, and equities. For example, a business unit can be a department, branch office, or truck.

Business units are unique 12-character, alphanumeric fields. The following characteristics of a business unit apply:

- A business unit can belong to only one company.
- A company can have several business units.
- Each company has at least one business unit for the balance sheet.

Object.Subsidiary - The “What”

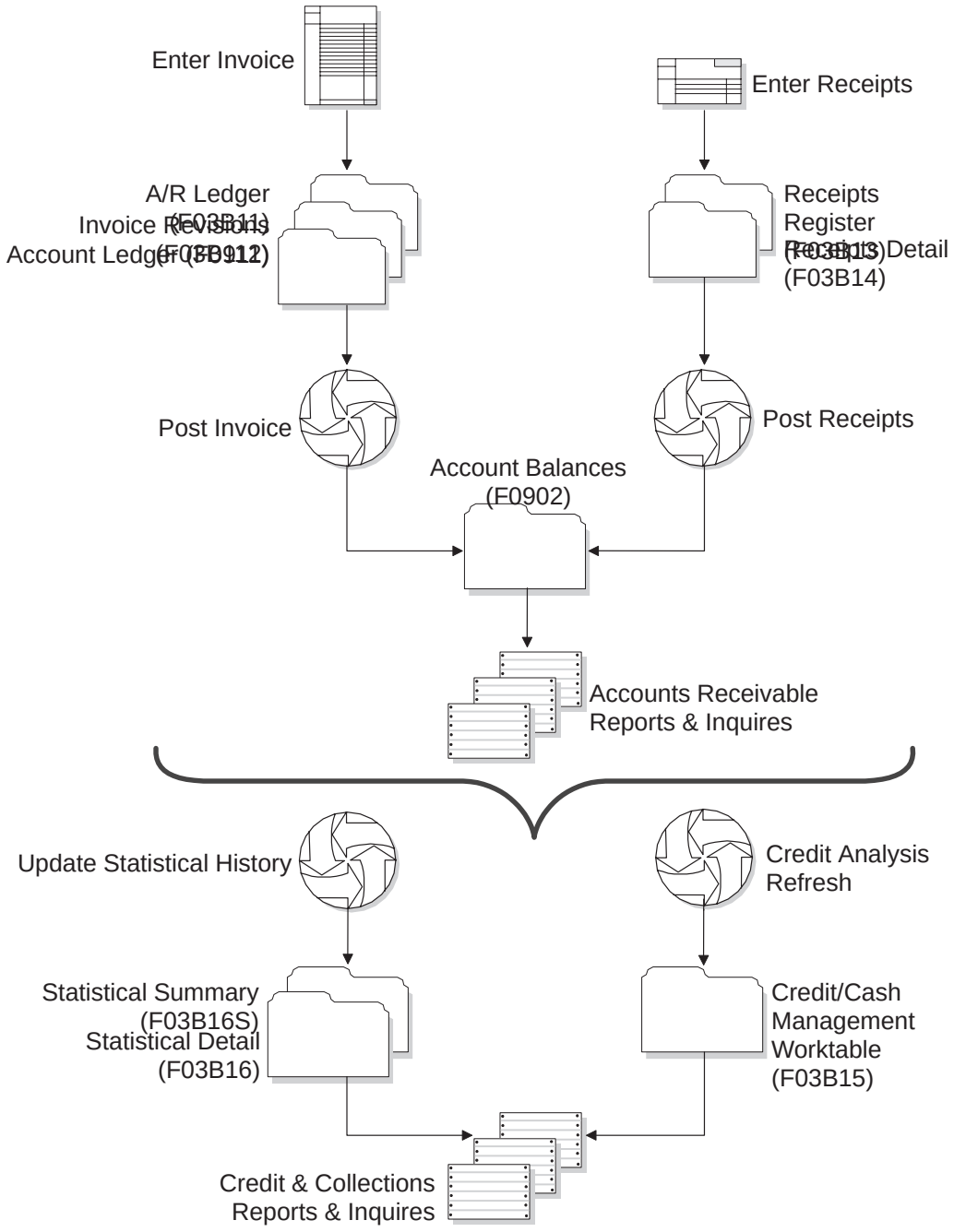
The Object.Subsidiary represents the kind of transaction being created. An object is a description of the transaction, for example, 1110 (Cash in Bank). A subsidiary is an expanded description of the object account, for example, Cash in Bank.BEAR (Cash in Bank.Bear Creek National Bank).

There are two parts of the “what”:

- Object (four, five, or six characters, depending on your organization’s setup)
- Subsidiary (one to eight characters)

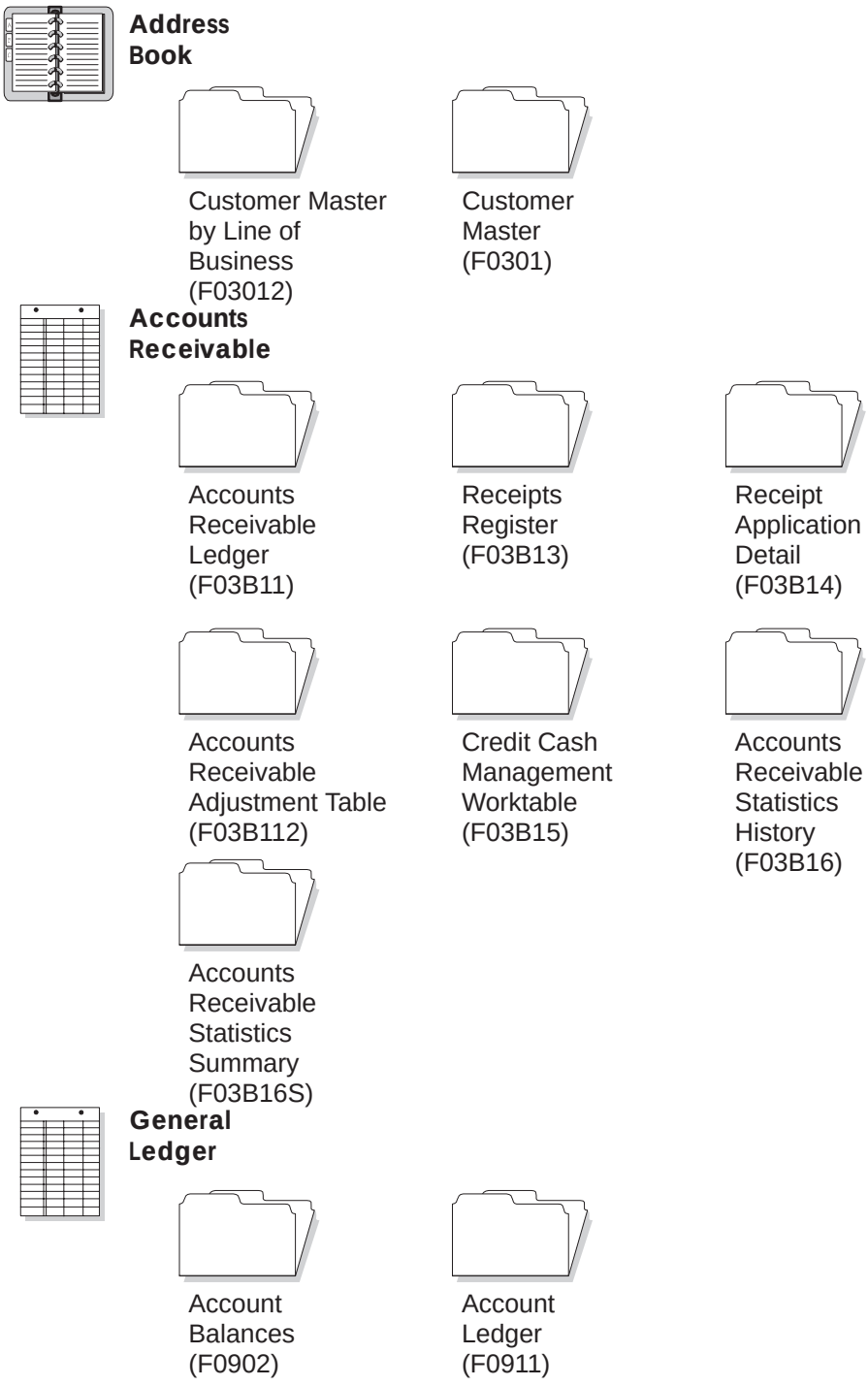
Accounts Receivable System Flow

When you charge a customer for products or services, you create or generate an invoice. After you receive payment from the customer, you apply the receipt. The following graphic illustrates this process.



Accounts Receivable Tables

The following graphic illustrates the tables that the Accounts Receivable system uses for basic transaction processing.



Descriptions of Tables

The Accounts Receivable system uses the following tables for basic transaction processing:

Address Book Master (F0101)

Stores customer address information, including:

- Customer name
- Customer effective date
- Category codes

Customer Master Line of Business (F03012)

Stores customer number using the same address book for multiple lines of business activity, including:

- Product
- Division
- Geography
- Credit limits
- Payment terms
- Default tax information

Customer Master (F0301)

Stores A/R information for customers about how invoices and receipts are processed, including:

- Credit limit
- Payment terms
- G/L offset
- Payment instrument
- Automatic receipt instructions
- Delinquency policy name and company

A/R Ledger (F03B11)

Stores one record for each pay item on an invoice.

Invoice Revision Audit Trail (F03B112)

Stores information about changes to invoice pay items that are posted.

Receipts Register (F03B13)

Stores header information for receipts. Each record contains:

- Identifying information
- Total amount of receipt
- Amount not yet applied to invoices

Receipt Application Detail (F03B14)

Stores detail information about how a receipt is applied to invoices. Each record can contain any of the following:

- Identifying invoice information
- Amount applied to invoices
- Discount information
- Gains and losses
- Write-offs
- Chargebacks

Account Balances (F0902)

Stores summary transactions in the general ledger, including:

- Net posting for each period
- Year-to-date balances
- Prior year balances
- Inception-to-date balances

Account Ledger (F0911)

Stores detail transactions in the general ledger, including:

- Account numbers
- G/L date and amounts
- Journal entry line descriptions

Credit/Cash Management worktable (F03B15)

Stores open A/R information that the system gathers from various A/R tables for credit and collection purposes, such as:

- Open invoice and chargeback amounts
- Number of open invoices and chargebacks
- Aging information
- Unapplied receipt amounts and numbers

A/R Statistics History (F03B16)

Stores detailed statistical information about your customer accounts, such as:

- Ending balance
- High balance
- Amount invoiced and number of invoices
- Invoices paid late
- NSF amounts and number of NSFs

A/R Statistics Summary (F03B16S)

Stores summarized statistical information about your customer accounts, such as:

- Days sales outstanding (DSO)
- Average days late
- Date of first and last invoice
- Invoiced this year and prior year

Menu Overview

The Accounts Receivable menus are listed below.

A/R OneWorld – Menu Overview

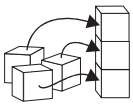
Enhanced Accounts Receivable, G03B

Daily Processes

- Customer and Invoice Entry, G03B11
- Manual Receipts Processing, G03B12
- Automatic Receipts Processing, G03B13
- Accounts Receivable Report, G03B14
- Credit and Collection Management, G03B15
- Draft Processing, G03B16

Periodic Operations

- Periodic Processes, G03B21
- Statement/Reminder Processing, G03B22



Setup Operations

- Accounts Receivable Setup, G03B41

Advanced and Technical Operations

- A/R Advanced and Technical Operations, G03B31
- Accounts Receivable Setup, G03B41

Setup

System Setup

Before you use the Accounts Receivable system, you need to define information that the system uses during processing. This information is used to customize the system for your business needs. For example, you might want to enter the totals for a batch of invoices first and have the system verify the totals after you enter the batch.

System setup consists of:

- ❑ Setting up A/R constants
- ❑ Setting up batch approval and post security for A/R
- ❑ Understanding payment terms
- ❑ Setting up payment terms for A/R
- ❑ Understanding user defined codes
- ❑ Understanding user defined codes for A/R
- ❑ Working with user defined codes
- ❑ Setting up next numbers
- ❑ Setting up bank information for A/R

What Do the A/R Setup Features Do?

The following list describes the information that you must set up for the Accounts Receivable system:

Line of Business

If you do business with one customer that is differentiated by multiple lines of business, you can distinguish these customers by product, division, or geography.

See *Setting Up A/R Constants* for more information about line of business processing.

Constants	Establish system basics, such as: • Whether the system verifies that the amount and number of documents in a batch of transactions balance to the totals that you enter separately • Whether you require management approval of batches of documents before posting • Whether you want the system to create automatic offsets by batch or in detail • The aging method, number of days, and the time intervals for your aging reports and online inquiries • The algorithm that the system uses to process automatic receipts • Whether you want the system to process delinquency notices and statements for customers
Enhanced A/R Constants	Specify which application program interface you want to use: • World A/R Software • OneWorld A/R • OneWorld A/R - Line of Business
Payment terms	Identify the various types of payment terms for your customer's invoices, such as the net due dates, discount amount and discount due dates.
AAIs	Define which accounts the system updates for accounting purposes, such as offset accounts and default bank accounts.
User defined codes	Define customized codes, such as document types and payment statuses that are appropriate for your business needs.
Next numbers	Establish an automatic numbering system for documents.
Customer bank information	Define the various types of bank account information required for lock box processing (automatic receipts).

Setting Up A/R Constants

Constants provide a basic framework for how your Accounts Receivable system works, based on your business needs. For example, you can use company 00000 as the default company to control the following items:

- The company name that appears on the top of all reports
- Default values in the AAIs
- Default reporting periods for information viewed online
- The default company for Line of Business processing

When setting up A/R constants, you must specify whether to use A/R processing for WorldSoftware, OneWorld, or OneWorld – Line of Business. If you activate Line of Business processing, you must use OneWorld for Sales Order Processing and A/R.

To set up A/R constants, complete the following tasks:

- Activate A/R processing
- Set up A/R controls
- Set up the automatic offset method
- Set up cash management controls
- Set up A/R aging information by company

Settings to A/R constants take effect after you exit and restart the OneWorld Accounts Receivable system.

The system stores information about A/R Company Constants in the General Constants table (F0009). Line of Business information is stored in the Customer Master by Line of Business table (F03012).

Before You Begin

❑ Ensure that only authorized personnel can access your A/R constants

Setup Considerations

Using company 00000 as the default

Company 00000 does not contain actual accounting activity.

You might set up companies that require A/R constants different from the default values that you specify for company 00000. You can override the default values when you enter a customer master record. For example, you would do this for case management and aging purposes by company.

Line of Business Processing

If you do business with one customer that is differentiated by multiple lines of business, you can distinguish these customers by product, division, or geography. You can set them up one time in the Address Book, but have multiple entries based on the line of business. You can process A/R information, such as credit limits, payment terms, and default tax information for each customer by company.

For example, suppose your company Super Foods has customers who are various restaurant chains across the country. A customer who orders canned foods, frozen foods, and utensils and napkins might have different terms based on the type of food or product (line of business) that they purchase. With Line of Business processing, you do not need to create multiple Address Book Records for the customer in order to assign to them different terms for different products. In the Super Foods example, if a canned foods line of business and a frozen foods line of business have the same terms, you might set them up using company 00001. If the utensils and napkin lines of business operate similarly, you might set them up using company 00002, along with other lines of business that operate the same. In this example, you would maintain two records instead of four.

If Line of Business processing is not applicable, the system maintains only one record for company 00000 in the Customer Master by Line of Business table (F03012).

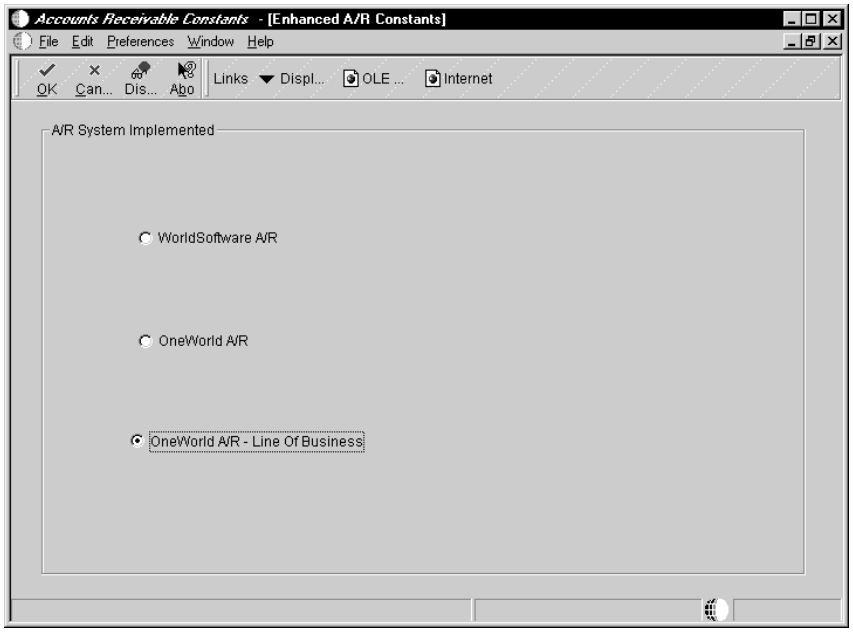
▶ To activate A/R processing

From the Accounts Receivable Setup menu (G03B41), choose Accounts Receivable Constants.

You must specify whether to use A/R processing for WorldSoftware, OneWorld, or OneWorld A/R – Line of Business.

On Work With A/R Constants

1. Locate company 00000 and click Select.
2. On Accounts Receivable Constants, choose Enhanced A/R from the Form menu.



3. On Enhanced A/R Constants, choose one of the following options and click OK:
   - WorldSoftware A/R
   - OneWorld A/R
   - OneWorld A/R – Line Of Business

Field	Explanation
A/R System Implemented	An option to specify whether you use World Accounts Receivable, OneWorld Accounts Receivable, or OneWorld A/R - Line of Business. Do not change this value after setting up and using the Accounts Receivable system.

To set up A/R controls

From the Accounts Receivable Setup menu (G03B41), choose Accounts Receivable Constants.

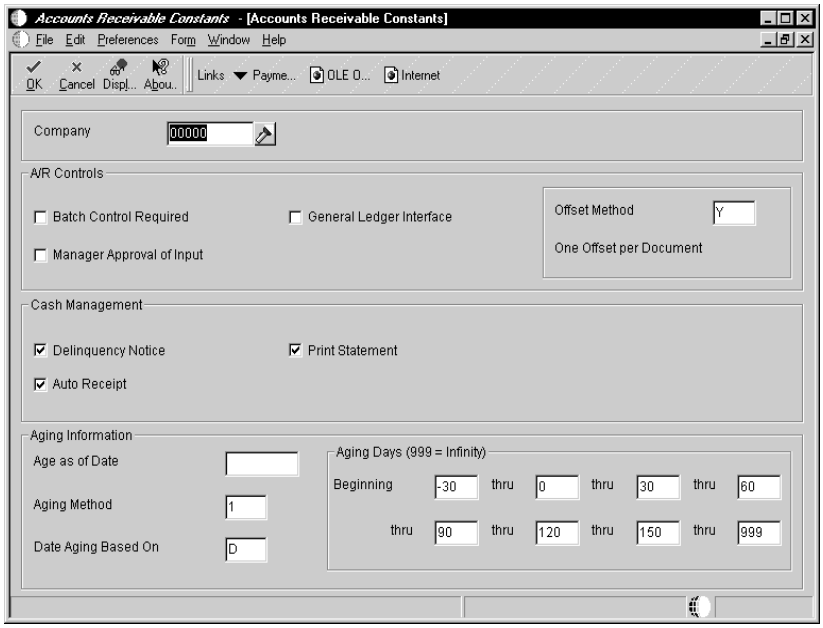
The fields for A/R Controls are established for all companies, and you can set up A/R controls for the default company 00000. For example, you might want to enter the total number of documents (invoices and receipts) within a batch and the total amount of the batch before you actually enter the transactions. You use batch control to verify these totals after you enter the batch.

Additionally, you can:

- Specify whether management approval is required before each batch of transactions is posted
- Choose to bypass entering general ledger account information if you do not want to use the J.D. Edwards general ledger interface

On Work With A/R Constants

1. Locate company 00000 and click Select.



2. On Accounts Receivable Constants, click any of the following options:
   - Batch Control Required
   - Manager Approval of Input
   - General Ledger Interface
3. Continue setting up A/R constants by setting up the automatic offset method.

Field	Explanation
Batch Control Required	A code in WorldSoftware, or an option in OneWorld software, that generates automatic verification of the totals entered for each batch. Valid codes for WorldSoftware are: Y Batch control on. A batch header control form appears when you select invoice entry, receipts entry, or adjustments. You enter the total number of documents and the total amount you expect the batch to contain. When you finish entering each batch, the system displays the difference, if any, between the totals you expected to enter and the totals you actually entered. N Batch control off. For OneWorld software: On Batch control on. Off Batch control off.
Manager Approval of Input	A code in WorldSoftware, or an option in OneWorld software, that controls approval of batches for posting. Valid codes are: Y Management approval is required. The system assigns a status code of pending to each batch. You must manually change the status to approved before the system will post the batch to the general ledger. N Management approval is not required. The system automatically sets the batches in an approved status for posting. On Management approval is required. Off Management approval is not required.
General Ledger Interface	A code for WorldSoftware or an option for OneWorld software that indicates whether you have the J.D. Edwards General Ledger system product. Valid values for WorldSoftware are: Y Yes, you do have the General Ledger product. Accounts Receivable programs will not bypass updates to the G/L. N No, you do not have the General Ledger product. Accounts Receivable programs will bypass G/L updates under the assumption that the G/L system is not active. Valid values for OneWorld software: On You do have the General Ledger product. Off You do not have the General Ledger product.

▶ To set up the automatic offset method

After setting up A/R controls, you need to designate the type of offsetting entries that the system makes when you post invoices to the general ledger.

On Accounts Receivable Constants

1. Change the following field if necessary:
   - Offset Method
2. Continue setting up A/R constants by setting up the cash management controls.

Field	Explanation
Offset Method	The method for automatically generating an offset entry when it is posted to the general ledger. Valid codes are: D Create an offset entry for each detail record (gross amount, discount amount, and tax accruals are separate offset entries). This option is available only for WorldVision and WorldSoftware. S Create a summarized offset for each detail record (gross amount, discount amount, and tax accruals are combined into one offset entry). The system generates one automatic entry during the post for the gross amount of the invoice and the total of all discount and tax pay items on the invoice. Y Create one offset per document (multiple items). B Create one offset for each batch. The system generates a separate automatic entry during the post for the gross amount, discount, and tax amounts of each invoice pay item. The system creates offsets against actual amount and multi-currency ledger types only. Offset method D does not apply to OneWorld.

▶ To set up cash management controls

After setting up the automatic offset method, you can specify whether:

- Customers receive delinquency notices on overdue account balances
- The system prints statements for your customers
- You receive customer payments on a company basis through automatic receipts processing

The system uses this information as the default values for the company. You can override them for a customer in the customer master record.

On Accounts Receivable Constants

1. Click any of the following options:
   - Delinquency Notice
   - Auto Receipt
   - Print Statement
2. Continue setting up A/R constants by setting up A/R aging information.

▶ To set up A/R aging information by company

After setting up cash management controls, you can specify how to age your customer's invoice information. For example, you can set up the "as of" date, the aging method, and the number of days in each time interval to calculate aging information for reports.

You can set up default aging information using company 00000, or you can specify aging information for any company.

On Work With A/R Constants

1. Locate a company and click Select.
2. On Accounts Receivable Constants, complete any of the following fields and click OK:
   - Age as of Date
   - Aging Method
   - Date Aging Based On
   - Beginning
   - thru

Field	Explanation
Age as of Date	The "As Of" date or cutoff date used for aging Accounts Receivable invoices. The system compares the "As Of" date to one of several dates associated with an invoice to determine which aging category the invoice open amount is to be applied to. This date is maintained in the Company Constants table (F0010) and can be set up globally (company 00000) or for a specific company. Processing options are often available to override this date within a specific program.

Field	Explanation
Aging Method	A code that designates the way aging will be calculated. Valid codes are: 1 Aging days 2 Fiscal periods 3 Calendar
Date Aging Based On	A code that indicates the date used for aging calculations. Valid values are: I Invoice date D Due date G G/L date S Statement date
Beginning	The number of days to be included in aging calculations. The system automatically computes aging each time you locate a customer's account or print a report.
thru	The specified number of days for the Accounts Receivable aging report.

Setting Up Batch Approval and Post Security for A/R

You can specify that management must approve each batch of journal entries before it can be posted.

When management approval is required and someone opens a batch that was previously approved, changes only in the detail area result in the batch status being changed to pending. If no changes are made, or if changes occur only in the header area, the batch remains in an approved status.

Complete the following task:

- Setting Up Batch Approval

If you specify that management must approve each batch of invoice or receipt entries before it can be posted, you will need to set up a list of Secured users and a list of Approved By users. Secured users are users restricted from approving and posting batches. Approved By users are users who can approve and post batches for Secured users.

Complete either one of the following tasks:

- Setting Up Approved By Users
- Setting Up Secured Users

You may want to restrict unauthorized users from viewing batches other than their own in the Invoice Journal Review or Receipt Journal Review program.

Complete the following task:

- Setting Up Batch Review Security

▶ To set up batch approval

From the General Accounting System Setup menu (G0941), choose General Accounting Constants.

On General Accounting Constants, click the following option:

- Management Approval of Input

Field	Explanation
Management Approval of Input	A code that controls approval of batches for posting. For World, valid codes are: Y Management approval is required. The system assigns a status code of Pending to each batch. You must manually change the status to Approved before the system will allow the batch to post to the general ledger. N Management approval is not required. The system automatically approves for posting all batches that do not have error conditions. For OneWorld, a selected field indicates that management approval is required. A blank field indicates that management approval is not required.

▶ To set up Approved By users

From the G/L Advanced and Technical Operations menu (G0931), choose Batch Approval/Post Security Constants.

On Batch Approval/Post Security Constants

1. Click the following option:
   - A/R Batch Security
2. Choose Approved By User from the Form menu.
3. On Work With Approved by Users, click Add.
4. On Approved by User, complete the following fields and click OK.
   - Approved By User
   - Secured User

To run a report that lists all of the users who can approve and post batches, choose Batch Security from the Form menu. On Work With Batch Versions, choose the version you want to run and click Select.

Field	Explanation
A/R Batch Security	Complete this option to activate batch security editing in the Accounts Receivable system. The system edits the batch when approving and posting Accounts Receivable batches. Once selected, you must set up Secured user and Approved By user authority.

Field	Explanation
Secured User	A user restricted from approving and posting batches. The Approved By user is the only person allowed to approve and post batches for Secured users.
Approved By User	A user authorized to approve and submit batches to post for a group of Secured users. Secured users are restricted from approving and posting batches. If the Approved By user has authority to approve all users' batches, you may enter *ALL in the Secured User field, rather than identifying each user individually.

▶ To set up Secured users

From the G/L Advanced and Technical Operations menu (G0931), choose Batch Approval/Post Security Constants.

On Batch Approval/Post Security Constants

1. Click the following option:
   - A/R Batch Security
2. Choose Secured Users from the Form menu.
3. On Work With Secured Users, click Add.
4. On Secured User, complete the following fields and click OK.
   - Secured User
   - Approved By User

To run a report that lists all of the users who can approve and post batches, choose Batch Security from the Form menu. On Work With Batch Versions, choose the version you want to run and click Select.

▶ To set up Batch Review security

From the G/L Advanced and Technical Operations menu (G0931), choose Batch Approval/Post Security Constants.

On Batch Approval/Post Security Constants, click the following option:

- Batch Review Security

Field	Explanation
Batch Review Security	This field restricts unauthorized users from viewing batches other than their own through the General Journal Review program.

Understanding Payment Terms

Payment terms ensure that the seller and the buyer agree on when a payment is due for goods or services rendered. Payment terms can range from simple to complex, depending on the policy of your organization. For example, you can set up payment terms to allow a certain number of days for payment, or factor in discounts that encourage early payments.

You can set up codes for various payment terms. These codes determine the discounts, discount due dates, and net due dates for your invoices. A payment terms code uses a one, two, or three-character combination:

- Alphabetic (A – ZZZ)
- Numeric (0 – 999)
- Special characters (including blank)

Set up a blank code for the most commonly used payment term. If you do this, also set up a non-blank code for the same payment terms in case you need to override a customer's payment terms to these terms later.

For example, you have a customer with a default payment term code of D (due upon receipt) and you want the terms of the invoice to net 30 days. Because you cannot replace the existing code of D with a blank (because the D will continue to default in from the Customer Master), you must use a non-blank code, such as N for net 30 days.

See Also

- *Setting Up Payment Terms for A/R* for information about setting up standard payment terms

What Are Advanced Payment Terms?

Advanced payment terms provide you with the flexibility to define how the system calculates due dates and discount percentages for your invoices and vouchers. A due date can be a net due date or a discount due date.

Because of the complex and diverse ways of calculating due dates, you can set up due date rules using various components to calculate a due date. For example, you can specify that the system adds 10 days to the based-on date, which might be the G/L date, when calculating the discount due date of an invoice.

To better understand advanced payment terms, review the following:

- Due date rules
- Workday calendars
- Advanced payment term codes
- Installment payments

See Also

- See *Working with Advanced Payment Terms* for information about setting up advanced payment terms.

Due Date Rules

Before you set up specific payment terms, you must define the rules that the system uses to calculate due dates for invoices and vouchers. You can set up as many due date rules as necessary.

The following topics describe due date rules:

- Due date rule components
- Due date rule example
- Date ranges

Due Date Rule Components

A due date rule can consist of any of the following components:

Based on Date	An invoice date, G/L date, a service tax date, statement date, and so on.
Days to Add	The number of days that the system adds to the based-on date.

Months to Add	The number of months that the system adds to the based-on date.
Fixed Days	The same day every month, such as the 10th or 15th of each month.
Date Range	A range of days that the system uses in conjunction with other components.
Workday Calendar	A calendar that you can use to ensure that the due date is on a workday.
Workday Rule	A rule that you can use to ensure that if a due date is on a non-workday, the system moves it forward or backward to an actual workday. It also determines whether to count non-workdays when calculating the due date.

By using a combination of these due date components, you can set up unlimited payment terms to meet your business needs.

See *Working with Advanced Payment Terms* for information about setting up advanced payment terms.

Due Date Rule Example

For example, you might set up due date rules as follows:

- Use the invoice date as the based-on date and add one month. For example, if the date of the invoice is June 25th, the due date is July 25th.
- Use the G/L date as the based-on date, and add one month and five days. For example, if the G/L date is June 12th, the due date is July 17th.
- Use the G/L date as the based-on date, set up a day range, specify a number of days to add to the day range, and a month to add. For example, if the G/L date is June 2nd, the month to add is 1, and the date ranges are:
  - The 1st through the 10th, add 5 days
  - The 11th through the 31st, use the 31st as the fixed day

  Since the based-on date is within the first date range, the system adds five days and one month to the last day in the date range. Therefore, the due date for the payment is July 15th. This is commonly known as a “swing payment term”, and is most often used in Germany.

See *Working with Advanced Payment Terms* for information about setting up due date rules.

Date Ranges

If you specify a date range in your due date rule, the system uses the last day in the range in conjunction with the months to add, days to add, or a fixed day. If you do not specify a month to add, days to add, or a fixed day, the system assigns the due date as the last day of the range.

For example, if you set up a date range from the 10th to the 25th of June and you do not specify a fixed day or months/days to add, the due date of the payment is June 25th.

The ranges must not overlap, and they must include a full month (the 1st through the 31).

Additionally, when you set up a date range, you cannot specify both the number of days to add and a fixed-days number. However, you can specify the number of months to add along with the number of days to add or the fixed days.

The system adds the days to add, months to add, and fixed days to the last day in the range on the Due Date Rule Revision form. To determine the date range, the system adds the days to add, months to add, and fixed days to the based-on date.

See *Working with Advanced Payment Terms* for information about setting up date ranges.

Workday Calendars

When setting up due date rules for your payment terms, you can set up workday calendars. These calendars enable you to specify the actual workdays, weekends, holidays, and so on, of your organization. You can set up multiple calendars and reference the name of one in the due date rule.

After you set up a workday calendar, you specify which action to take if the system calculates the due date on a non-workday. You do this on the Due Date Rules Revision form. For example, you can instruct the system to:

- Ignore non-workdays when counting the days to calculate the due date and not allow the due date to occur on a non-workday.
- Use the workday after the calculated due date as the due date. For example, if the calculated due date occurs on the weekend, the system moves it to the following Monday.
- Use the workday before the calculated due date as the due date. For example, if the calculated due date falls on the weekend, the system moves it to the previous Friday.

If you specify a workday rule, you can adjust the payment's due date to correspond with your workdays. For example, you can prevent unintended grace periods that might occur if the due date falls on a Saturday and your business is closed. In addition,

you can specify that the payment is due in 30 working days instead of 30 calendar days.

The Work Day Calendar program (P00071) is a Manufacturing program. On the Work Day Calendar form, the Branch field does not refer to a Branch/Plant (business unit). Instead, it refers to the name that you assign to the workday calendar for your due date rules.

When you set up a workday calendar, the system accesses it from the Work Day Calendar table (F0007), not the Business Unit table (F0006).

See *Working with Advanced Payment Terms* for information about setting up workday calendars.

Advanced Payment Term Codes

You can set up codes for various payment terms. These codes determine the net due dates, discounts, and discount due dates for your invoices and vouchers. This makes entering invoices and vouchers more efficient.

When you enter a customer or supplier record, you specify the payment term code that the customer or supplier uses most frequently. Then, when you enter the invoice or voucher, you can either:

- Accept the default payment term code
- Designate a different payment term code

See *Working with Advanced Payment Terms* for information about setting up advanced payment terms.

Installment Payments

Instead of having an invoice or voucher paid all at one time, you can arrange installment payments. You can set up installment payment terms to pay an invoice or voucher with multiple payments over a specified period of time. The difference between split payments and installment payments is that with installment payments you can specify different due date rules, discounts for each installment, or specify unequal payments with discount due dates.

When you set up installment payment terms, you can set up equal payments or unequal payments with different percentages. You can also specify a different discount percent for each installment. The system calculates the due date of each installment based on the due date rule you assign to it.

The following describes two examples of installment payment terms:

Equal payments with a discount due date	You might set up five equal payments. Each payment includes a 10 percent discount if paid within the discount period that you defined in the discount due date rule. The actual due date of the payment depends on the net due date rule that you set up.
Unequal payments with a discount due date	You might set up six payments. Five of the payments might be 15 percent of the invoice amount, and the sixth payment is 25 percent. Each payment might also include a 5 percent discount if paid within the discount period that you defined in the discount due date rule. The actual due date of the payment depends on the net due date rule that you set up.

The following is an example of advanced payment terms using installment payments. Suppose you have a payment that you want to split into three installments:

Invoice Amount:	10,000.00
Invoice Date:	July 15
Based on Date:	July 31 (end of month invoice date)
First installment:	3,000.00 due August 30
Second installment:	3,000.00 due September 29
Third installment:	4,000.00 due October 29

The solution in this example is to create an installment payment term. This installment payment term is based on three payments at equal intervals. To determine the payment term, the system:

1. Calculates the due date of the first installment by setting the invoice date to the end of the month. The system then adds 30 days.
2. Calculates the second installment by retrieving the due date of the first installment and adding 30 days.
3. Calculates the last installment by retrieving the due date of the second installment and adding 30 days.

See *Working with Advanced Payment Terms* for information about setting up installment payments.

Setting Up Payment Terms for A/R

Setting up payment terms makes entering invoices more efficient. When entering a customer master record, you specify the payment terms that the customer uses most frequently. Then, when you enter an invoice you can either:

- Accept the default payment terms
- Designate different payment terms

Setting up payment terms for A/R consists of:

- ❑ Setting up standard payment terms
- ❑ Working with advanced payment terms

Setting Up Standard Payment Terms

You use standard payment terms to ensure that both the seller and the buyer agree on when a payment is due for goods or services rendered. Payment terms can range from simple to complex, depending on the policy of your organization. For example, you might set up a simple payment term such as 1/10, net 30 to encourage early payment.

Standard payment terms consist of any of the following:

Net payment term

You might allow a customer a specific number of days to pay an invoice. When you enter an invoice, the system calculates the net due date by adding the number of days to the invoice date.

For example, if the net days to pay is 30, and the invoice date is June 14, the due date is July 14.

Net with discount payment term

To encourage early payment, you might allow a discount if the customer pays an invoice within a certain number of days. The system calculates the discount due date by adding the number of discount days to the invoice date.

For example, if an invoice has a discount of 1%, discount days of 10, and net days to pay of 30, the payment terms allow a 1% discount if the customer pays the invoice within 10 days of the date of the invoice. If the invoice is not paid, the customer has 30 days to pay the full amount before it's considered late.

Proximate date payment Term

You might specify when an invoice is due by indicating the proximate or subsequent month and day. The system calculates the month that the invoice is due by adding the proximate month to the month of the invoice.

The proximate day is the date in that month. For example, if an invoice date is May 20, the proximate month is 1, and the proximate day is 10, the payment would be due on June 10.

Due upon receipt payment term

You might expect payment from a customer upon receipt of an invoice. For the payment terms of due upon receipt, the system sets the due date equal to the invoice date.

For example, if the invoice date is June 10, the due date is June 10. If no invoice date is specified, the system uses the G/L date.

Split payment term

Instead of a customer paying an invoice, you might arrange for an invoice to be paid with equal, consecutive payments. To do this, set up split payment terms. You can do this only if the number of days between payments is a constant number, such as 30.

For example, an invoice has a date of July 1, two equal payments are due, and the number of days between payments is 30. In this case, the first payment is due July 31, 30 days from the invoice date. The second payment is due August 30, 30 days from the first payment due date. If the payment term has discounts, the entire discount is calculated on the first payment.

The difference between split payments and installment payments is that with installment payments you can specify different due date rules, specify discounts for each installment, or set up unequal payments with discount due dates.

See *Working with Advanced Payment Terms* for more information about installment payments.

Discounts for each pay item	If you want to assign discounts to each pay item, use Installment Payment Terms.

To set up standard payment terms, complete the following tasks:

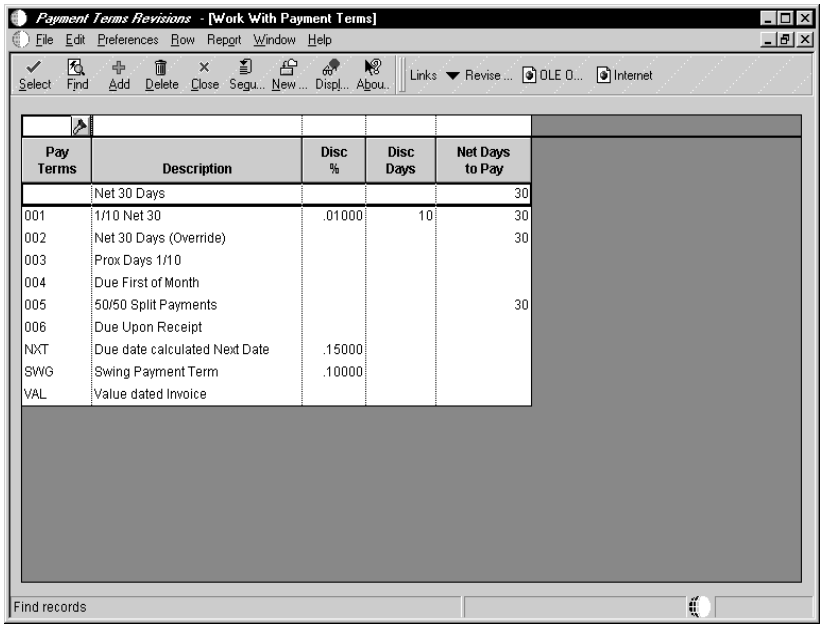
- Setting up net payment terms
- Setting up net with discount payment terms
- Setting up proximate date payment terms
- Setting up due upon receipt payment terms
- Setting up split payment terms
- Printing a payment terms report

Information about payment terms is stored in the Payment Terms table (F0014).

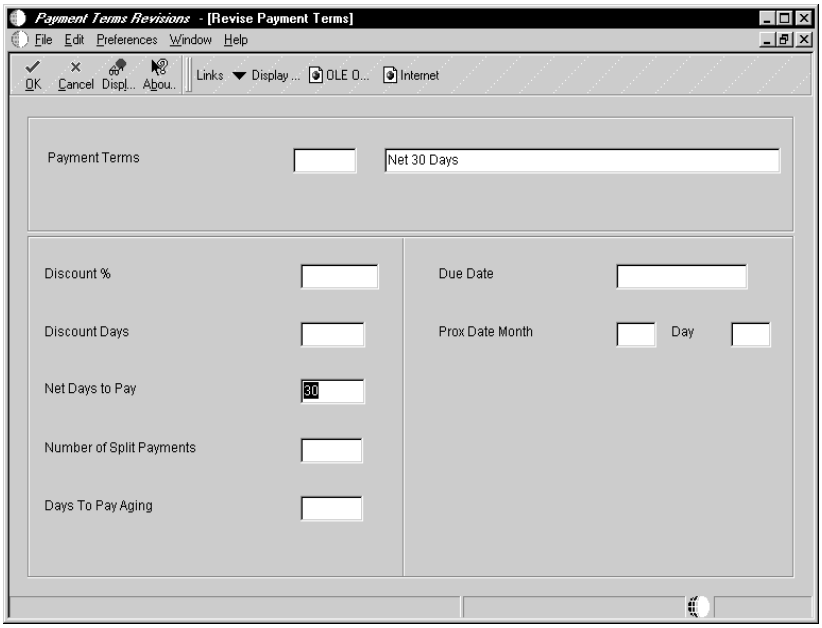
▶ To set up net payment terms

From the Payment Terms Revisions menu (G00141), choose Payment Terms Revisions.

On Work With Payment Terms



1. Click Add to access Revise Payment Terms.



2. On Revise Payment Terms, complete the following fields:
    - Payment Terms
    - Net Days to Pay
3. Complete the following unlabeled field:
    - Description – Payment Terms

Field	Explanation
Payment Terms	A code that specifies the terms of payment, including the percentage of discount available if the invoice is paid within a certain amount of time. A blank code indicates the most frequently used payment term. You define the specifications for each type of payment term on the Payment Terms Revisions form. For WorldSoftware, the following are examples of valid values: Blank Net 15 1 1/10 net 30 2 2/10 net 30 N Net 30 P Fixed day of 25th Z Net 90 This code prints on customer invoices. For OneWorld software, the following are examples of valid values: blank Net 30 days (default) 001 1/10 net 30 002 Net 30 days (override) 003 Prox days 1/10 004 Due at first of month 005 50/50 split payments 006 Due upon receipt
Net Days to Pay	The number of days allowed for payment. This field works in conjunction with the Discount Days field. For example, Payment Terms of 2/10 net 30 indicates that the customer has 10 days to pay and receive a 2 percent discount, or pay the full amount within 30 days (net 30). Payments received after 30 days are delinquent. This is also the number of days after the invoice date when the first split payment is due, if the customer is using that option.
Description – Payment Terms	The text that describes the payment terms code. You can print this text on the invoice, for example, 2/10, net 30, fixed day 25.

▶ To set up net with discount payment terms

From the Payment Terms Revisions menu (G00141), choose Payment Terms Revisions.

On Work with Payment Terms

1. Click Add to access Revise Payment Terms.
2. On Revise Payment Terms, complete the following fields and click OK:
   - Payment Terms
   - Discount %
   - Discount Days
   - Net Days to Pay
3. Complete the following unlabeled field:
   - Description – Payment Terms

Field	Explanation
Discount %	The percent of the total invoice that you will discount if the invoice is paid within the discount period. You enter the discount percent as a decimal, for example, a 2 percent discount is .02.
Discount Days	A number indicating how many days after the invoice date that the discount is available. The system uses this number to compute the discount due date.

▶ To set up proximate date payment terms

From the Payment Terms Revisions menu (G00141), choose Payment Terms Revisions.

On Work with Payment Terms

1. Click Add to access Revise Payment Terms.
2. On Revise Payment Terms, complete the following fields and click OK:
   - Payment Terms
   - Day
   - Prox Date Month
3. Complete the following unlabeled field:
   - Description – Payment Terms

Field	Explanation
Prox Date Month	The month increment of the proximate due date. For example, a proximate date of 01/15 indicates that the payment is due on the 15th of next month. A proximate date of 03/10 means the payment is due three months hence on the 10th.
Day	The day increment of the proximate due date. For example, a proximate date of 01/15 indicates that the payment is due on the 15th of next month. A proximate date of 03/10 means the payment is due three months hence on the 10th.

▶ To set up due upon receipt payment terms

From the Payment Terms Revisions menu (G00141), choose Payment Terms Revisions.

On Work with Payment Terms

1. Click Add to access Revise Payment Terms.
2. Complete the following fields:
   - Payment Terms
3. Complete the following unlabeled field:
   - Description – Payment Terms
4. Make sure the following fields are blank and click OK:
   - Due Date
   - Net Days to Pay

▶ To set up split payment terms

From the Payment Terms Revisions menu (G00141), choose Payment Terms Revisions.

On Work with Payment Terms

1. Click Add to access Revise Payment Terms.
2. On Revise Payment Terms, complete the following fields:
   - Payment Terms
   - Net Days to Pay
   - Number of Split Payments
   - Days To Pay Aging

3. To allow a discount, complete the following optional field:
   - Discount %
4. Complete the following unlabeled field:
   - Description – Payment Terms

Field	Explanation
Number of Split Payments	The number of equal, consecutive payments that the system divides the invoice into. For example, if the payment terms are 1/3, 1/3, 1/3 due in 30, 60, 90 days, respectively, the number of split payments is 3. Days to pay aging, then, is 30. You can use split payments only if the number of days between payments is a constant number, such as 30.
Days To Pay Aging	The number of days that the system uses to calculate the due date for each payment if you are using split payments. For example, if the payment terms are 1/3, 1/3, 1/3 due in 30, 60, and 90 days, respectively, the number of split payments is 3, and the days to pay aging is 30 (30 days between payments). You can use split payments only if the number of days between payments is a constant number, such as 30.
Discount %	The percent of the total invoice that you will discount if the invoice is paid within the discount period. You enter the discount percent as a decimal, for example, a 2 percent discount is .02.

See Also

- *Working with Advanced Payment Terms* for information about installment payments

▶ To print a payment terms report

From the Payment Terms Revisions menu (G00141), choose Payment Terms Revisions.

You can print a report that shows the payment terms that are set up in your system.

On Work with Payment Terms

Select a payment term and choose Payment Terms Print from the Report menu.

Working with Advanced Payment Terms

You can specify a due date rule as either a discount due date or a net due date. After you set up due date rules for both the net due date and the discount due date, you set up the payment term code. This enables you to link the rules together with a discount percent to define the:

- Default payment term code for a customer or supplier
- Payment term code of a specific invoice or voucher

The system stores payment term information in the following tables:

- Advanced Payment Terms (F00141)
- Due Date Rules (F00142)
- Due Date Rules Day Range (F00143)
- Installments (F00144)

Working with advanced payment terms includes:

- Setting up due date rules
- Verifying due date rules
- Setting up workday calendars (optional)
- Setting up advanced payment term codes
- Setting up installment payments

See Also

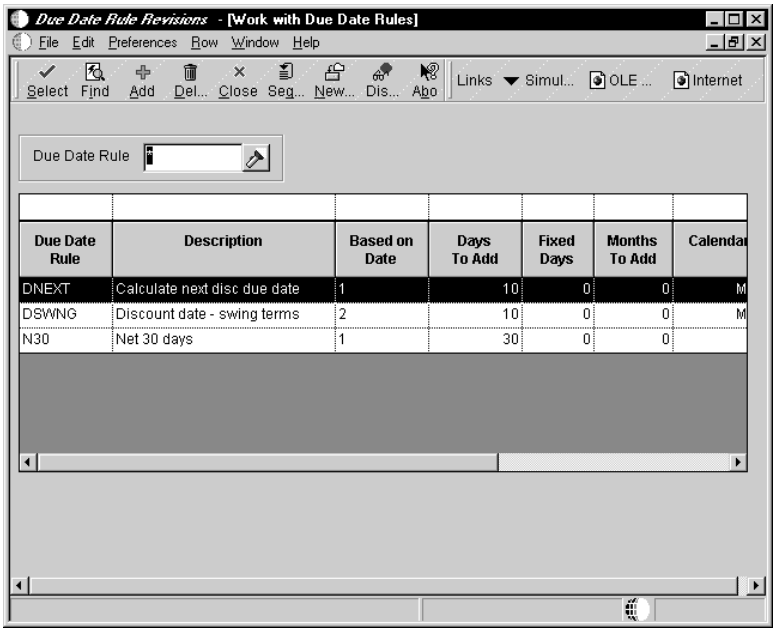
- *Setting Up Standard Payment Terms* for information about split payments
- *Understanding Payment Terms* for general and functional information about payment terms and advanced payment terms

▶ To set up due date rules

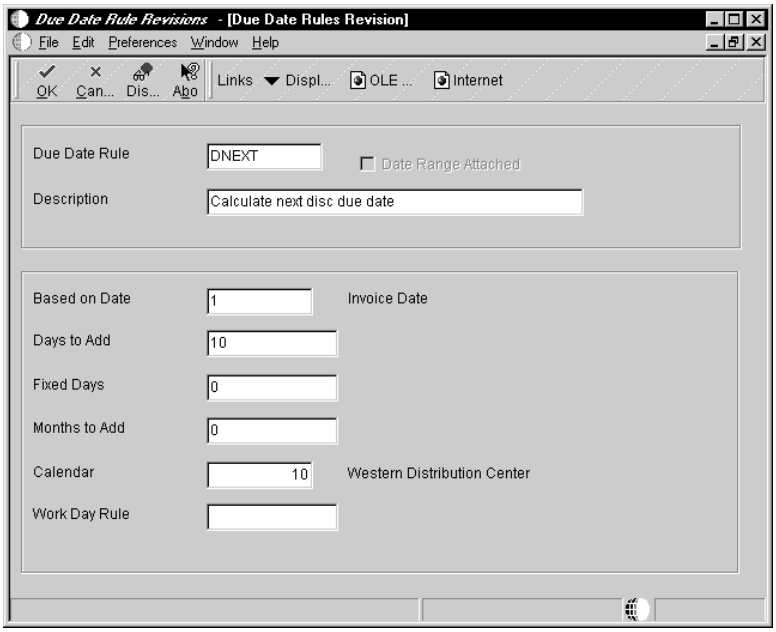
From the Payment Terms Revisions menu (G00141), choose Due Date Rules Revisions.

Before you set up specific payment terms, you must define the rules that the system uses to calculate due dates for invoices and vouchers. You can set up as many due date rules as necessary.

On Work with Due Date Rules



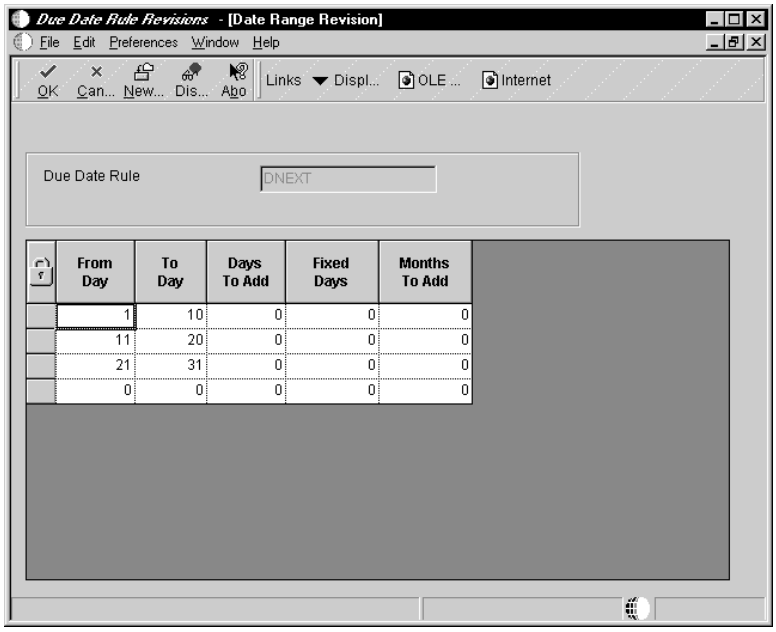
1. Click Add.



2. On Due Date Rules Revision, complete the following fields:
   - Due Date Rule
   - Description
3. To define how the system calculates the due date, complete any of the following fields:
   - Based on Date

- Days to Add
- Fixed Days
- Months to Add

4. To specify information about a workday calendar, complete the following fields:
   - Calendar
   - Work Day Rule
5. Click OK.
6. To set up a date range as part of your due date rule, choose a due date rule on Work with Due Date Rules.
7. From the Row menu, choose Date Range.



8. On Date Range Revision, complete the following fields:
   - From Day
   - To Day
9. Complete the following optional fields:
   - Days To Add
   - Fixed Days
   - Months To Add
10. Click OK.

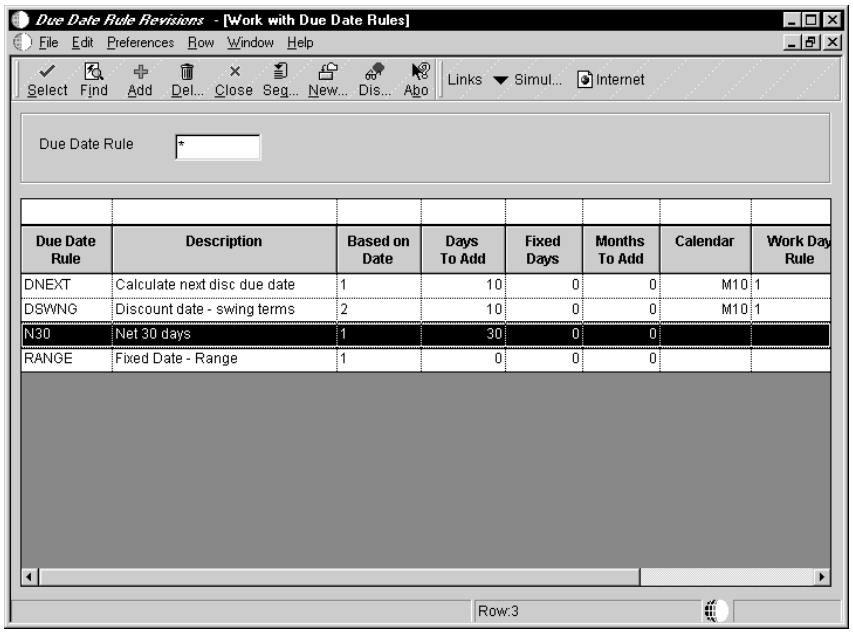
Field	Explanation
Due Date Rule	The due date rule that the system uses to determine the installment due date of an invoice. You define due date rules on the Due Date Rule Revisions form.
Description	A user defined name or remark.
Based on Date	The initial date from which the net due date and discount due date is calculated. NOTE: The based on date attached to the net due date rule and the discount due date rule is applicable for the first installment only for installment payment terms. Each subsequent installment will use the previously calculated net due date as the basis for calculating the next due date.
Days to Add	This field indicates the number of days to add to the based on date to determine the discount or net due date.
Fixed Days	This field indicates the fixed day that will be used during the date calculation.
Months to Add	This field indicates the number of months to add to the based on date to determine the net due date or the discount due date.
Calendar	The calendar name used in workday calculations. It will be validated against the Work Day table (F0007).
Work Day Rule	A code that controls how the system determines the due date when the due date falls on a non-working day. The workday rule operates in conjunction with the fixed days, add days, and date range. Valid values: blank When calculating the due date, use actual days. Ignore day classifications, such as working day, weekend, and holiday. 1 When calculating the due date, omit non-working days. If the due date falls on a non-working day, move the due date forward to the next working day. 2 When calculating the due date, use actual days. If the due date falls on a non-working day, move the due date forward to the next working day. 3 When calculating the due date, do not omit non-working days. If the due date falls on a non-working day, move the due date back to the last working day.
From Day	This field indicates the lower value of a day range. The allowable values are 1 to 31. This must be lower than the To Day value.
To Day	This field indicates the upper value of a day range. The allowable values are 1 to 31. This must be greater than the From Day value.

To verify due date rules

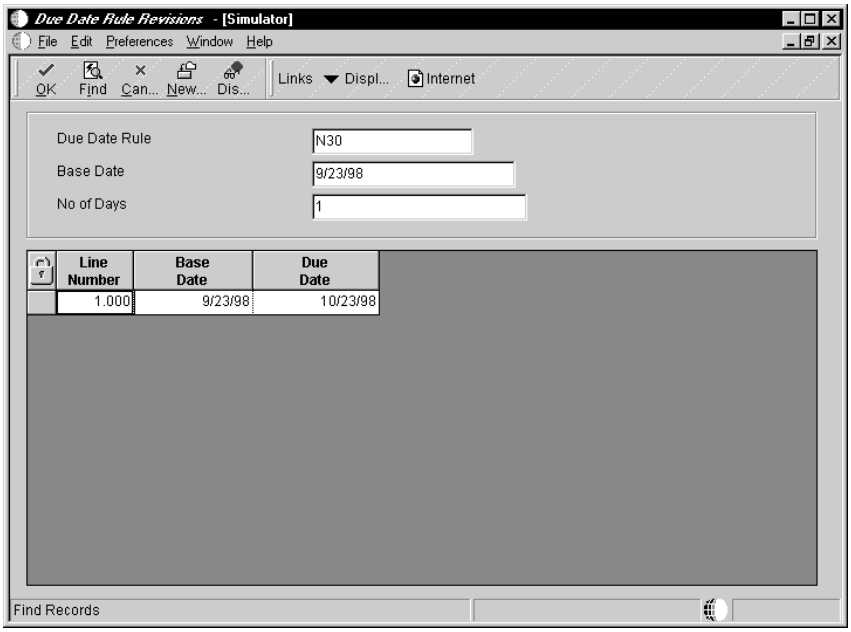
From Payment Terms Revisions (G00141), choose Due Date Rules Revisions.

You can verify that date rules you set up are functioning correctly by using the Simulator feature. This feature is especially useful when multiple date ranges are defined in the payment term.

On Work with Due Date Rules



1. Click Find to list all due date rules, or limit your search by entering the due date rule you want to select in the Due Date Rule field.
2. Choose the due date rule you want to test, and choose Simulator from the row exit.



3. On Simulator, enter the date in the Base Date field and click Find.

   The system calculates the due date in the grid based on the date entered and the due date rule you defined.

   For example, if you set up the due date for the first of the month, and the invoice date is between the first and the tenth, you can verify that you set up the due date rule correctly by entering a date between 1 and 10. Likewise, if you set up the due date to be on the fifteenth of the month, and the invoice is between the eleventh and the thirty-first, you can verify that the due date rule is set up correctly by entering a date between 11 and 31.

4. Click OK to exit Simulator.

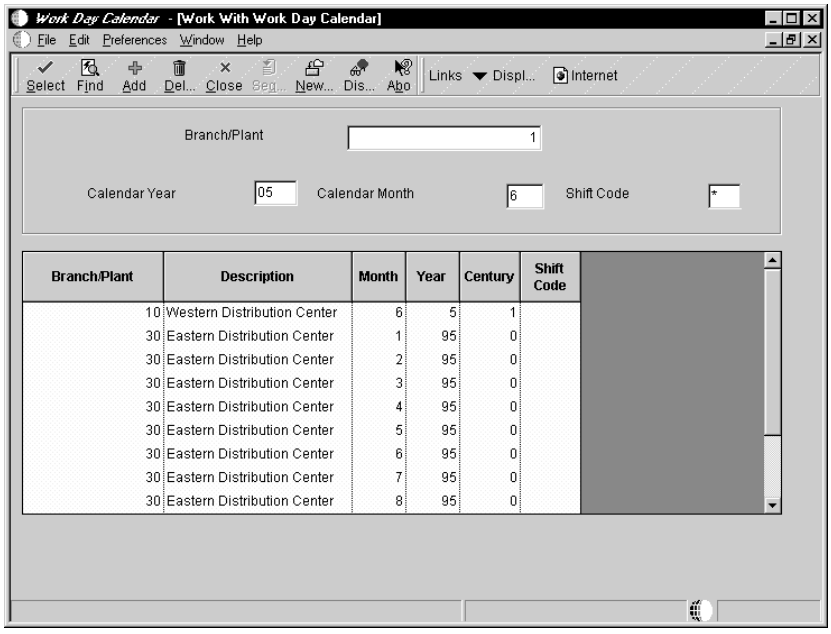
   Because Simulator only serves as a validating tool for hypothetical due dates, no data you enter in Simulator is saved.

▶ To set up workday calendars

From the Payment Terms Revisions menu (G00141), choose Work Day Calendar.

When setting up due date rules for your payment terms, you can set up workday calendars. These calendars enable you to specify the actual workdays, weekends, holidays, and so on, of your organization. You can set up multiple calendars and reference the name of one in the due date rule.

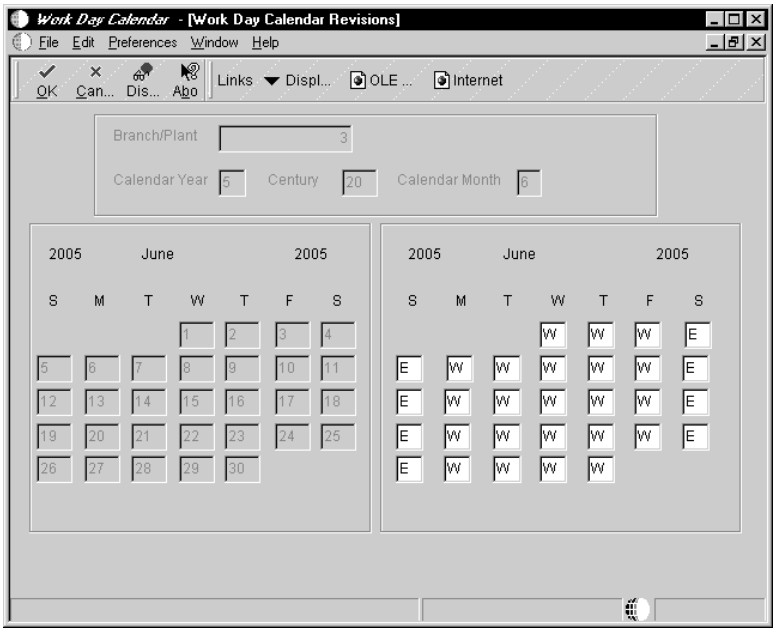
On Work With Work Day Calendar



1. Complete the following fields and click Add.
   - Branch/Plant

     On the Work Day Calendar form, the Branch field does not refer to a Branch/Plant (business unit). Instead, it refers to the name that you assign to the workday calendar for your due date rules.

   - Calendar Year
   - Calendar Month
   - Shift Code



The calendar for the month and year displays twice. The left portion of the form shows the numerical days, and the right portion of the form shows the workdays and non-workdays.

2. On Work Day Calendar Revisions, change the default values as necessary for each day of the week and click OK.

   Some examples of the type of day you can specify on the calendar are:

   - W (workday)
   - E (weekend)
   - H (holiday)
   - S (shut-down)

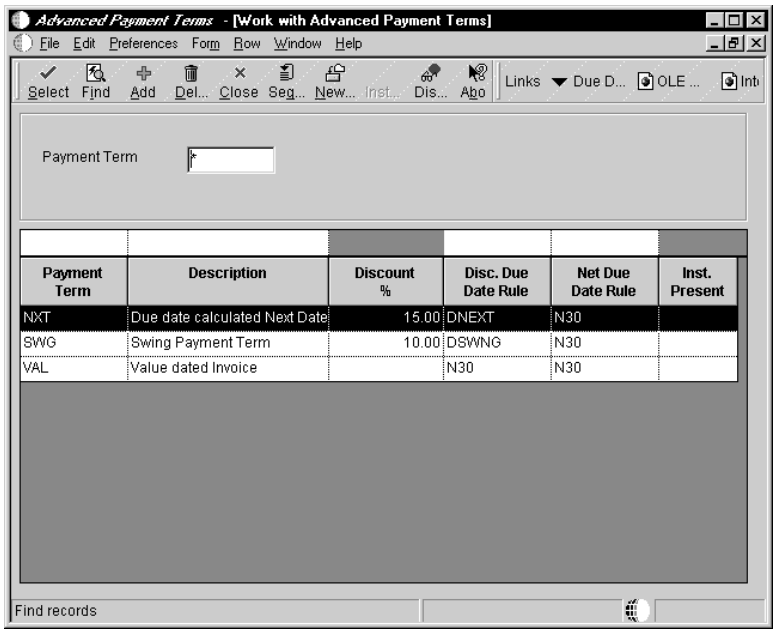
▶ To set up advanced payment term codes

From the Payment Terms Revisions menu (G00141), choose Advanced Payment Terms.

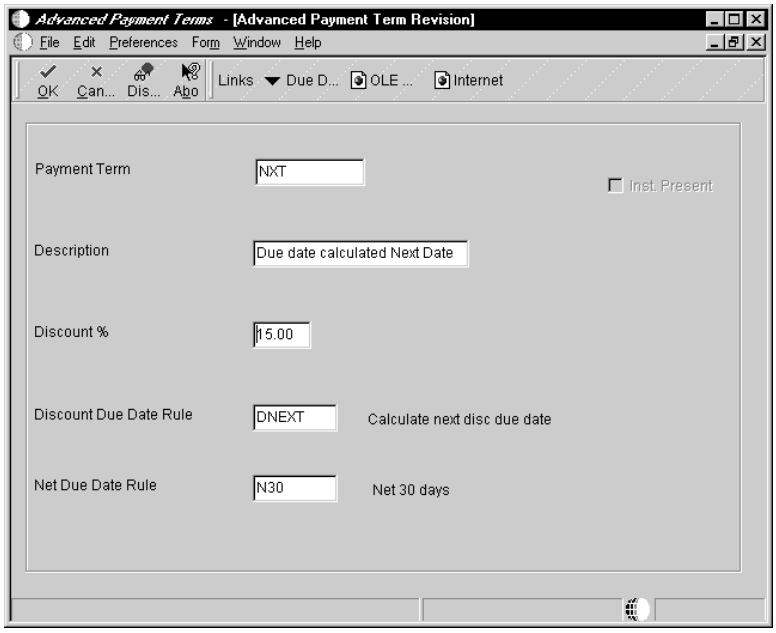
Before you set up payment term codes, set up the necessary due date rules that the system uses to calculate net due dates and discount due dates. This enables the system to link the rule to a specific payment term.

You can set up codes for various payment terms, which determines the net due dates, discounts, and discount due dates for your invoices and vouchers. This makes entering invoices and vouchers more efficient.

On Work with Advanced Payment Terms



1. Click Add.



2. On Advanced Payment Term Revision, complete the following fields:
   - Payment Term
   - Description
3. To specify a discount percentage for the invoice, complete the following field:
   - Discount %

4. To attach a due date rule to the payment term, complete the following fields:
   - Discount Due Date Rule
   - Net Due Date Rule

   For payment terms that have multiple date ranges, leave these fields blank.

Field	Explanation
Description	The text that describes the payment terms code. You can print this text on the invoice, for example, 2/10, net 30, fixed day 25.
Discount %	The percent of the total invoice that you will discount if the invoice is paid within the discount period. You enter the discount percent as a decimal, for example, a 2 percent discount is .02. . . . . . *Form-specific information* . . . . . . For advanced payment terms in A/R and A/P, this amount is a whole number, not a decimal.
Discount Due Date Rule	The due date rule that the system uses to calculate the discount due date of an invoice. This is similar to a discount due date payment term. You define the discount due date rule on the Due Date Rule Revisions form.
Net Due Date Rule	The due date rule that the system uses to calculate the net due date of an invoice installment. You define net due date rules on the Due Date Rule Revisions form.

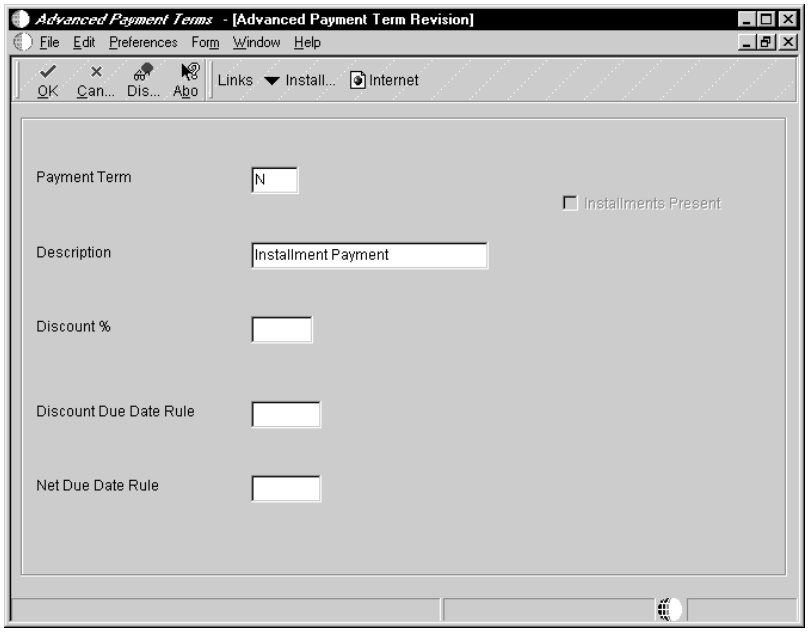
▶ To set up installment payments

From the Payment Terms Revisions menu (G00141), choose Advanced Payment Terms.

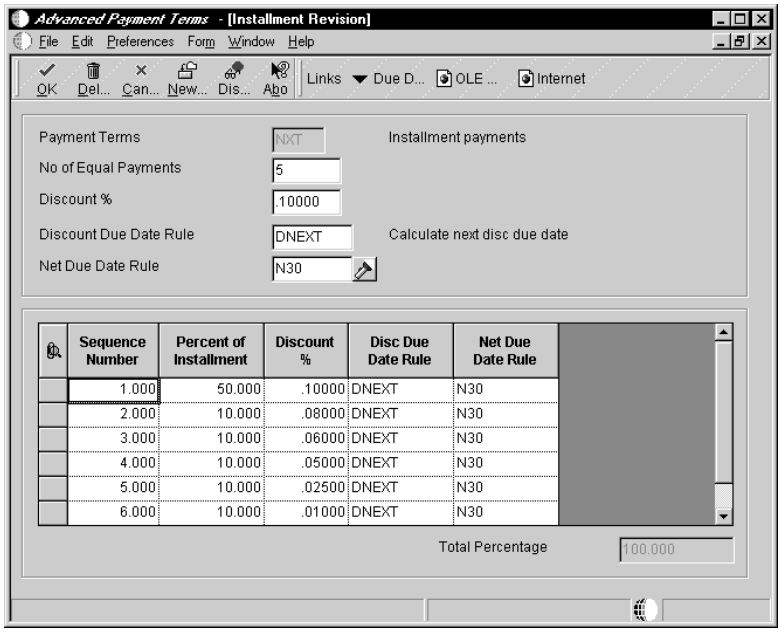
Installment payments are similar to split payments, but allow you to specify different due date rules, specify discounts for each installment, or set up unequal payments with discount due dates.

On Work with Advanced Payment Terms

1. Click Add.



2. On Advanced Payment Term Revision, complete the following fields and click OK:
   - Payment Term
   - Description
3. On Work with Advanced Payment Terms, click Find.
4. Choose the record you created.
5. From the Row menu, choose Installments.



6. On Installment Revision, complete the following fields in the header area and click OK:
   - No of Equal Payments
   - Discount %
   - Discount Due Date Rule
   - Net Due Date Rule
7. Complete the following field in the detail area, if necessary:
   - Percent of Installment

   You can complete the header area if you are dividing the amount into equal payments, or you can enter information in the detail area. You must enter the percent of installment expressed as a whole number, not a decimal.

   You can divide the total amount of the discount into as many installments as necessary. The installments do not have to be equal, but they must total 100%. The discount does not need to equal 100%, but the percent of installment must equal 100%.
8. Click OK.

Field	Explanation
No of Equal Payments	The number of transactions to be processed.
Discount Due Date Rule	The due date rule that the system uses to calculate the discount due date of an invoice. This is similar to a discount due date payment term. You define the discount due date rule on the Due Date Rule Revisions form.
Net Due Date Rule	The due date rule that the system uses to calculate the net due date of an invoice installment. You define net due date rules on the Due Date Rule Revisions form.
Percent of Installment	Results in a calculation. . . . . . *Form-specific information* . . . . . . Percent of Installment A percentage of the invoice that the system will use to generate one installment payment. You can divide the total amount of the discount into as many installments as necessary. The installments do not have to be equal, but they must equal 100% of the invoice total amount. Unlike typical split payments, you can create installments using variable percentages. You do not need to enter decimals. If the installment is 20%, you enter the percent as a whole number (20).

Understanding User Defined Codes

Many fields throughout the J.D. Edwards systems accept only user defined codes. When you enter an invoice, for example, the system uses a user defined code to specify the document type of an invoice. The system does not accept user defined codes that are not defined in a user defined list.

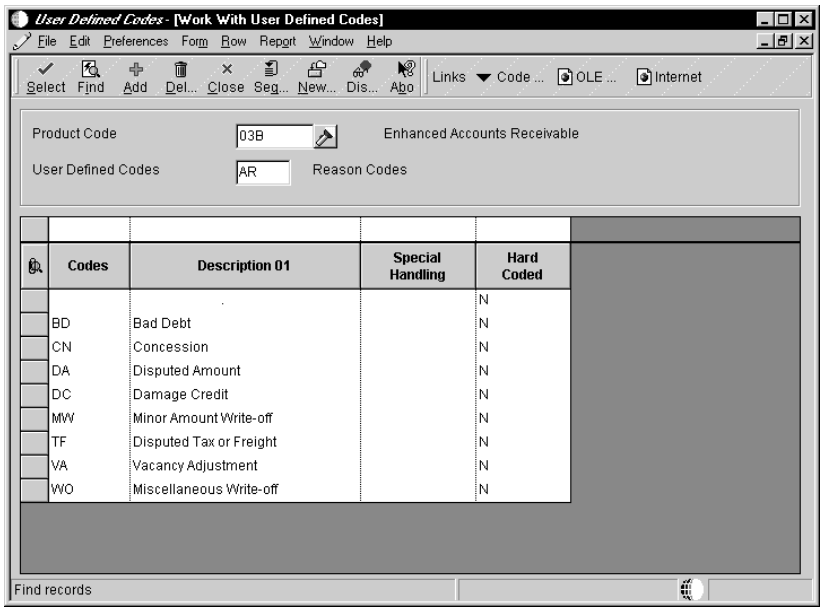
Each user defined code is either soft-coded or hard-coded. You can customize any soft-coded user defined code to accommodate your specific business needs. You can set up additional codes that are soft-coded as well. You cannot customize a user defined code that is hard-coded.

User defined code types are identified by the system code and the user defined code list. For example, 00/DT represents system 00 and user defined code list DT (document types).

Information about user defined codes is stored in the User Defined Codes table (F0005).

What Are the Elements of a User Defined Code Form?

The Work with User Defined Codes form shows the various codes that are assigned to a specific user defined code, such as ledger types (09/LT).



The name of the user defined code appears in the header part of the form.

The Codes field accepts 1, 2, 3, or 10 characters, depending on how the UDC was established.

The second description field is not available for some user defined codes.

Understanding User Defined Codes for A/R

Some of the user defined codes in the Accounts Receivable system are:

- Document type codes
- Payment status codes
- Payment instrument codes
- Tax explanation codes
- Aging vocabulary codes
- Collection reason codes
- Write-off reason codes
- Deduction Reason codes
- Chargeback reason codes
- Void/NSF reason code
- Valid credit message codes
- Standard receipt entry input type codes
- Speed receipt type input codes
- Dun & Bradstreet rating codes
- TRW rating codes
- Language preference codes
- Paid late codes
- Activity priority codes
- Address number for collections manager
- Address number for credit manager

Document Type Codes

When you enter a transaction, you must specify the document type, such as an invoice or draft.

The document type code, document number and company, and G/L date are the link between the Accounts Receivable system and the General Accounting system.

The system maintains two groups of document type codes:

- Invoice document type codes
- All document type codes

Invoice Document Type Codes (00/DI)

You can use the invoice document type to identify different types of invoices. You must set up a code for each type of document that you use when you enter invoices. When a user defined code is hard-coded, you cannot change it.

Invoice (RI)	The system creates this document when you enter an invoice.
Recurring Invoice (RR)	The system creates this hard-coded document when you enter an invoice to be generated for a specified amount, time period, and number of payments.
Credit Memo (RM)	The system creates this document when you issue a credit memo.
Chargeback (RB)	The system creates this hard-coded document when you enter an invoice for a discrepancy, a disputed amount on an original invoice or receipt.
Delinquency Fees (RF)	The system creates this hard-coded document when you enter an invoice to assess interest or delinquency fees for delinquent invoices and late payments.
Unapplied Receipt (RU)	The system creates this hard-coded document when you place money in a clearing account until you determine how to apply the payment (that is, which customer accounts to apply it to, and so on).
Draft (R1)	The system creates this hard-coded document when you use draft processing.
Deduction (R5)	This is an invoice that the system generates for amounts in dispute and have yet to be researched.

Other Document Type Codes (00/DT)

The following document types are receipt documents also known as matching document types. They cannot exist by themselves. You must attach (or match) each to a corresponding original document, except for logged receipts. For example, a receipt is a matching document that must always have a corresponding invoice as the original document. A matching document is hard-coded and has its own type and number.

The system provides the following codes for matching documents that you use when you enter invoices:

Receipt (RC)	The system creates this document for a payment when you enter a receipt.
Non-sufficient funds (RV)	The system creates this document when a bank cannot cover a customer's payment. This reopens the original invoice and voids the corresponding RC receipt document.
Void invoice (RE)	The system creates this document in the F03B112 table when a posted invoice is voided or the amount is changed.
Void receipt (RO)	The system creates this document when a posted receipt is voided.

Payment Status Codes (00/PS)

Payment status codes indicate if an invoice is approved, pending, paid, and so on. You assign a payment status code if you need to change the status that the system has assigned. The following payment status codes are hard-coded:

- A – Approved for payment
- D – Draft accepted
- E – Draft expired
- G – Draft remitted
- H – Held
- P – Paid in full
- R – Retainage
- S – Balance forward, Summarized

Payment Instrument Codes (00/PY)

Payment instrument codes indicate various methods of payment. You assign a payment instrument code to each invoice. Examples are:

- C – Check (soft-coded)
- D – Draft (soft-coded)
- T – Electronic funds transfer (soft-coded)
- A – Auto debits (soft-coded)

Tax Explanation Codes (00/EX)

You can assign codes for various methods of calculating taxes. You then use AAIs to direct each code to a different account. Set up a code for each tax rate/area. You should set up the following codes:

- C – VAT + Sales tax
- CT – VAT + Sales tax, tax only
- S – Sales tax
- ST – Sales tax, tax only
- V – VAT
- VT – VAT, tax only
- E – Exempt
- V+ – Same as V, but calculated as tax on tax

Aging Vocabulary Codes (H00 & 03B/AG)

You can assign codes to specify the terminology on your A/R aging reports. Examples are:

- 1 – Over
- 2 – Previous
- 3 – Future
- 4 – Current

Collection Reason Codes (03B/CL)

You can assign codes to explain why an invoice is delinquent. Examples are:

- BK – Customer in bankruptcy
- DP – Disputed by customer
- NP – Non-payment/delinquent

Write-Off Reason Codes (03B/RC)

You can assign codes to specify the reason you adjusted an invoice amount and point each code to a separate expense account using AAIs. Examples are:

- BD – Bad debit
- CN – Concession
- DA – Disputed amount
- DC – Damage credit
- MW – Minor write-off

Deduction Reason Codes (03B/CR)

Reason codes indicate the reason for which you resolve a transaction, such as a deduction. Examples are:

- BD (bad debt)
- MW (minor write-off)
- DA (disputed amount)
- TF (disputed tax or freight)

Chargeback Reason Codes (03B/CB)

You can assign codes to explain the reason for a chargeback applied to the invoice when entering a receipt. Examples are:

- DA – Disputed amount
- DD – Disallowed discount amount

Void/NSF Reason Code (03B/VR)

Void reason codes indicate the reason for which a receipt is voided or designated as NSF. Examples are:

- Dispute
- Error in payment
- Refund
- Non–sufficient funds

Valid Credit Message Codes (00/CM)

You can assign codes to notify you of a customer's credit status. These credit messages are used throughout all J.D. Edwards systems. Examples are:

- * – Bypass temporary credit hold (hard-coded)
- B – Bad credit risk
- C – Cash basis only or C.O.D. (collect on delivery)
- 1 – Over credit limit
- 7 – On credit hold per accounting

Standard Receipt Entry Type Input Codes (03B/RE)

Type input codes indicate how receipts are applied to invoices. The following examples are hard-coded for Standard Receipts Entry:

- 10 – Simple invoice match
- 11 – Match with automatic chargeback for discount
- 15 – Match with automatic write-off
- 16 – Match with automatic chargeback
- 17 – Match with automatic deduction
- 25 – Stand-alone write-off
- 26 – Stand-alone chargeback
- 27 – Stand-alone deduction

Speed Receipt Type Input Codes (03B/SA)

Speed receipt type input codes indicate the input method that you use to enter receipts using the Speed Receipts Entry method. The following speed receipt type input codes are hard-coded:

- 1 – Unapplied receipt
- 2 – Balance forward receipt
- 3 – Logged receipt
- 4 – General ledger receipt

Dun & Bradstreet Rating Codes (01/DB)

You can assign codes to identify the Dun & Bradstreet credit rating for customers. Examples are:

- BA1 – High
- BA2 – Good
- BA3 – Fair

TRW Rating Codes (01/TR)

You can assign codes to specify the TRW credit ratings for customers. Examples are:

- AAA – Excellent
- BBB – Good

Language Preference Codes (01/LP)

You can assign codes to identify the language for your invoices, statements, and so on. Examples are:

- Blank (default) – Domestic language
- F – French
- G – German

Paid Late Codes (03B/PL)

Paid late codes indicate whether a customer pays on invoice on time or if it is paid late. The following paid late codes are hard-coded:

- 0 – Invoice paid on time
- 1 – Invoice paid late, full amount
- 2 – Invoice paid late, partial amount

When you run the A/R Statistical History Refresh (R03B16), the system updates paid late codes in the A/R Check Detail table (F03B14) and the Paid Late field (RZPDLT).

Activity Priority Codes (03B/PR)

Activity priority codes determine the sequence in which the system displays action items for credit and collection management purposes. The action item with the highest priority should be assigned priority 1. The following activity priority codes are hard-coded:

- 1 – Priority 1
- 2 – Priority 2
- 3 – Priority 3
- 4 – Priority 4
- 5 – Priority 5

Address Number for Collections Manager (01/CM)

You can assign codes to identify who is responsible for approving collections information, such as delinquency fees and notices. You must specify an alphanumeric value in the Codes field on Work With User Defined Codes. As a cross-reference, you must specify the person's address book number in the Description 02 field.

Address Number for Credit Manager (01/CR)

You can assign codes to identify who is responsible for updating and approving credit information, such as credit limits. You must specify an alphanumeric value in the Codes field on Work With User Defined Codes. As a cross-reference, you can specify the person's address book number in the Description 02 field.

See Also

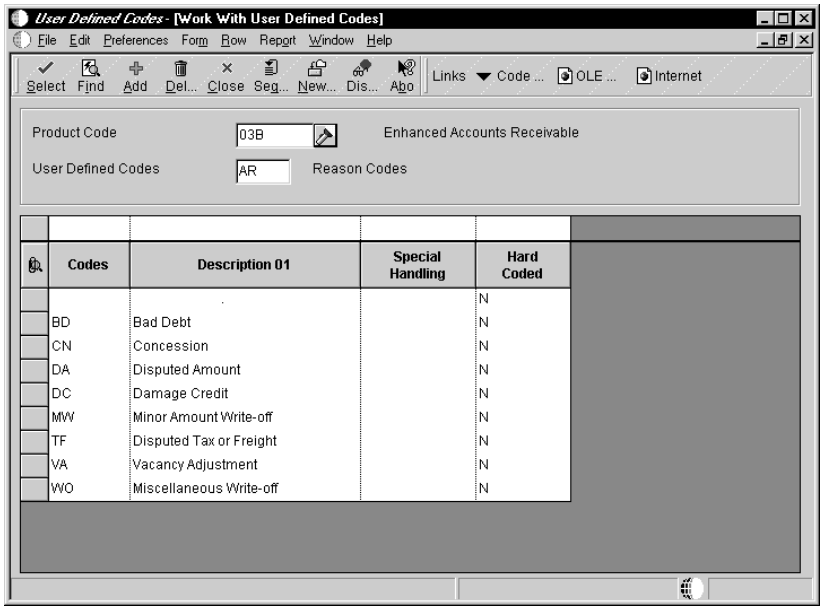
- *Setting Up Credit and Collection Managers*

Working with User Defined Codes

Because your system already has some user defined codes in place, you need to verify that they are appropriate for your business needs and set up additional user defined codes, as needed.

Working with user defined codes consists of:

- Setting up user defined codes
- Deleting user defined codes
- Translating user defined codes

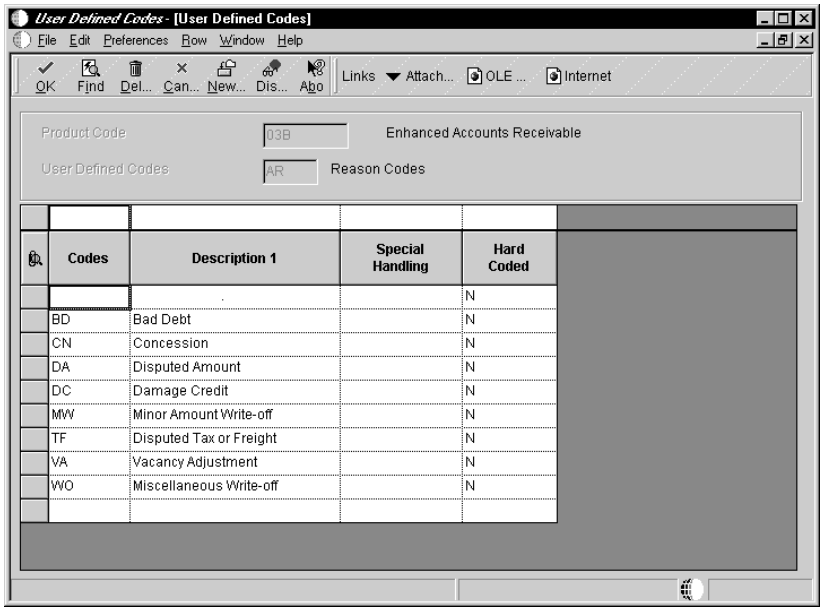


To set up a user defined code

From the Accounts Receivable Setup menu (G03B41), choose User Defined Codes. Alternatively, enter UDC on the fast path command line to access the Work with User Defined Codes form.

On Work With User Defined Codes

1. To locate the user defined code table that you want to work with, complete the following fields and click Find:
   - Product Code
   - User Defined Codes
2. Click Add to access User Defined Codes.



3. On User Defined Codes, to add a new code, complete the following fields in the last detail row and click OK:
   - Codes
   - Description 1
4. Complete the following optional field:
   - Description 2
5. Click OK.
6. To exit, click Cancel.

Blank User Defined Codes

A code of blank in a user defined code list indicates that a blank is a valid entry for the code. This means that the user defined code does not require a specific value to be assigned to the field on a form.

Leave the character code blank and type a period in the last position of the description to set up a valid code equal to blank.

Field	Explanation
Codes	A list of valid codes for a specific user defined code list.
Description 1	A user defined name or remark.
Description 2	Additional text that further describes or clarifies a field in the J.D. Edwards systems.

▶ To delete user defined codes

From the Accounts Receivable Setup menu (G03B41), choose User Defined Codes.

You can delete user defined codes from the User Defined Code table (F0005) on Work with User Defined Codes.

On Work With User Defined Codes

1. To locate the user defined code table, complete the following fields and click Find:
   - Product Code
   - User Defined Codes
2. Choose the user defined code and click Delete.

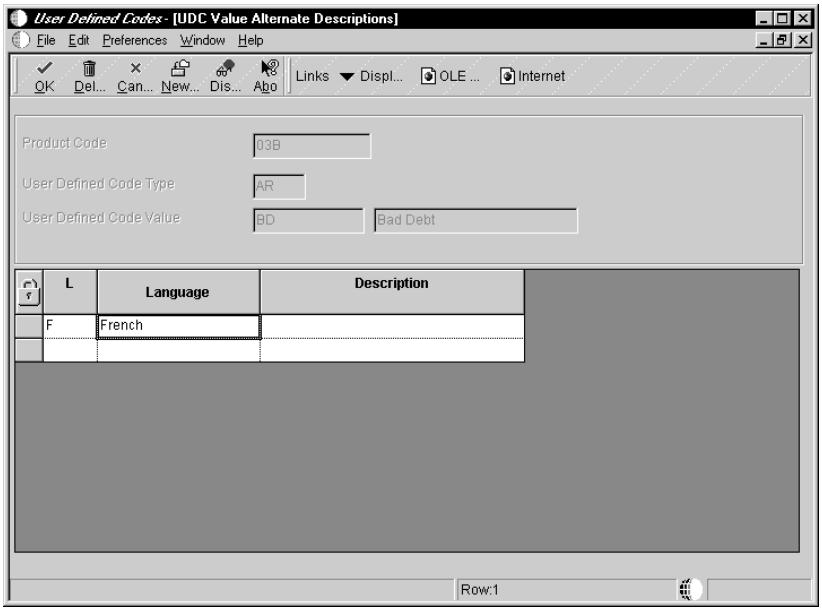
▶ To translate a user defined code

From the Accounts Receivable Setup menu (G03B41), choose a user defined code. Alternatively, enter UDC on the fast path command line to access the Work with User Defined Codes form.

Multi national businesses can translate the descriptions of their user defined codes. The descriptions work in conjunction with the language specified for each person who uses the J.D. Edwards system. For example, if a French-speaking user accesses a user defined code that has a French translation, the description appears in French.

On Work with User Defined Codes

1. Choose the appropriate user defined code.
2. From the Row menu, choose Language to access UDC Value Alternate Descriptions.



3. On UDC Value Alternate Descriptions, complete the following fields and click OK:
   - Language (L)
   - Description

Field	Explanation
Language	A user defined code (01/LP) that specifies a language to use in forms and printed reports. Before any translations can become effective, a language code must exist at either the system level or in your user preferences.

Processing Options for User Defined Codes

Defaults

Enter the desired System Code: _____

Enter the desired Record Type: _____

Setting Up Next Numbers

When you enter a document, such as an invoice or journal entry, you can assign a document number or let the Next Numbers program assign one. Next Numbers assigns numbers to documents using either or both of the following methods:

- Standard next numbers. The system finds the next available number in the Next Numbers table (F0002) and assigns the number to the document.
- Next numbers by company and fiscal year. The system assigns a unique set of next numbers for each company, fiscal year, or combination of company and fiscal year in the Next Numbers by Company/Fiscal Year table (F00021).

Setting up next numbers consists of:

- Reviewing standard next numbers
- Activating check digits for standard next numbers
- Assigning next numbers by company and fiscal year

Do not change any next numbers after you start using the J.D. Edwards systems. Changing the next numbers can result in duplicates as well as the inability to locate previously added numbers.

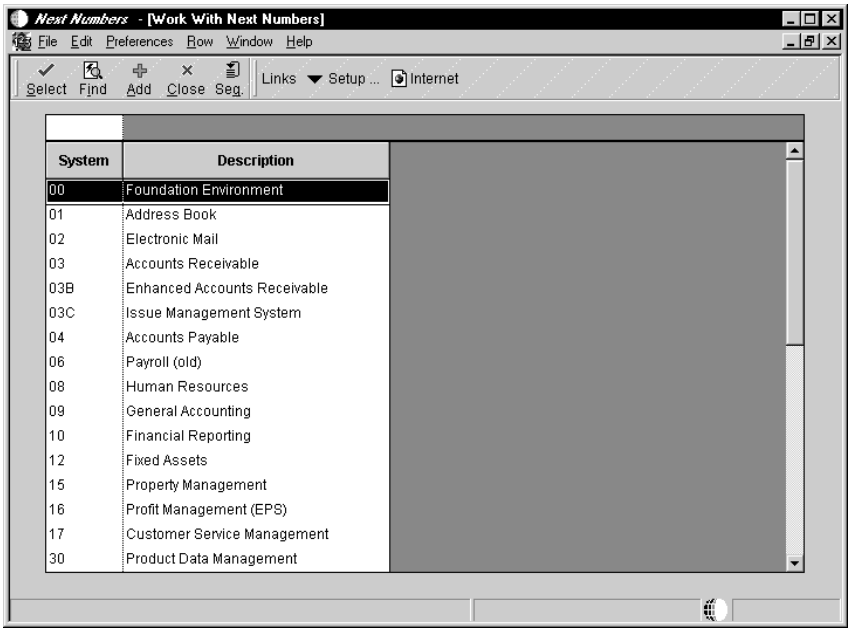
It is also important to use the next numbers in the sequence assigned by the J.D. Edwards systems. Maintaining the sequence of next numbers in the table ensures that each next number remains on its current line because programs reference a specific line in the table. For example, in the General Accounting system, the next number for journal entries must be on the second line.

To review standard next numbers

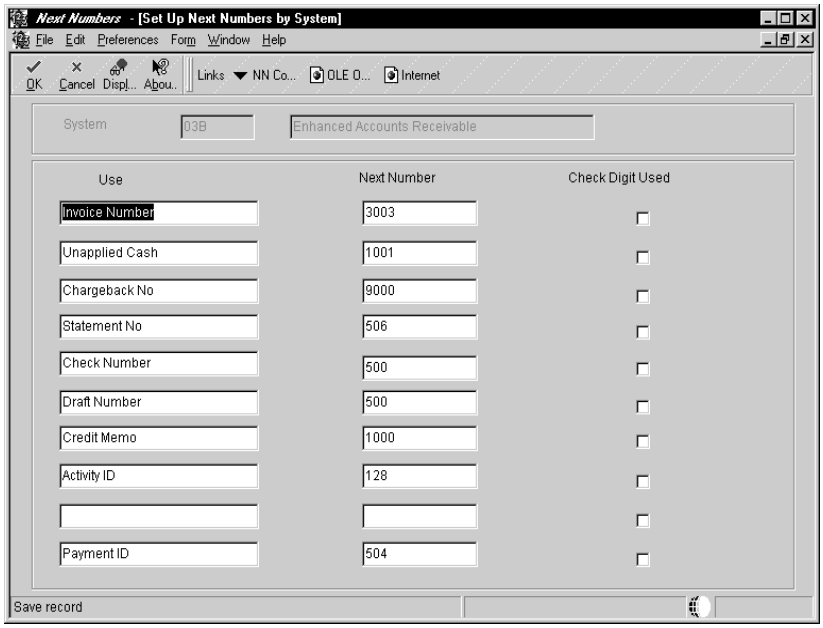
From the General Systems menu (G00), choose Next Numbers.

You can review the next numbers that the system assigns to journal entries and other documents.

On Work With Next Numbers



1. Click Find to display all systems, or use the following query by example field to limit your search:
   - System
2. Choose the system you want to review and click Select.



3. On Set Up Next Numbers by System, verify information in the following field:
   - Next Number

Field	Explanation
System	A user defined code (98/SY) that identifies a J.D. Edwards system.
Next Number	The number that the system uses for the next number that it assigns. The system can use next numbers for voucher numbers, invoice numbers, journal entry numbers, employee numbers, address numbers, contract numbers, and sequential W-2s. You must use the next number types already established, unless you provide custom programming.

▶ To activate check digits for standard next numbers

From the General Systems menu (G00), choose Next Numbers.

You can have the system assign check digits for any set of standard next numbers. Check digits prevent errors caused by transposition during data entry. For example, activating check digits in the address book for customers prevents an invoice from being assigned to the wrong customer if digits are transposed during invoice entry.

J.D. Edwards recommends that you use check digits for next numbers only if a transposition during data entry is likely to create errors.

1. Follow the steps for reviewing next numbers.

2. On Set Up Next Numbers by System, click the following option for each set of next numbers:

   - Check Digit Used

Field	Explanation
Check Digit Used	An option that specifies whether the system adds a number to the end of each next number assigned. For example, if you are using check digits and the next number is 2, the system will add a check digit such as 7, making the last two numbers 27. Check digits provide a method of randomly incrementing numbers to prevent the assignment of transposed numbers. In this example, the system would never assign next number 72 while check digits are activated. Valid codes for WorldSoftware are: Y Yes, add a check digit to this next number N No, do not add a check digit For OneWorld software, turn on this option to add a check digit.

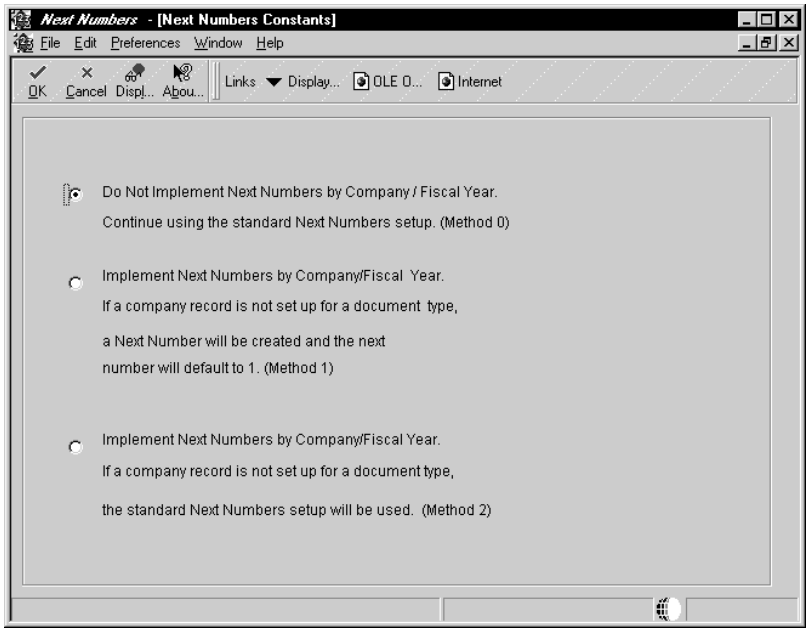
▶ To assign next numbers by company and fiscal year

From the General Systems menu (G00), choose Next Numbers.

The system can assign a unique set of next numbers to journal entries and other documents for a specific company and fiscal year. This is helpful if your organization needs to have a consecutive document number for each company or for each company by fiscal year.

On Work with Next Numbers

1. Choose NN Constant from the Form menu.

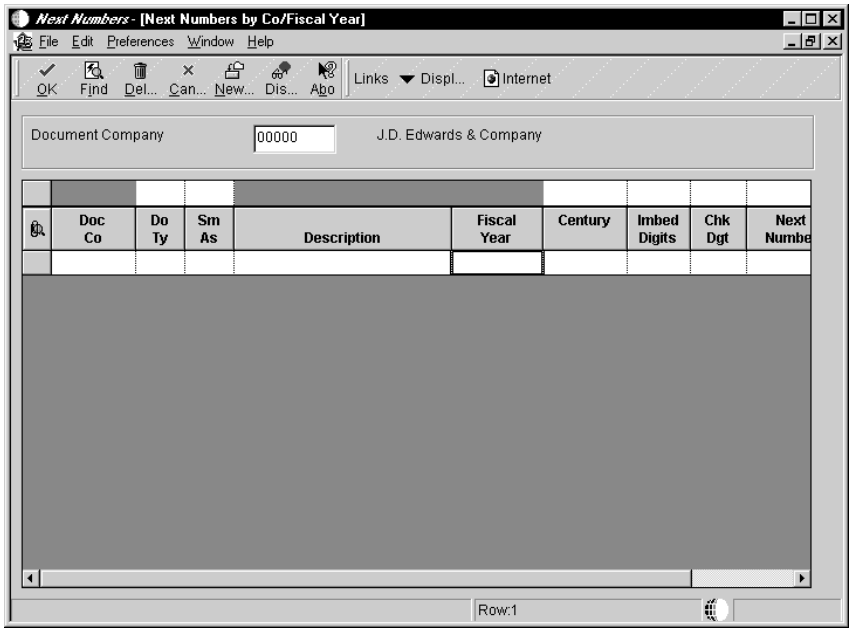


2. On Next Numbers Constants, choose the method that you want to use and click OK.

   If next numbers by company/document already exist for the other next number method, you must delete that next number before you can add the new constant/fiscal year.

   If you selected Method 1, complete the following steps:

3. On Work with Next Numbers, choose NN by Co/FY from the Form menu.



4. On Next Numbers by Company/Fiscal Year, complete the following fields and click OK:

   - Document Company
   - Do Ty
   - Sm As
   - Description
   - Fiscal Year
   - Century
   - Imbed Digits
   - Chk Dgt
   - Next Number
   - Auto Reset

   If you selected Method 2, the system uses the setup for standard next numbers for any document types that do not appear on the Next Numbers by Company/Fiscal Year form.

Field	Explanation
Document Company	A number that, with the document number, document type and G/L date, uniquely identifies an original document, such as invoice, voucher, or journal entry. If you use the Next Numbers by Company/Fiscal Year feature, the Automatic Next Numbers program (X0010) uses the document company to retrieve the correct next number for that company. If two or more original documents have the same document number and document type, you can use the document company to locate the desired document.
Do Ty	A user defined code (00/DT) that identifies the origin and purpose of the transaction. J.D. Edwards reserves several prefixes for document types, such as vouchers, invoices, receipts, and timesheets. The reserved document type prefixes for codes are: P Accounts payable documents R Accounts receivable documents T Time and Pay documents I Inventory conversion issues O Ordering document types The system creates offsetting entries as appropriate for these document types when you post batches.

Field	Explanation
Sm As	If you set up next numbers by company or by company and fiscal year, a document type can share the same next number sequence as another document type. Same As Document Type refers to the document type that controls the next number the system uses. For example, you create a document with a document type of RR. The document that you create should use the same next number sequence as regular invoices or RI document types. In this case, define the RR document type setup record with a Same As Document Type of RI.
Description	A user defined name or remark.
Fiscal Year	A number that identifies the fiscal year. You can enter a number in this field or leave the field blank to indicate the current fiscal year (as defined on the Company Numbers & Names form). Specify the year at the end of the first period rather than the year at the end of the fiscal period. For example, a fiscal year begins October 1, 2005 and ends September 30, 2006. The end of the first period is October 31, 2005. Specify the year 05 rather than 06.
Century	The calendar century associated with the year. This is the first two digits of the year. For example, 19 indicates any year beginning with 19 (1998, 1999), 20 indicates any year beginning with 20 (2000, 2001), and so on.
Imbed Digits	The number of digits that the system imbeds in a document number to represent the fiscal year. The imbed digits are only used when assigning next numbers by fiscal year. Valid values are: 1 Imbed one digit. The last digit of the fiscal year will be imbedded in the first position of the resulting document number. For example, 80012345, represents the 8 from 1998 and 0012345 is the next number. 2 Imbed two digits. The last two digits of the fiscal year will be imbedded in the first two positions of the resulting document number. For example, 98012345, represents the 98 from 1998 and 012345 is the next number.

Field	Explanation
Chk Dgt	An option that specifies whether the system adds a number to the end of each next number assigned. For example, if you are using check digits and the next number is 2, the system will add a check digit such as 7, making the last two numbers 27. Check digits provide a method of randomly incrementing numbers to prevent the assignment of transposed numbers. In this example, the system would never assign next number 72 while check digits are activated. Valid codes for WorldSoftware are: Y Yes, add a check digit to this next number N No, do not add a check digit For OneWorld software, turn on this option to add a check digit.
Next Number	The number that the system uses for the next number that it assigns. The system can use next numbers for voucher numbers, invoice numbers, journal entry numbers, employee numbers, address numbers, contract numbers, and sequential W-2s. You must use the next number types already established, unless you provide custom programming. . . . . . *Form-specific information* . . . . . . For companies that you do not set up on Next Numbers by Company/Fiscal Year, the results vary, depending on the method selected on Next Numbers Constants, as follows: • If you are using method 1, the system creates a record for each company that you do not set up and starts numbering with 1 for all companies. • If you are using method 2, the system uses the starting number shown on Set Up Next Numbers by System (standard next numbers) for each company that you do not set up.
Auto Reset	The number that you want the system to use when resetting next numbers for a new fiscal year. Auto Reset applies only to next numbers by fiscal year. Document number will reset or start with the number specified for each new fiscal year.

Setting Up Bank Information for A/R

You must set up bank account information for each customer who sends you payment electronically on a bank tape (lock-box).

Setting up bank information consists of the following tasks:

- ❑ Setting up bank account addresses
- ❑ Setting up G/L bank account information

Setting Up Bank Account Addresses

To assign address book information to a customer's bank account, set up a bank account address. This information establishes a relationship between your customer and their bank account. It enables you to process customer payments quickly with limited information, such as the bank transit number and bank account number. This is necessary only for processing receipts electronically.

When setting up bank account addresses, you can:

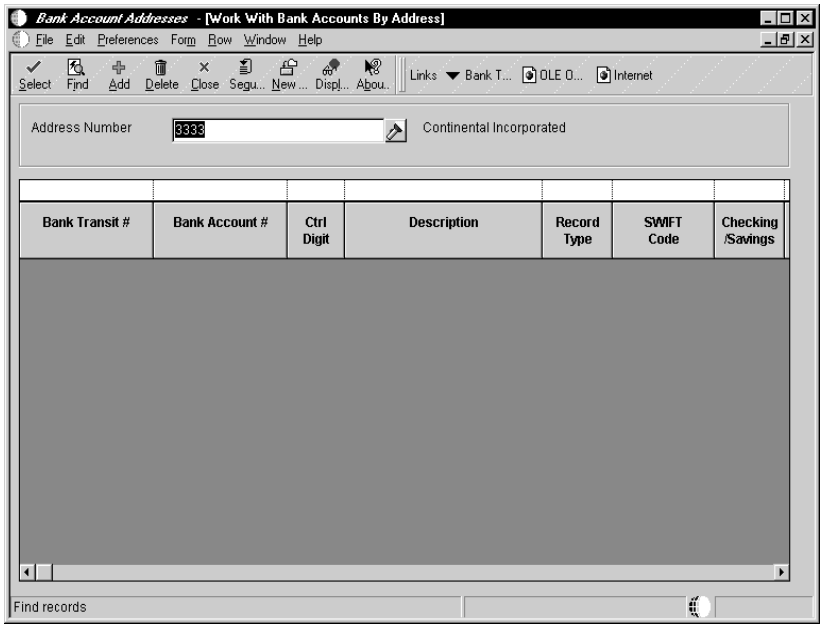
- Set up bank account address information
- Revising bank account addresses
- Set up an individual bank transit address

The system uses the information that you set up to link customer addresses in the Address Book Master table (F0101) to their bank account information in the Bank Transit Number Master table (F0030).

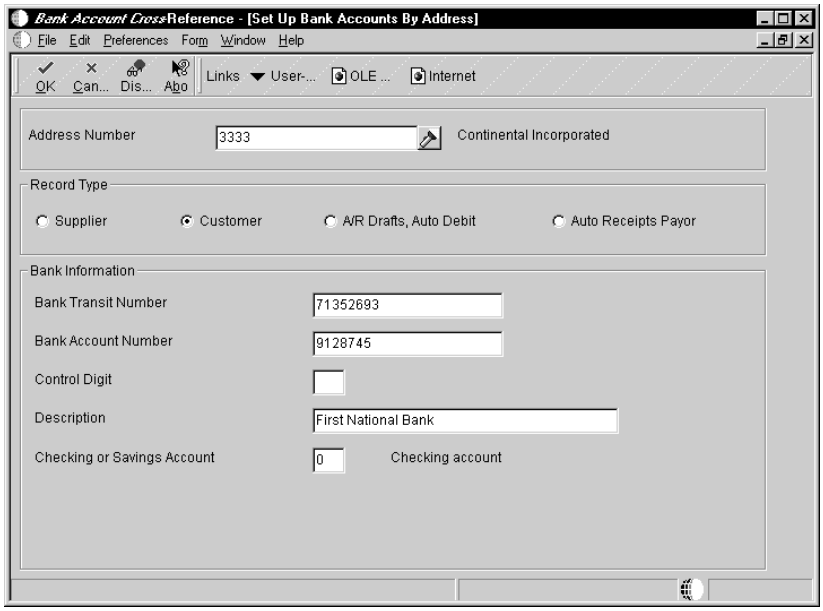
To set up bank account address information

From the Accounts Receivable Setup menu (G03B41), choose Bank Account Cross Reference.

On Work With Bank Accounts by Address



1. Click Add to access Set Up Bank Accounts by Address.



2. On Set Up Bank Accounts by Address, complete the following field:
   - Address Number
3. To designate the record type for A/R, click the one of the following options:
   - Customer
   - A/R Drafts, Auto Debit
   - Auto Receipts Payor
4. Complete the following fields:
   - Bank Transit Number
   - Bank Account Number
5. Complete the following optional fields:
   - Control Digit
   - Description
6. To specify the account type, click one of the following options:
   - Checking or Savings Account
7. Click OK to finish setting up the bank account address.
8. To return to the Work with Bank Accounts by Address form, click Cancel.

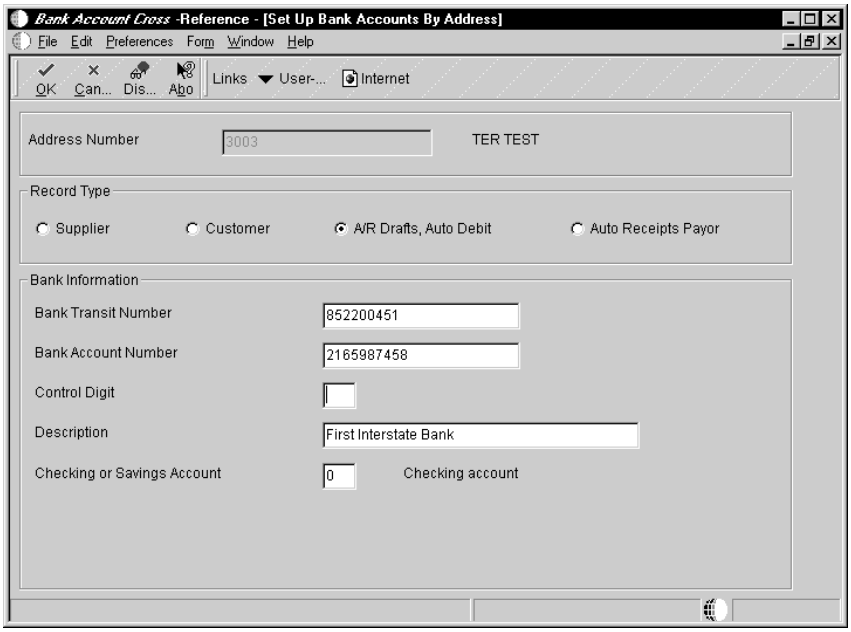
Field	Explanation
Bank Transit Number	The routing and transit number for a particular bank account. The combination of account number and transit number must be unique.
Bank Account Number	The bank account number for a company, customer, or supplier.
Control Digit	An optional field that allows you to enter a check digit for a bank account number. The check digit is not part of the key to the Bank Account table (F0030).

To revise bank account addresses

From the Accounts Receivable Setup menu (G03B41), choose Bank Account Cross-Reference.

On Work With Bank Accounts By Address

1. Locate and choose the appropriate bank account.
2. From the Row menu, choose Revise.



3. On Set Up Bank Accounts By Address, make the appropriate changes and click OK.

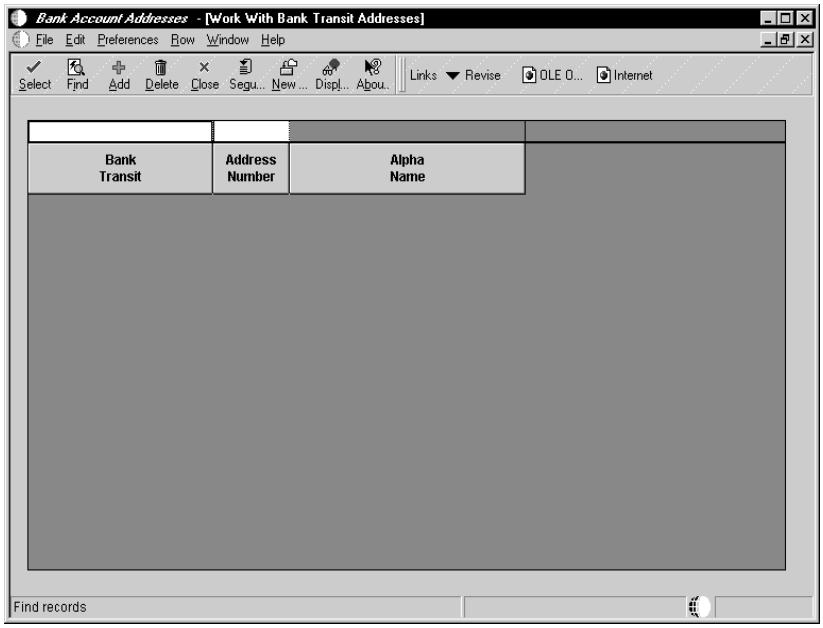
To set up an individual bank transit address

From the Accounts Receivable Setup menu (G03B41), choose Bank Account Addresses.

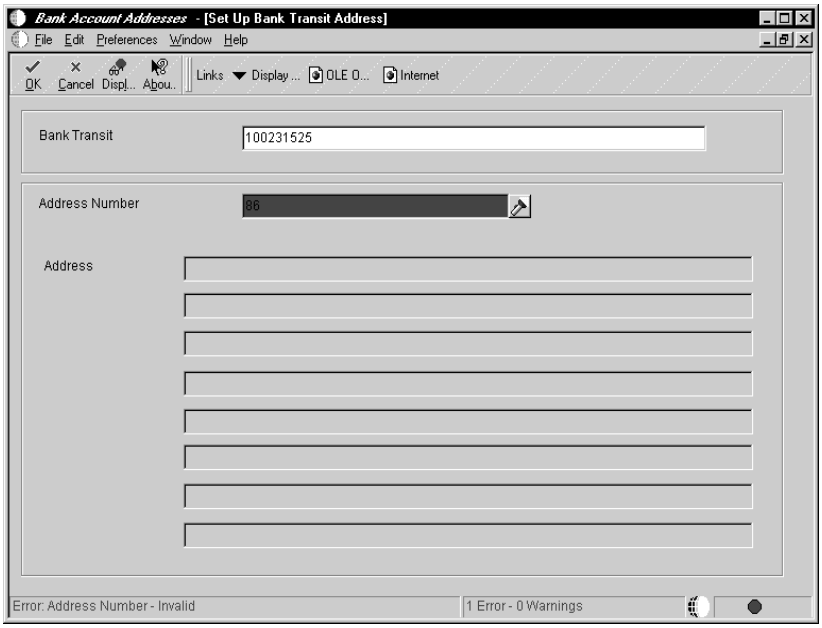
You can attach a transit number to a bank's address book number instead of a customer's address book number. To do so, set up an individual bank transit address.

On Work With Bank Accounts by Address

1. From the Form menu, choose Bank Transit.



2. On Work With Bank Transit Addresses, click Add to access Set Up Bank Transit Address.



3. On Set Up Bank Transit Address, complete the following fields and click OK:
   - Bank Transit
   - Address

   You cannot change a bank transit number on the Set Up Bank Transit form. To do so, you must use the Set Up Bank Accounts by Address form.

Setting Up G/L Bank Account Information

To create an electronic funds transfer (EFT) for the automatic debiting of a customer's account, you must set up G/L bank account information.

This information is stored in the Bank Transit Number Master table (F0030).

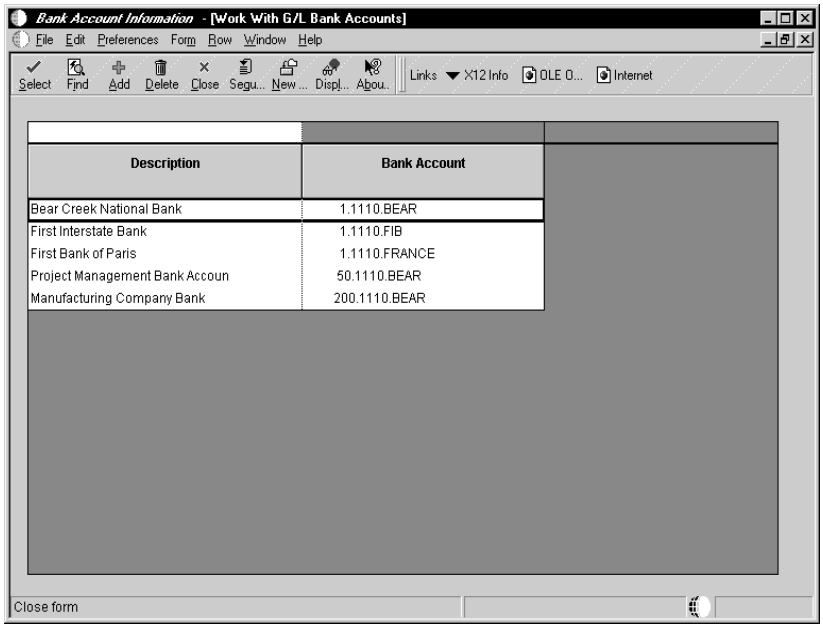
Before You Begin

❑ Set up the G/L account for each bank account

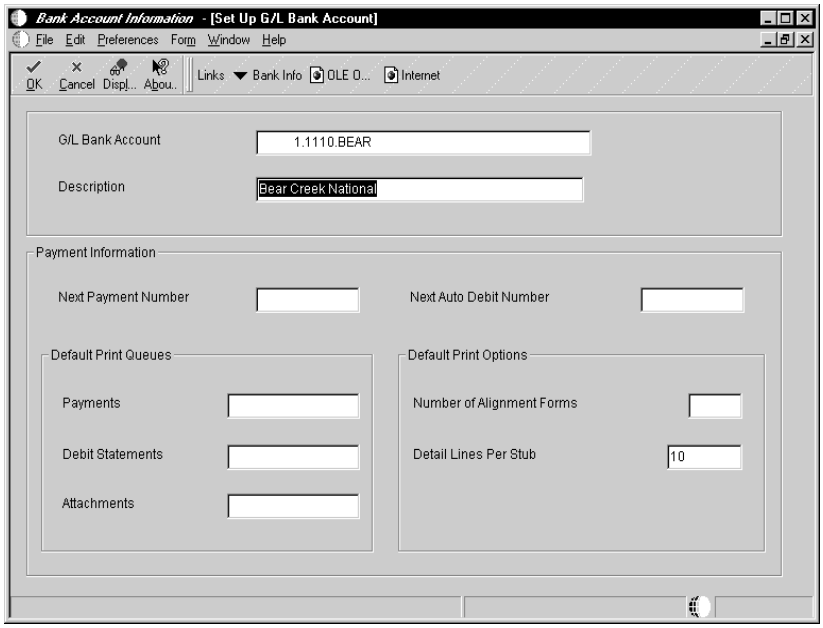
▶ To set up G/L bank account information

From the Accounts Receivable Setup Menu (G03B41), choose Bank Account Information.

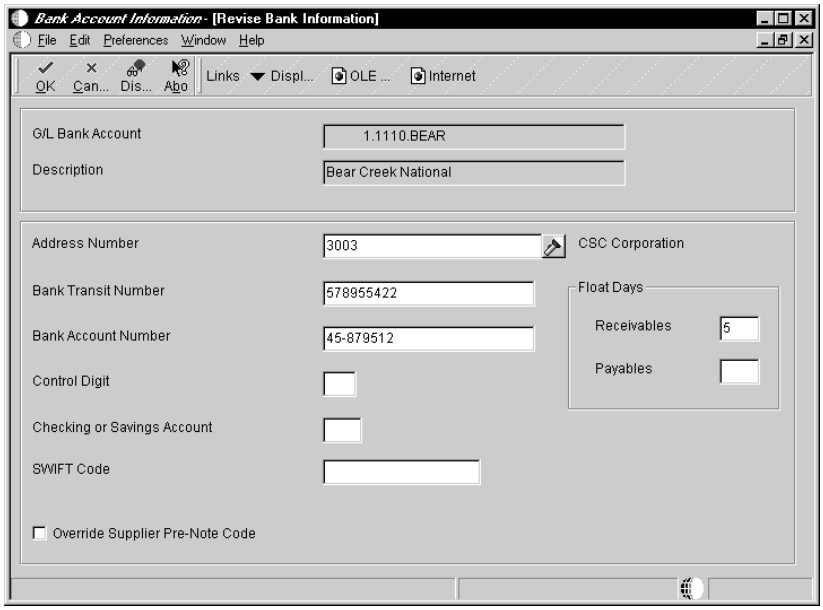
On Work With G/L Bank Accounts



1. Click Add to access Set Up G/L Bank Account.



2. On Set Up G/L Bank Account, complete the following fields:
    - G/L Bank Account
    - Description
    - Next Auto Debit Number
3. From the Form menu, choose Bank Info to access Revise Bank Information.



4. On Revise Bank Information, complete the following fields:
    - Address Number

- Bank Transit Number
- Bank Account Number
- SWIFT Code
- Bank Account Number

5. To specify the bank account type, click either of the following options:
   - Checking or Savings Account
6. Complete the following optional field and click OK:
   - Receivables

Field	Explanation
Next Auto Debit Number	The system updates the next available payment number during automatic payment print processing.
SWIFT Code	The Society for Worldwide Interbank Financial Telecommunications (SWIFT) code is an international banking identification code used to identify the origin and destination of electronic (or wire) financial transfers.
Checking or Savings Account	A code that indicates whether the account is a checking or savings account. This indicator is used during bank tape processing for automatic payments. Valid values are: blank Checking account 0 Checking account 1 Savings account
Receivables	The number of days the check floated. This is defined by subtracting the check date from the bank deposit date.

Automatic Accounting Instructions

Each J.D. Edwards system that interfaces with the General Accounting system has automatic accounting instructions (AAIs). AAIs define the relationships between your day-to-day accounting functions and your chart of accounts. AAIs are rules that define how to create general ledger entries for each transaction. For example, AAIs tell the system to debit an A/R trade account and credit a sales account when posting invoices.

Because the system already has AAIs in place, you must verify that these AAIs are appropriate for your business needs. You can revise existing AAIs and set up additional AAIs as needed.

Setting up AAIs for A/R consists of:

- ❑ Understanding AAIs for A/R
- ❑ Working with AAIs

To better understand AAIs, review the following topics:

- AAI prefixes and suffixes
- What are default AAIs?
- What are the elements of an AAI form?

AAI Prefixes and Suffixes

Each AAI is associated with a specific general ledger account that consists of:

- A business unit
- An object
- A subsidiary (optional)

Groups of AAI items with a common purpose have a similar prefix. To allow for more flexibility, some AAI items have the following user defined suffix:

- Y suffix. This suffix indicates a G/L offset code. Some AAIs have a suffix of yyyy to accommodate one- to four-character offset codes. For example, the object account for notes payable (offset code NOTE) can be different from the one for trade accounts payable (offset code TRAD).

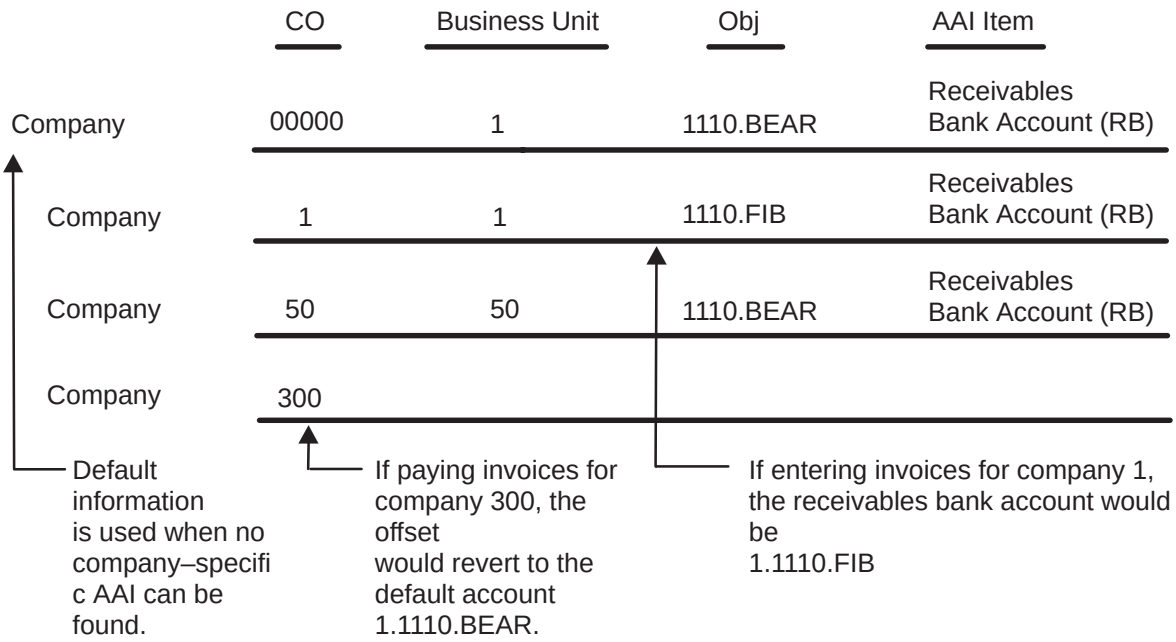
- X suffix. The x suffix indicates a currency code. Some AAIs have a suffix of xxx to accommodate three-character currency codes. Use these AAIs to set up multiple AAI types for each company. If an AAI item has an x suffix (one or more lowercase x letters), the system replaces the x letters with characters.

What Are Default AAIs?

The system uses a combination of company and AAI item to determine which account to update a particular situation. You can create AAIs for each unique combination of company and G/L offset code that you anticipate using. You can create various combinations to direct entries to different offset accounts.

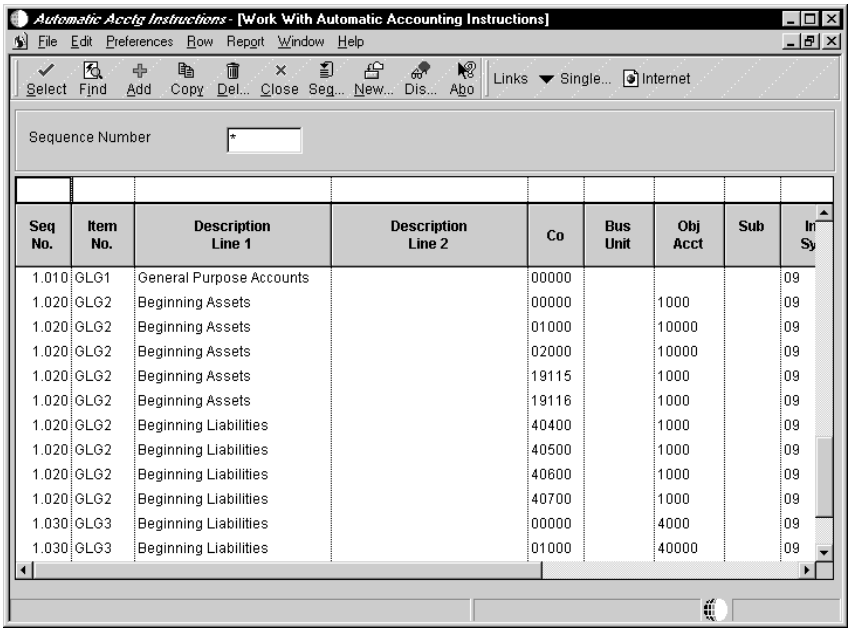
Your system includes AAIs that are already assigned to company 00000. You can customize these AAIs to fit your company, business unit, or object account setup. You must assign a valid account to the default AAIs for company 00000. If the system cannot find an AAI for a specific company, it uses the AAI for company 00000. You do not need to set up an AAI for any company that uses the default AAI.

The following graphic illustrates three different AAIs that you might set up using different combinations of company, business unit, and object.



What Are the Elements of an AAI Form?

The Automatic Accounting Instructions form shows an index, or list, of the AAIs used in the J.D. Edwards systems.



Programs are set up to look for a specific AAI item. The item number is the hard-coded name of the AAI and cannot be changed. The GLGx items are used for system-wide setup.

The sequence number does not serve a programming function. It is only used to determine where an AAI appears in the list.

The Description Line 2 field allows you to add more specific or more narrowly defined information than what you entered in the Description Line 1 field. You can leave this field blank.

Understanding AAIs for A/R

Each time you enter a transaction for which the system must create journal entries, the system must locate the appropriate account numbers. It does this by reviewing the AAI table for codes that correspond to the transaction. For example, AAIs tell the system which A/R trade account to debit when you post invoices or which bank account to debit when you post receipts.

Understanding AAIs for A/R consists of the following topics:

- Components of AAIs for A/R
- AAIs during invoice and receipt processing
- Search Sequence for AAIs
- Accounts Receivable AAIs

Components of AAIs for A/R

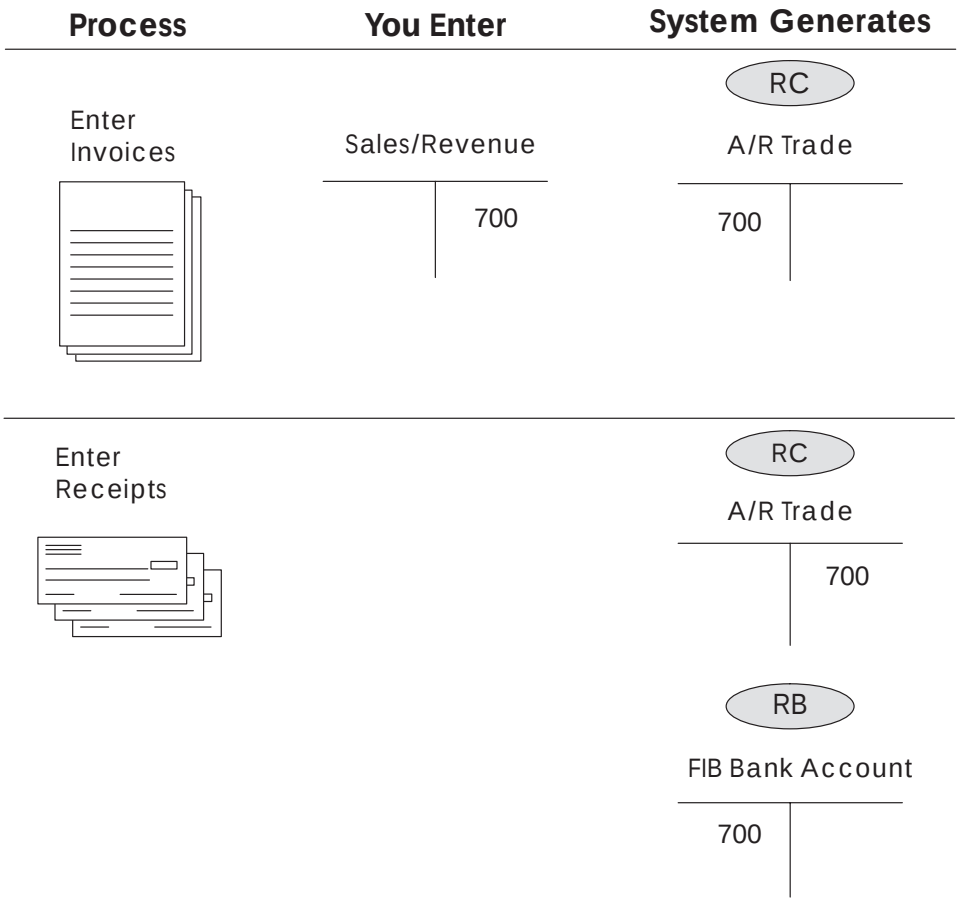
The name of an AAI item, such as RC, is hard-coded. AAI items for A/R always start with the letter R. For example, RC is the AAI item for the receivables class (trade) account and RB is the receivables bank account. Each AAI item has account codes consisting of a business unit, object, and, optionally, a subsidiary which are mapped to your chart of accounts.

You will notice that for some AAIs, such as receivables discounts (item RKD), the business unit part of the AAI is optional. If you choose not to include a business unit for those AAIs, the business unit of the invoice is used as part of the specified account number.

Some AAI items have a user-defined suffix of x or y. The xxx accommodates a three-character currency code, whereas the yyyy accommodates a one- to four-character G/L offset code.

AAIs During Invoice and Receipt Processing

The following diagram illustrates how the Accounts Receivable system uses AAIs for instructions during invoice and receipt processing.



Each time you enter a transaction, the system locates the following information:

- Company Number
- G/L Class Code

The system reviews the appropriate AAI table to locate an account number that has been set up for the combination of company and AAI item. If an account number exists for the combination, the system uses that account. If no account number exists, the system uses the account set up for company 00000.

Search Sequence for AAIs

Each AAI has a hierarchical order in which the system searches for an account number. The following examples show two ways in which the system searches for this information. One example shows the hierarchy for a company and G/L offset account, the other shows the hierarchy for a receivables bank that uses multiple currencies.

Example: Search for AAIs

The following example uses company 00100 and A/R class code TRAD to show the sequence that the system uses to search for AAIs.

1. Search for company 00001, item RCTRAD.
2. If not found, search for company 00000, item RCTRAD.
3. If not found, search for company 00001, item RC____.
4. If not found, search for company 00000, item RC____.

   If not found, there is an error in the AAI setup.

Example: Search for AAIs in a Multi-Currency Environment

The following example shows how the system searches for different types of AAIs in company 00070, a company that also uses multiple currencies.

1. Search for company 00070, item RCFRF, where FRF is the currency code.
2. If not found, search for company 00000, item RCFRF.
3. If not found, search for company 00070, item RCTRAD, where TRAD is the default G/L class from the customer record.
4. If not found, search for company 00000, item RCTRAD.
5. If not found, search for company 00070, item RC____.
6. If not found, search for company 00000, item RC____.

   If not found, there is an error in the AAI setup.

Accounts Receivable AAIs

The following AAIs are available in the Accounts Receivable system:

- Receivables Bank Accounts
- Receivables Class (Trade) Accounts
- Unapplied Receipts
- Logged Receipts
- Write-Offs
- Discounts Taken
- Delinquency Fees
- Realized Gains and Losses
- Unrealized Gains and Losses
- Realized Gains and Losses on Alternate Currency
- Realized Gain and Loss Offset on Alternate Currency
- Clearing Account for Alternate Currency Receipts
- Realized Gains and Losses on Alternate Currency Receipts
- Deductions
- Chargebacks
- Drafts
- Netting

Receivables Bank (RB) Accounts

The AAI item RB (receivables bank) for the default bank account is optional. This item specifies the default bank account that the system assigns to the record if you do not enter a bank account when entering receipts. The system uses the default bank account associated with the company number entered in the receipt as the.

Receivables Trade (RC) Accounts

The receivables class accounts act as holding or clearing accounts until invoices are paid. The AAI item RC specifies the offset account that the system uses during the post process. The system creates this record with a document type AE (automatic entry).

The RC class can be specific to each customer. When you enter an invoice, the system retrieves the class code from the customer record.

Set up the following RC items:

1. Default AAI item for company 00000

2. Company-specific AAI items
3. Class codes RCyyyy (RCNOTE) for company 00000
4. Company-specific class codes
5. Company-specific currency codes RCxxx (RCUSD)
6. Default AAI item for other receivables

The following table illustrates how to set up RC items.

Item	Description	Co	BU	Obj	Sub	Seq No.
RC (RC___)	Default Receivables Class		100	1210		3.110
RC (RC____)	Company 200-specific Receivables Class	200	200	1210		3.110
RCNOTE (RCyyyy)	Default Notes Receivables Class Code		100	1210		3.110
RCNOTE (RCyyyy)	Company 200-specific Receivables Class	200	200	1210		3.110
RCUSD (RCxxx)	Company-specific Currency Class	70	70	1210		3.110

Unapplied Receipts (RCUC)

The AAI item RCUC defines the default asset account used for automatic offsets created when you post an unapplied receipt to a specific customer's account and not to an invoice. If you do not set up RCUC, the system will not use RC___ as the default.

Set up the default AAI item for company 00000 for all companies using the same A/R trade account or specific AAIs for a company with a different A/R trade account. This setup is required.

Logged Receipts (RCLC)

The AAI item RCLC defines the default asset account that the system uses for automatic offsets when you post a receipt without identifying a customer. This facilitates quick entry to cash received. Logged receipts are matched to invoices, a customer, or a statement at a later time. For logged receipts, the AAI item RCLC is required. If you do not set up RCLC, the system will not use RC___ as the default.

Write-Offs (RAxx)

The AAI item RAxx defines the expense accounts used for write-offs. The xx code is set up in the user defined codes table 03B/RC and represents the write-off reason, such as BD for bad debt.

Set up the default AAI item for company 00000 for all companies using the same expense account or specific AAIs for a company with a different expense account.

Discounts Taken (RKD)

The AAI item RKD defines the expense accounts for discounts taken. The system uses this AAI for automatic entries created when you post discounts taken. Discounts are recognized when you post receipts to the general ledger.

Set up the default AAI item for company 00000 for all companies using the same discount taken account or specific AAIs for a company with a different discount taken account.

Delinquency Fees (RFC and RFD)

Delinquency fees use two AAIs to recognize the revenue and receivables:

- RFC – Defines the revenue accounts to credit when you assess delinquency fees.
- RFD – Defines the receivables accounts to debit when you assess delinquency fees.

The system debits and credits these accounts when you generate delinquency fees in final mode.

Set up default AAI items RFC and RFD for company 00000. You can set up specific AAI items RFC and RFD for each company if you want to record fees differently by company.

Realized Gains and Losses (RG and RL)

You must set up two AAIs so that the system can handle your realized gains and losses on foreign currency receipts:

- RGxxx (realized gain)
- RLxxx (realized loss)

The following applies to AAI item RG and RL for receipts with multiple currencies:

- Define the accounts that the system uses to track foreign currency gains
- Create the gain and losses when you enter the receipt
- Tracked by company and currency
- Represents the currency code using xxx (optional)

Set up default AAI item RGxxx and RLxxx for company 00000 or a specific AAI by company.

Unrealized Gains and Losses (RV, RW, and RR)

You must set up the following AAIs so that the system can handle the automatic entries for unrealized gains and losses on foreign currency receipts:

- RVxxx (unrealized gains)
- RWxxx (unrealized loss)
- RRxxxx or RRyyyy (unrealized gain/loss offset)

The following applies to AAI items RVxxx and RWxxx for accounts receivable:

- Create reversing entries for unrealized gains or losses on open items due to changes in the exchange rates since the original entry was made
- Determine the offset account to use when creating unrealized gains by the following hierarchy:
    - RVxxx (for a specific company where xxx is the currency code)
    - RVxxx (for company 00000)
    - RV (for a specific company)
    - RV (for company 00000)

To create a reversing (offsetting) journal entry, the system uses AAI item RR.

Set up default AAI items for company 00000 or specific AAIs for a company.

Realized Gains and Losses on Alternate Currency

AAI items for gains on alternate currency (RVxxx) and losses on alternate currency (RWxxx) are required if you work with alternate currencies. An alternate, or third, currency is a currency other than the domestic or foreign currency.

These AAI items specify realized gain/loss accounts (for EMU alternate currencies) and unrealized gain/loss accounts (for non-EMU alternate currencies). The system uses items RV and RW for the reversing entries it creates when you calculate realized and unrealized gains and losses on open items.

If you work with alternate currencies, you must set up AAI items RV and RW by currency code. The currency code separates realized and unrealized transactions within the same company as follows:

- For EMU alternate currencies, AAI items RVxxx and RWxxx must specify *realized* accounts. Realized gain and loss entries flow in and out of the realized accounts until all invoices that were open before 1 January 1999 are processed. The reason these AAI items specify realized (not unrealized) accounts is that with the introduction of the euro on 1 January 1999, there are no exchange rate differences between EMU currency transactions, therefore, no unrealized gains and losses on open

items. This explains why an unrealized AAI item can specify a realized account.

- For non-EMU alternate currencies, AAI items RVxxx and RWxxx specify unrealized accounts. Setting up these AAI items by currency code allows you to continue to recognize unrealized gains and losses on open items for non-EMU alternate currencies.

If most of the gains and losses you realize are based on EMU currencies and your gain and loss AAIs are not currently set up by currency, you can save time by doing the following:

- Set up new gain and loss AAIs by currency for each non-EMU currency.
- Change the old gain and loss AAIs (these are default AAIs and do not have a currency code) to point to realized accounts, as described in this documentation. This causes all EMU currency gains and losses to be directed to a realized account.

Example: AAI Setup for Alternate Currencies

In the following example, company 1 has foreign invoices in French francs (FRF) and U.S. dollars (USD). The company directs the gain or loss related to the FRF invoice to a realized account and the gain or loss related to the USD invoice to an unrealized account.

Company 1 and company 2 both have foreign invoices in FRF so the AAI item is RVFRF. Company 1 directs the AAI item to a realized account, while company 2 directs the same AAI item to an unrealized account.

Company	Domestic	Foreign	AAI Item	Type of Account	Reason
Company 1	DEM	FRF	RVFRF	Realized Gain	Both EMU currencies
Company 1	DEM	USD	RVUSD	Unrealized Gain	One non-EMU currency
Company 2	USD	FRF	RVFRF	Unrealized Gain	One non-EMU currency
Company 2	USD	DEM	RVDEM	Unrealized Gain	One non-EMU currency

Realized Gain and Loss Offset on Alternate Currencies

An AAI item for unrealized gain/loss offset on alternate currency (RRyyyy) is required if you work with alternate currencies. An alternate currency is a currency other than the domestic or foreign currency.

AAI item RRyyyy specifies realized gain/loss offset accounts (for EMU currencies) and unrealized gain/loss offset accounts (for non-EMU currencies).

- For EMU alternate currencies, AAI item RRyyyy specifies a realized account. Realized gain and loss offset entries flow in and out of the realized account until all invoices that were open before 1 January 1999 are processed. The reason these AAI items specify realized (not unrealized) accounts is that with the introduction of the euro on 1 January 1999, there are no exchange rate differences between EMU currency transactions, therefore, no unrealized gains and losses on open items. This explains why an unrealized AAI item can specify a realized account.
- For non-EMU alternate currencies, AAI items RVxxx and RWxxx specify unrealized accounts. Setting up these AAI items by currency code allows you to continue to recognize unrealized gains and losses on open items for non-EMU alternate currencies.

Clearing Account for Alternate Currency Receipts

An AAI item for an alternate currency clearing account (R7) is required if you process receipts in an alternate currency. An alternate currency is a currency other than the domestic or foreign currency.

AAI item R7 specifies the alternate currency clearing account that tracks the conversion of the receipt amount. The original invoice amount recorded against the receivables trade account is in a domestic or foreign currency, therefore, the offset amount must also be in the same currency. To calculate the offset amount, the receipt currency is converted to the domestic or foreign currency and then stored in an alternate currency clearing account. The alternate currency clearing account provides an audit trail from the cash account entry in the receipt (alternate) currency to the offset trade account entry in the invoice (foreign) currency.

The entries in the alternate currency clearing account are as follows:

The alternate currency clearing account that is assigned to AAI item R7 must follow these rules:

- It must be in the same company as the bank account from which the receipt is made.
- It cannot be a monetary account.
- It must be company specific. You cannot use company 00000 as a default.

- It must include a business unit.

The alternate currency clearing account will balance on the domestic side but not on the foreign side. This is because the foreign side contains different currencies, which will never balance.

Realized Gains and Losses on Alternate Currency Receipts

The gains for alternate currency receipts are recorded separately from standard gains and, therefore, use different AAIs.

AAI items for gain on alternate currency (RY) and for loss on alternate currency (RZ) are required if you process receipts in an alternate currency. An alternate currency is a currency other than the domestic or foreign currency.

AAI item RY specifies the account that records the gains realized when the domestic amount for a receipt is less than the amount that is derived by calculating from the alternate currency to the foreign currency to the domestic currency.

AAI item RZ specifies the account that records the losses realized when the domestic amount of a receipt is greater than the amount derived by calculating from the alternate currency to the foreign currency to the domestic currency.

The amounts that appear in the alternate currency receipt gain and loss accounts should be minimal and occur because of rounding issues.

Deductions (RN)

You use the AAI item RN (Deductions) to define the suspense account for an unresolved deduction amount.

Chargebacks (RCxx)

You use the AAI item RCxx (xx being the G/L offset) for chargebacks in deduction processing. For example, you might set up RCSP for short payments.

Drafts (RDxx)

You use the AAI item RDxx for draft processing. You should set up draft AAIs for each company for which you use a different account number. That is, you do not need to set up an AAI for each company that uses the same account. If the system cannot find an AAI for a specific company, it uses the AAI from company 00000.

You set up AAIs for draft processing the same way you set up other AAIs for A/R.

See Also

- *Setting Up AAIs for A/R Drafts* for detailed information about AAIs for draft processing

Netting (NC)

You use the netting AAI (NC) as a suspense account until the netting transaction is complete. For example, if you have a credit (RM or RU documents) in Accounts Receivable and you wish to reimburse a customer for the amount, run the Generate Reimbursement program (R03B610). The system:

1. Debits the A/R trade account (AAI RC) and credits the suspense account (AAI NC).
2. Debits the suspense account (AAI NC) and credits the A/P trade account (AAI PC).
3. Debits the A/P trade account (AAI PC) when the voucher is paid. Because there is not an expense side to the voucher, the system uses the NC netting account as the expense for the voucher.

If you do not define a business unit in the AAI items, RAxx, RCxx, RCUC, and RB, the system assigns the security business unit from the invoice. This comes from the customer's record rather than from the business unit associated with the G/L distribution. When you define the business unit, you can track each type of adjustment for one business unit.

Working with AAIs

Because the system already has AAIs in place, you must verify that these AAIs are appropriate for your business needs. You can revise existing AAIs and set up additional AAIs as needed.

Working with AAIs consists of:

- Reviewing and revising a single AAI
- Reviewing and revising one or more AAIs
- Setting up AAIs
- Setting up and AAI by copying an existing AAI

Before you revise or set up AAIs, review the existing information. For each AAI item, verify that a default AAI exists for company 00000. For each company requiring specific instructions, verify that a company, business unit, and object account exists.

Depending on your needs, you can review, revise, and set up AAIs on either of the following forms:

- Set Up Single AAI Item
- Set Up Multiple AAI Items

The Set Up Single AAI Item form displays all the detail for one AAI at a time. The Set Up Multiple AAI Items form can display the detail for more than one AAI item at a time, which might be more useful if you have multiple items to review, revise, or set up.

Although the procedures for using these forms are similar, the sequence and names of some fields differ.

Before You Begin

❑ Set up your chart of accounts. See *Creating and Updating Your Chart of Accounts.*

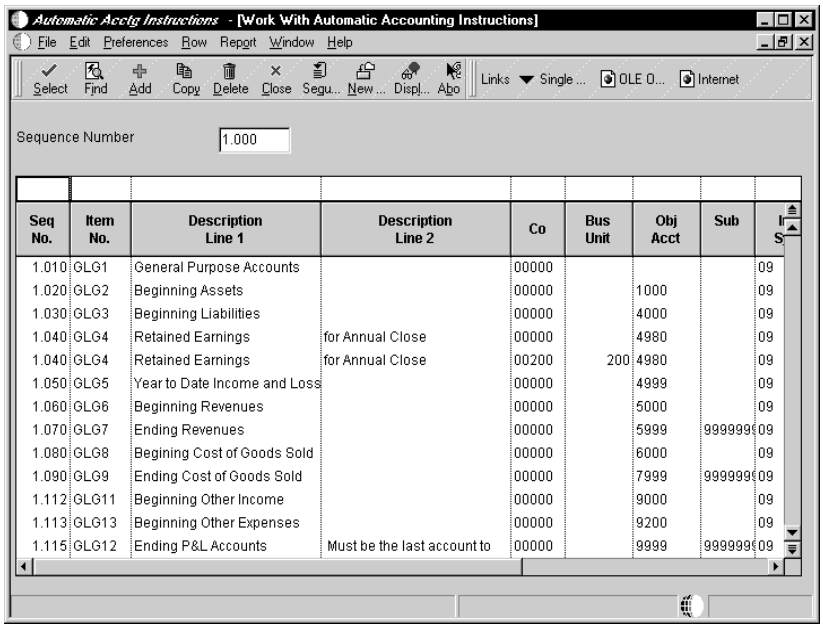
❑ Set up security, if applicable. See the *OneWorld Foundation Guide*.

To review and revise a single AAI

From the Accounts Receivable System Setup menu (G03B41), choose Automatic Accounting Instructions.

To review AAI items in detail one at a time, and revise as needed, use the Set Up Single AAI Item form. You also use this form when you copy an existing AAI item.

On Work With Automatic Accounting Instructions

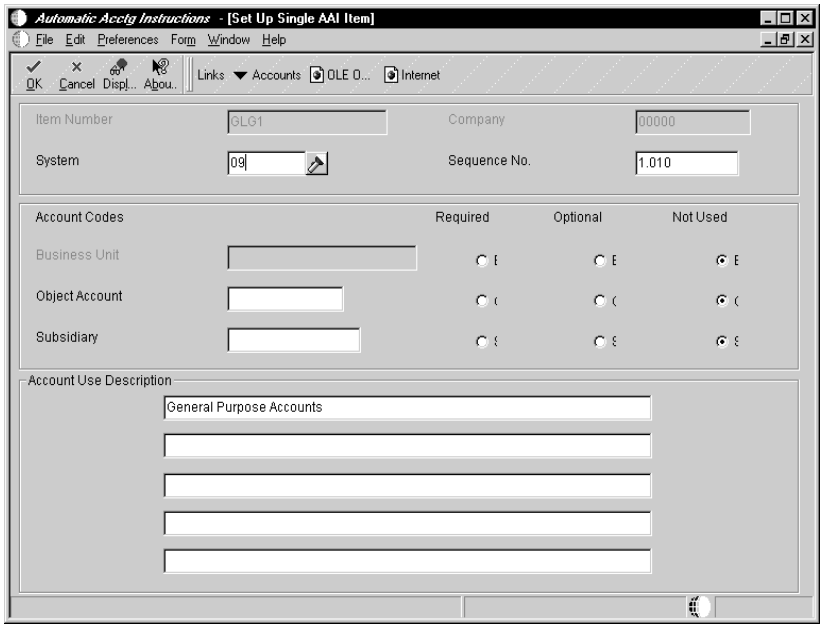


1. To start the list of AAI items with a specific sequence number, change the following field and click Find:

   - Sequence Number

     AAIs for the Accounts Receivable system have sequence numbers that start with 03B. You can use a field in the detail area to advance to account ranges associated with this sequence number.

2. To narrow your search, enter additional search criteria in the query by example line and click Find.
3. Choose an AAI item and click Select to access Set Up Single AAI Item.



4. On Set Up Single AAI Item, review the fields, change the following fields as needed, and click OK:

   - System
   - Sequence No
   - Business Unit
   - Object Account
   - Subsidiary
   - Account Use Description

   You can change the value in an account segment field (Business Unit, Object Account, and Subsidiary) if the account segment was originally defined as required or optional. You cannot change the value if the account segment was originally defined as not used, unless you first change the Not Used code to Required or Optional. J.D. Edwards recommends that you do not change this code on existing AAI items.

   You cannot change the following fields for existing AAI items:

   - Item Number
   - Company

   J.D. Edwards recommends that you do not change the following fields:

   - Required
   - Optional
   - Not Used

Field	Explanation
System	A user defined code (98/SY) that identifies a J.D. Edwards system.
Sequence No	A number used to organize the table into a logical group for online viewing and reporting.
Business Unit	An alphanumeric field that identifies a separate entity within a business for which you want to track costs. For example, a business unit might be a warehouse location, job, project, work center, branch, or plant. You can assign a business unit to a voucher, invoice, fixed asset, employee, and so on, for purposes of responsibility reporting. For example, the system provides reports of open accounts payable and accounts receivable by business units to track equipment by responsible department. Security for this field can prevent you from locating business units for which you have no authority. NOTE: The system uses the job number for journal entries if you do not enter a value in the AAI table. . . . . . *Form-specific information* . . . . . . Defining a business unit code might be optional, depending on the type of AAI. For example, if the business unit code is optional and you do not set one up for the AAI, the system might use the business unit of a voucher or invoice, or it might use the business unit associated with the company of a transaction.
Object Account	The object account portion of a general ledger account. The term “object account” refers to the division of the Cost Code (for example, labor, materials, and equipment) into subcategories (for example, dividing labor into regular time, premium time, and burden). If you are using a flexible chart of accounts and the object account is set to 6 digits, J.D. Edwards recommends that you use all 6 digits. For example, entering 000456 is not the same as entering 456, because if you enter 456, the system will enter three blank spaces to fill a 6-digit object.
Subsidiary	A subdivision of an object account. Subsidiary accounts include more detailed records of the accounting activity for an object account. . . . . . *Form-specific information* . . . . . . This number identifies the general ledger subsidiary account for the AAI when one is required. Defining a subsidiary account can be optional, depending on the type of AAI. Use 99999999 to express the end of a range of subsidiary accounts.
Account Use Description	A user defined name or remark.

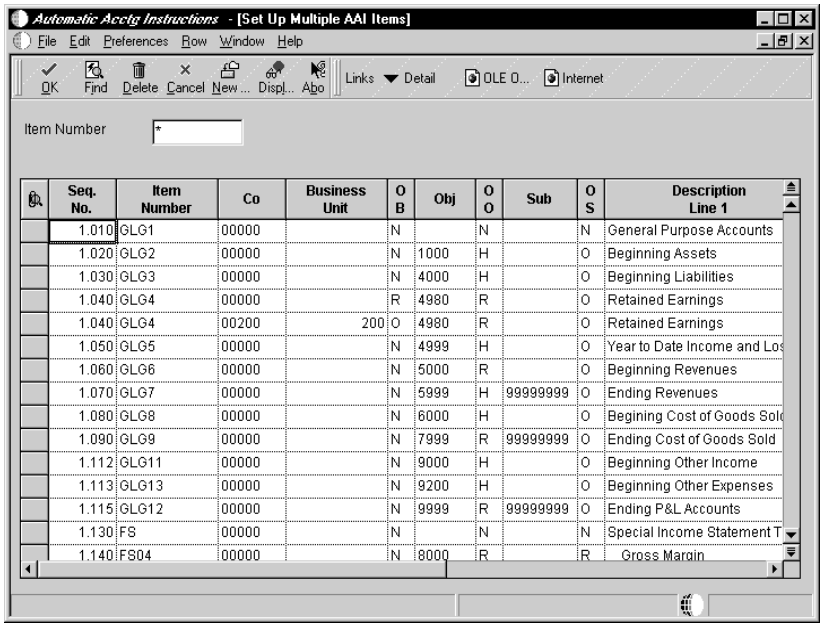
Field	Explanation
Item Number	A hard-coded field that defines an account or range of accounts used for a particular function. For example, item GLG4 defines the retained earnings account, which is used for annual close purposes. During processing, programs use the item number and company number to find the correct account to debit or credit. Along with company, the item (or range) is the key to the AAI table.
Required Optional Not Used	A code in WorldSoftware, or an option in OneWorld software, that specifies whether the business unit is required for this Automatic Accounting Instruction. Valid values for WorldSoftware are: O Optional R Required N Not used This code is informational an may be changed depending on how the AAI is used.

▶ To review and revise one or more AAIs

From the Accounts Receivable System Setup menu (G03B41), choose Automatic Accounting Instructions.

On Work With Automatic Accounting Instructions

1. To review and revise AAI items with different item numbers, choose Multiple AAIs from the Row menu without selecting any AAI items.



2. On Set Up Multiple AAI Items, review the fields, change the following fields as needed, and click OK:

   - Seq No.
   - Business Unit
   - Object Account
   - Sub
   - Product Code

   Do not change the following fields in the detail area for existing AAI items:

   - Item No.
   - Co

   J.D. Edwards recommends that you do not change the following fields:

   - BU Option
   - Object Option
   - Subsidiary Option

3. To display only the AAI items for a specific item number for review and revision, complete the following field in the header area and click Find:

   - Item Number

▶ To set up AAIs

From the Accounts Receivable System Setup menu (G03B41), choose Automatic Accounting Instructions.

After you review and revise the existing AAIs for your business needs, you might need to set up additional AAI items. To copy an existing AAI item, you use the Set Up Single AAI Item form. Otherwise, using the Set Up Multiple AAIs Items form is typically the fastest method.

On Work With Automatic Accounting Instructions

1. Choose an item and then choose Multiple AAIs from the Row Menu.
2. On Set Up Multiple AAI Items, move the cursor to a blank line.
3. Complete the following fields:

   - Item No.
   - Co
   - Business Unit

- Object Account

You must use a valid item number when you set up AAIs.

4. Complete the following fields, which are optional for some AAI items:
   - Sub
   - Description Line 1
5. For each AAI you set up, enter R, O, or N to define whether the business unit, object account, and subsidiary are required, optional, or not used.
6. Click OK.

▶ To set up an AAI by copying an existing AAI

From the Accounts Receivable System Setup menu (G03B41), choose Automatic Accounting Instructions.

When you copy an existing AAI, the system keeps the existing AAI and adds the new one. This is an efficient method of setting up a new AAI.

On Work With Automatic Accounting Instructions

1. Locate and choose an existing AAI and click Copy.
2. On Set Up Single AAI Item, enter the new values in the following fields and click OK.
   - Item Number
   - Company
   - System
   - Sequence No
   - Business Unit
   - Object Account
   - Account Use Description

A/R Tax Setup

Various tax authorities assess and collect taxes. In order to comply with governmental tax regulations, you must set up tax information in your Accounts Receivable system. After you set up this information, you can:

- Track taxes according to different tax rates and areas
- Assign a default tax rate to a customer
- Apply a tax rate to an entire invoice or an individual pay item
- Enter a tax amount or have the system calculate the amount
- Track tax history in a separate table

A/R tax setup consists of:

- ❑ Setting up tax authorities for A/R
- ❑ Setting up tax rates and areas for A/R
- ❑ Understanding tax explanation codes for A/R
- ❑ Understanding AAIs for A/R taxes
- ❑ Setting up tax rules by company for A/R

What Are the Different Types of Taxes?

You might be required to collect one of the following types of taxes:

Sales tax	This tax is calculated on the gross amount of the sale of goods. Customers who buy goods for their own use pay sales tax at the time of purchase. Customers who buy goods for resale do not pay sales tax.
Value Added Tax (VAT)	This tax is collected at each stage in the production and distribution of goods and services as value is added. As a business adds value to a product, the business pays VAT on the added value.

Canadian Goods and Services Tax (GST) and Provincial Sales Tax (PST)	In Canada, the federal government assesses a GST. The provincial government assess a PST. The tax rates vary from province to province and are calculated using either the value of goods or the value plus GST.

Tax types are not exclusive to a single country. For example, VAT is used worldwide and encompasses a variety of value added taxes, such as:

- IVA in Italy
- TVA in Belgium
- GST in Singapore

See Also

- *Tax Reference Guide* for more detailed information about taxes and related tax reports

Setting Up Tax Authorities for A/R

Tax authorities are government agencies that assess and collect taxes. For tracking and reporting purposes, your organization must set up an address book record for each tax authority which it reports to.

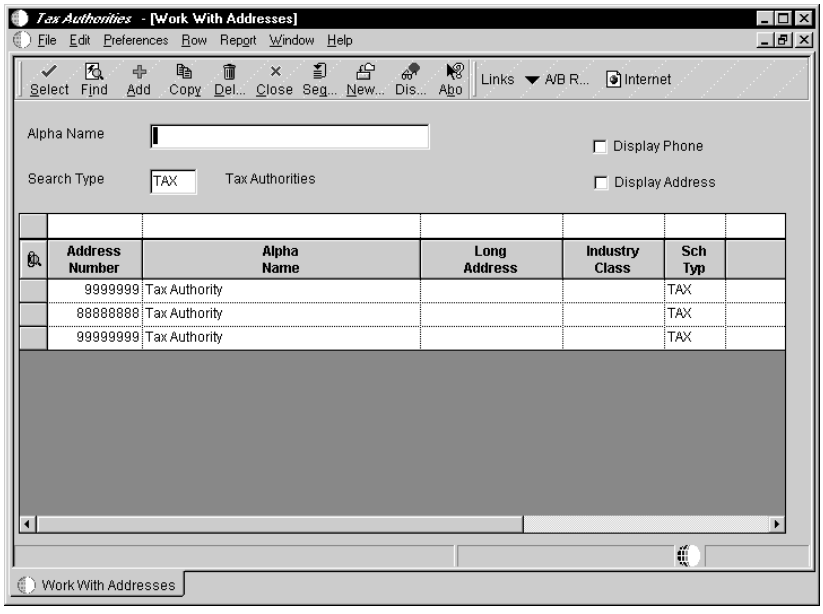
Before You Begin

❑ Set up a user defined code (01/ST) for search type T (tax). This helps you identify tax authorities from other Address Book records.

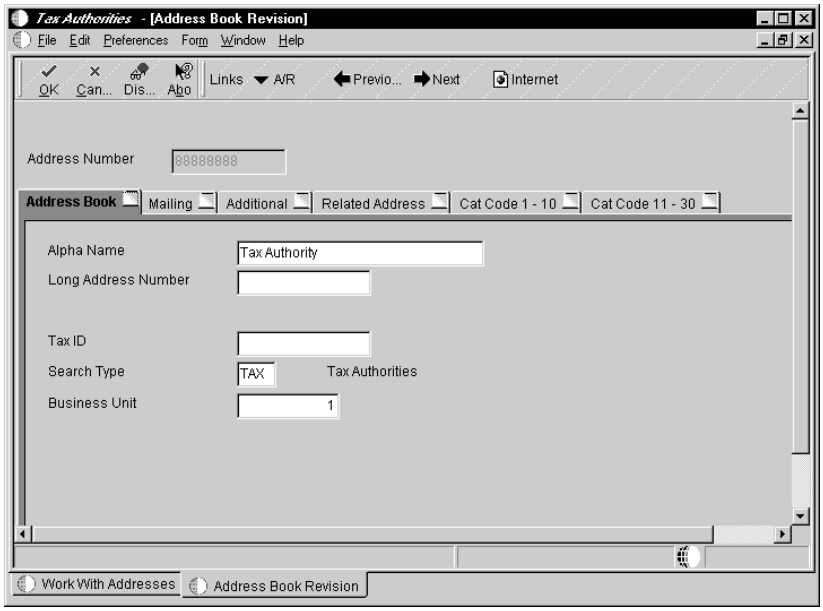
▶ To set up tax authorities for A/R

From the Tax Processing & Reporting menu (G0021), choose Tax Authorities.

On Work With Addresses



1. Click Add to access Address Book Revisions.



2. On Address Book Revisions, complete the following fields and click OK.
   - Address Number
   - Alpha Name
   - Tax ID
   - Search Type
3. Click the Mailing tab and complete the following field:
   - Mailing Name
4. Click OK.

See Also

- *Working with Address Book Records* in the *Address Book Guide*

Setting Up Tax Rates and Areas for A/R

To calculate and track the different taxes you are required to collect from your customers, you must set up:

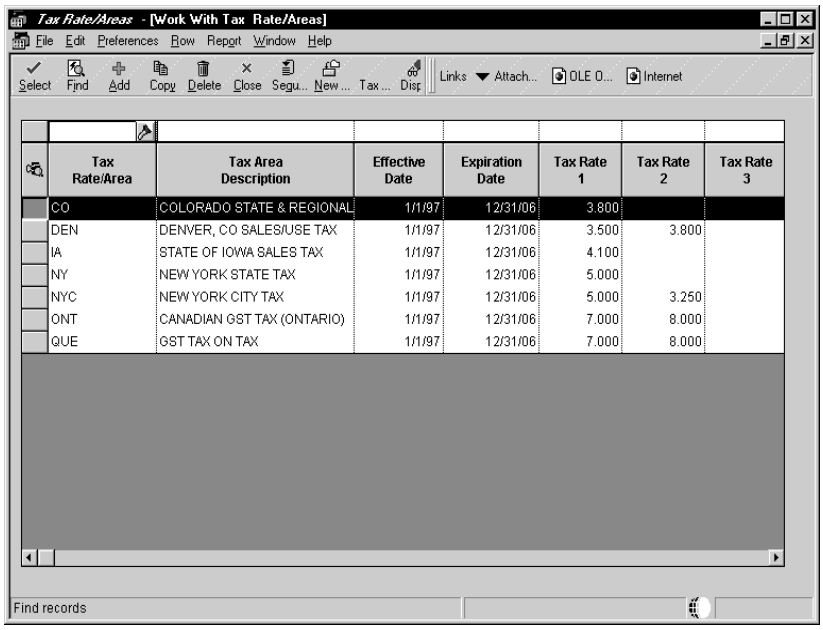
- Tax areas
- Tax rates

Each tax area is a physical, geographical area, such as a state, province, or county. Different tax authorities assess a variety of taxes for each geographical area. Additionally, each authority within a tax area can have a different tax rate.

▶ To set up tax rates and areas for A/R

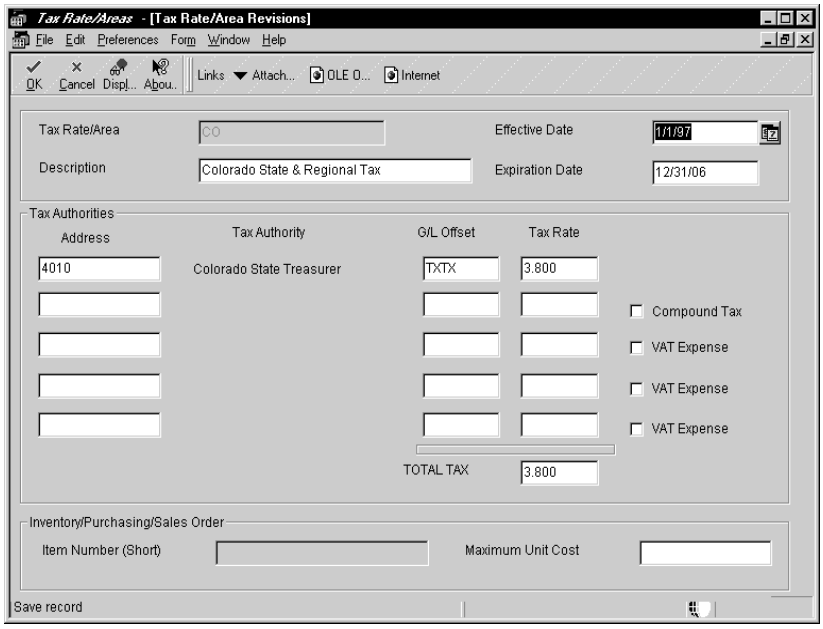
From the Tax Processing and Reporting menu (G0021), choose Tax Rates & Areas.

On Work With Tax Rate/Areas



Tax Rate/Area	Tax Area Description	Effective Date	Expiration Date	Tax Rate 1	Tax Rate 2	Tax Rate 3
CO	COLORADO STATE & REGIONAL	1/1/97	12/31/06	3.800		
DEN	DENVER, CO SALES/USE TAX	1/1/97	12/31/06	3.500	3.800	
IA	STATE OF IOWA SALES TAX	1/1/97	12/31/06	4.100		
NY	NEW YORK STATE TAX	1/1/97	12/31/06	5.000		
NYC	NEW YORK CITY TAX	1/1/97	12/31/06	5.000	3.250	
ONT	CANADIAN GST TAX (ONTARIO)	1/1/97	12/31/06	7.000	8.000	
QUE	GST TAX ON TAX	1/1/97	12/31/06	7.000	8.000	

1. Click Add to access Tax Rate/Area Revisions.



2. On Tax Rate/Area Revisions, complete the following fields and click OK:
   - Tax Rate/Area
   - Description
   - Effective Date
   - Expiration Date
   - Address
   - G/L Offset
   - Tax Rate
3. Verify the system-supplied information in the following fields:
   - Compound Tax
   - VAT Expense
   - TOTAL TAX
4. To specify tax rate/area information for an inventory item, complete the following fields (used only for Distribution):
   - Item Number – Short
   - Maximum Unit Cost
5. Click OK.

Field	Explanation
Tax Rate/Area	A code that identifies a tax or geographic area that has common tax rates and tax distribution. The tax rate/area must be defined to include the tax authorities (for example, state, county, city, rapid transit district, or province), and their rates. To be valid, a code must be set up in the Tax Rate/Area table (F4008). Typically, U.S. sales and use taxes require multiple tax authorities per tax rate/area, whereas value-added tax (VAT) requires only one simple rate. The system uses this code to properly calculate the tax amount.
Address	The address book number of a tax authority that has jurisdiction in the tax area. This is an authority to whom you pay and report sales, use, or VAT taxes. Examples include states, counties, cities, transportation districts, provinces, and so on. You can have up to five tax authorities for a single tax area. . . . . . *Form-specific information* . . . . . . For Canada, the GST tax authority must be on the first line. PST tax authorities can be on lines 2 through 5. If a GST input credit is applicable, the authorities on lines 3 through 5 can identify the GST percentage not eligible for input credits.
G/L Offset	A code that indicates how to locate the tax account for general ledger entries. This field points to automatic accounting instructions (AAIs) that, in turn, point to the tax account. Examples are: PTxxxx — for A/P (VAT only) RTxxxx — for A/R (VAT only) GTxxxx — for G/L (VAT only) 4320 — for Sales Orders 4400 and 4410 — for Purchase Orders Only PTxxxx, RTxxxx, and GTxxxx are valid for VAT and Canadian GST. For sales taxes, the Accounts Payable and Accounts Receivable systems ignore the values in this field. For the General Accounting system, VAT journal entries require values in this field. For sales taxes, the Sales Order Management and Purchase Order Management systems require values in this field. For use and Canadian PST, this field is ignored. At this time, however, the system only uses the first G/L offset.
Tax Rate	A number that identifies the tax rate for a tax authority that has jurisdiction in the tax area. Tax rates must be expressed as a percentage and not as the decimal equivalent. For example, type 7 percent as 7. The value appears as 7.000.

Field	Explanation
Compound Tax	A code in WorldSoftware, or an option in OneWorld software, that indicates whether the tax rate for the tax authority is calculated pre-GST (taxable amount plus any GST for a previous tax authority) or calculated as a tax on a tax. Valid values for WorldSoftware are: Y Tax on a tax. Indicates that the tax is calculated after GST has been added to the product value. The taxable amount plus any GST calculated for a previous tax authority is added to calculate the basis for this authority. N Not tax on a tax. Indicates that the tax is calculated against the value of the product. The taxable amount is the basis for this authority. NOTE: This field is used in Canada. It is valid only with tax explanation codes that begin with the letters B and C. For OneWorld software: • If this option is turned on, it indicates tax on a tax. • If this option is turned off, it indicates no tax on a tax. . . . . . *Form-specific information* . . . . . . This code is available only for the second tax authority (line 2 in the list on this form) and must identify a non-GST tax authority.
VAT Expense	A code in WorldSoftware, or an option in OneWorld software, that identifies the percentage of the VAT (GST) amount that is not eligible for input credits. Valid values for WorldSoftware are: R Not recoverable. The tax is an expense and is not a receivable. Blank Recoverable. The tax is a receivable. This is the default. NOTE: This field is used in Canada. It is valid only with tax explanation codes that begin with the letters C, B, and V. For OneWorld software: • If this option is turned on, tax is not recoverable. • If this option is turned off (default), tax is recoverable. . . . . . *Form-specific information* . . . . . . This code is available only for the third, fourth, fifth tax authorities (lines 3 through 5).

Field	Explanation
TOTAL TAX	A number that identifies the sum of the tax rates for all tax authorities in the tax rate/area. . . . . . *Form-specific information* . . . . . A system-displayed number that indicates the sum of the tax rates for all the tax authorities. If you click the Compound Tax option, the total reflects compound taxes (tax on a tax). If you click the VAT Expense option, the total does not include the input credit amount.
Item Number – Short	An inventory item number. The system provides three separate item numbers plus an extensive cross-reference capability to other item numbers (see data item XRT) to accommodate substitute item numbers, replacements, bar codes, customer numbers, supplier numbers, and so forth. The item numbers are as follows: • Item Number (short) – An eight-digit, computer-assigned item number • 2nd Item Number – The 25-digit, free-form, user defined alphanumeric item number • 3rd Item Number – Another 25-digit, free-form, user defined alphanumeric item number . . . . . *Form-specific information* . . . . . This number identifies either a group of items or a single item. Items that are assessed VAT generally use the group code number. Items that are assessed a luxury tax generally use a specific item number. Note: Only sales order and purchase order processing use this field. You can suppress this field with processing options.
Maximum Unit Cost	Number that identifies the maximum amount that an item can be taxed. If the unit cost of an item is more than the amount you specify in this field, the maximum unit cost becomes taxable. NOTE: Only sales order and purchase order processing use this field. Tax laws in Tennessee (in the U.S.) have this requirement.

Processing Options for Tax Rate/Areas

```
Item#/MaxCost


      Enter 1 to show these fields OR 0                _____________
      to hide them:

Validation


      Enter 1 to validate item numbers                 _____________
      OR 0 to not validate:
```

Understanding Tax Explanation Codes for A/R

You might be required to calculate, collect, and track taxes on some invoices you send to your customers. When this is necessary, you must enter a tax explanation code for the customer or invoice. These codes control how you:

- Collect taxes
- Distribute taxes to specific G/L revenue and expense accounts

Tax explanation codes are user defined codes (system 00/type EX).

What Are the Types of A/R Tax Explanation Codes?

J.D. Edwards provides the following tax explanation codes for A/R invoice processing:

- C – GST + PST, where PST is seller-assessed (Canadian).
- CT – Same as C, but taxes only.
- E – Exempt.
- S – Sales tax. Seller-assessed (PST in Canada and sales in U.S.).
- ST – Same as S, but taxes only.
- V – VAT (VAT in Europe and GST in Canada).
- VT – Same as V, but taxes only.
- V+ – Same as V, but calculated as a tax on tax.

How Does the System Calculate A/R Taxes?

The system can calculate some of the following commonly used taxes:

- Sales Tax (S)
- VAT (V)
- VAT + Sales Tax (C)

Example: Sales Tax (S)

The system calculates the tax amount but does not make a separate entry to the general ledger for the tax amount. The tax amount (which is 73 in the following example) appears on the invoice. The system updates the Sales/Use/VAT Tax table (F0018) for tax reporting purposes.

Tax rate	7.3 percent
Taxable amount	1,000
Sales tax calculation	Taxable amount x sales tax rate • 1,000 x .073 = 73
Invoice	• Amount: 1,000 • Taxable: 73 • Gross amount: 1,073
Journal entries	Revenue: 1,073–
Automatic offsets	A/R trade: 1,073

Example: VAT (V)

The system calculates the tax amount and makes a separate entry to the general ledger for the tax amount.

Tax rate	7.3 percent
Taxable amount	1,000
Sales tax calculation	Taxable amount x VAT tax rate • 1,000 x .073 = 73
Invoice	• Amount: 1,000 • Tax amount: 73 • Gross amount: 1,073
Journal entries	Revenue: 1,000–
Automatic offsets	• A/R trade: 1,073 • VAT payable: 73–

Example: VAT + Sales Tax (C)

The system calculates taxes on a tax amount. The following example shows both VAT plus sales tax and GST plus PST.

Tax rate/area calculation method	Y (tax on tax)
Tax rate	7 percent GST, 8 percent PST
Taxable amount	1,000
GST calculation	Taxable amount x GST rate • 1,000 x .07 = 70
PST calculation	Taxable amount + GST x PST rate • 1,000 + 70 x .08 = 85.60
Tax amount	GST + PST • 70 + 85.60 = 155.60
Invoice	• Amount: 1,000 • Tax amount: 155.60 • Gross amount: 1,155.60
Journal entries	Revenue: 1,085.60–
Automatic offsets	• A/R trade: 1,155.60 • VAT payable: 70–

See Also

- *Understanding User Defined Codes for A/R*

Understanding AAIs for A/R Taxes

If you are required to collect taxes on customer invoices, you must distribute the tax amounts to the correct G/L accounts. When you set up AAIs for a specific type of tax, such as VAT, you designate which accounts you want to debit and credit for an invoice tax amount.

The amount distributed to the general ledger includes the goods and the sales tax because this is the true cost of purchased goods. VAT is not included in the G/L distribution amount because a company is usually reimbursed for any VAT that is paid when the company sells those goods.

The post program generates the VAT amount.

Which AAIs Do You Need to Set Up for Taxes?

An AAI item for receivables taxes (RT) is required. Tax explanation codes use item RTyyyy to point to various types of taxes, including VAT.

The character code yyyy represents a G/L offset account for the tax explanation code, such as RTSALE or RTVAT. The character code _ _ _ _ means that there is no G/L offset account. This code points to the AAI item, which, in turn, points to the appropriate tax accounts. For example, for the code RTVATB, RT is the AAI item for a receivables tax account, and VATB is the character code that identifies the G/L offset account that you defined in the tax rate area.

Each tax explanation code has corresponding AAI items that identify the debit and credit tax accounts. The types of tax explanation codes are:

- Value-added tax codes
- VAT plus sales tax codes

See Also

- *Understanding AAIs for A/R*

Value-added Tax Codes

The tax explanation codes for value-added taxes and their AAI items are as follows:

Value-added tax codes V

When you enter an invoice, you credit the G/L distribution accounts for the goods. The system debits an A/R account and credits a VAT payable account.

RTyyyy identifies the VAT payable account and RCyyyy identifies the A/R trade account. For example:

- Dr 1100 RCyyyy Gross (A/R for goods of 1000 + VAT of 100)
- Dr 1100
- Cr 1000 G/L distribution (goods of 1000)
- Cr 100 RTyyyy (VAT recoverable account for the tax rate/area)

Value-added tax code V+ (calculated as a tax on a tax)

The accounts are the same as those for V.

Value-added tax code VT (taxes only)

The accounts are the same as those for V. For example:

- Dr 100 RCyyy Gross (A/R for VAT of 100)
- Cr 0 G/L distribution (goods of 0)
- Cr 100 RTyyyy (VAT payable account for the tax rate/area)

VAT plus Sales Tax Codes

The tax explanation codes for VAT plus sales taxes and their AAI items are as follows:

VAT plus sales tax code C (GST + seller-assessed PST/Canada only)

When you enter an invoice, you credit G/L distribution accounts (for the goods + PST). The system debits an A/R account and credits a GST payable account. RTyyyy identifies the A/R account. For example:

- Dr 1155 RCyyyy Gross (A/R for goods of 1000 + GST of 100 + PST of 55)
- Cr 100 RTyyyy (GST payable account for the tax rate/area)
- Cr 1055 G/L distribution (goods of 1000 + PST of 55)

VAT plus sales tax code CT (GST + seller-assessed PST/Canada only)

Taxes only. Accounts are the same as those for C. For example:

- Dr 155 RCyyyy Gross (A/R for GST of 100 + PST of 55)
- Cr 55 G/L distribution (PST of 55)
- Cr 100 RTyyyy (GST payable account for the tax rate/area)

Setting Up Tax Rules by Company for A/R

Set up your tax rules so that the Accounts Receivable system can calculate any applicable taxes when you enter an invoice. You need to set up tax rules for each company. The system uses these rules to:

- Display a warning message (or reject a transaction) whenever someone enters a tax amount that differs from the system-calculated tax
- Calculate discounts on a gross amount that already includes tax
- Calculate tax on a gross amount that includes the discount amount

When setting up tax rules by company, you can:

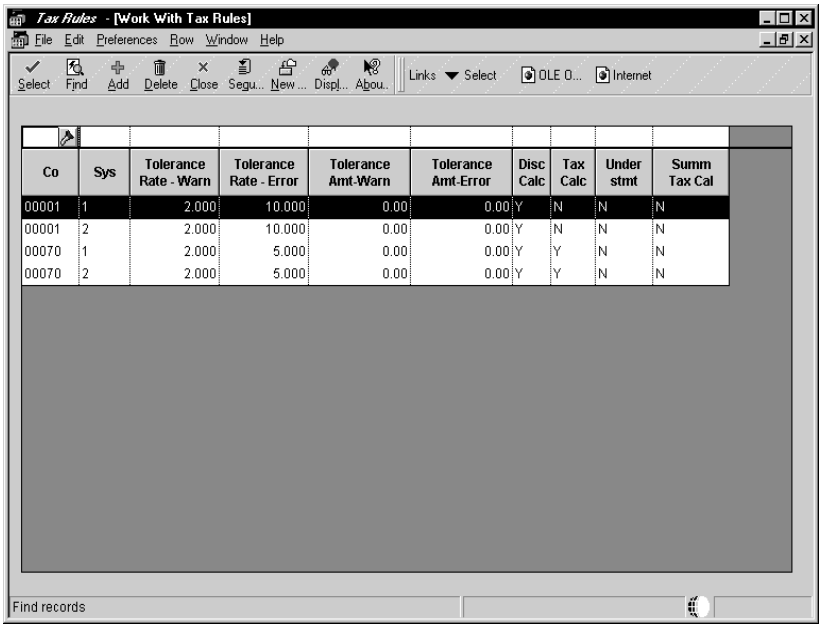
- Set up tolerance information for A/R
- Set up calculation rules for A/R

To set up tolerance information for A/R

From the Tax Processing & Reporting menu (G0021), choose Tax Rules.

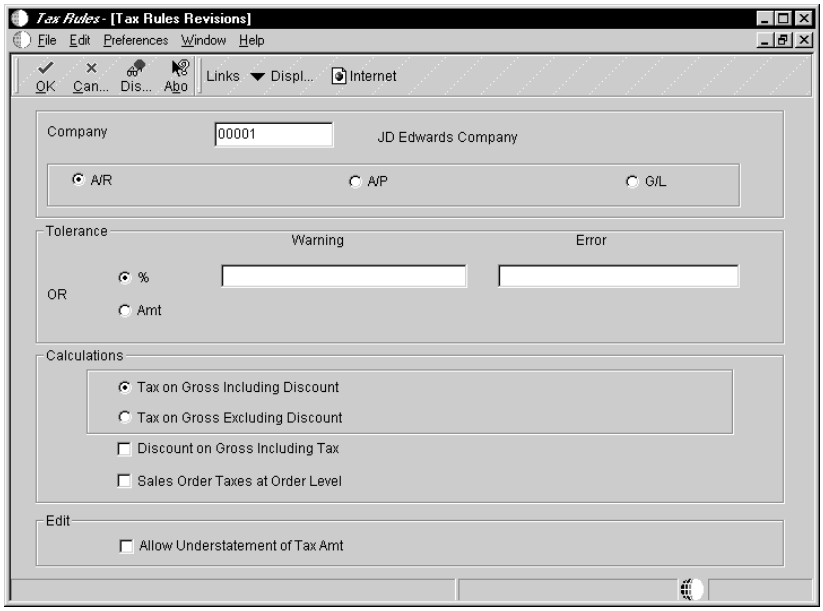
When you enter a tax amount that differs from the tax amount that the system calculates, you might receive a warning message. By setting up tolerance information, you control the type of message that the system issues for different tolerance ranges. Tolerance ranges apply only to VAT and GST and can be a percentage or monetary amount.

On Work With Tax Rules



Co	Sys	Tolerance Rate - Warn	Tolerance Rate - Error	Tolerance Amt-Warn	Tolerance Amt-Error	Disc Calc	Tax Calc	Under stmt	Summ Tax Cal
00001	1	2.000	10.000	0.00	0.00	Y	N	N	N
00001	2	2.000	10.000	0.00	0.00	Y	N	N	N
00070	1	2.000	5.000	0.00	0.00	Y	Y	N	N
00070	2	2.000	5.000	0.00	0.00	Y	Y	N	N

1. Click Add to access Tax Rules Revisions.



2. On Tax Rules Revisions, complete the following field:
   - Company
3. Click the percent option or amount option under the following:
   - Mode – Tolerance Type
4. Complete the following fields to identify the range for the type of tolerance you selected:
   - Warning
   - Error

   After you complete these steps, follow the steps to set up the calculation rules.

Field	Explanation
Mode – Tolerance Type	The radio button indicates the tolerance type. Tolerance can be expressed as a percentage or as an amount.

Field	Explanation
Warning	Percentage used only for A/R, A/P, and G/L processing (sales order and purchase order processing do not use it). When you enter a VAT or GST amount that differs from the system-calculated tax, the system uses this percentage to determine whether to display a warning message. Enter the percentage as a whole number. For example, enter 10% as 10. If you enter 10 in this field and there is a difference between the tax amount you entered and the system-calculated tax amount, the system handles it as follows: Accept difference is 9.99% or less Warning difference is 10% or more The default (blank) causes a warning message to display if you enter a tax that does not exactly match the system-calculated amount tax. NOTE: This field applies only to VAT and GST.

▶ To set up calculation rules for A/R

You can set up calculation rules to identify which method to use for calculating tax and discount amounts, when both are specified, for invoices. The rules control how the system validates the correct tax amount, based on the total amount of the invoice.

On Tax Rule Revisions

1. Under the Calculations heading, click the Tax on Gross Including Discount option or the Tax on Gross Excluding Discount option.
2. Change the setting of the following field, if necessary:
   - Discount on Gross Including Tax
3. To allow the entry of an amount that is less than the amount that the system calculates, click the following options:
   - Tax Rules–Allow Understatement
4. Click OK.

Field	Explanation
Tax/Discount Calculation Method	A code that indicates whether to calculate the tax on a gross amount that includes the discount amount. Valid codes are: Y Calculate the tax amount on the gross. N Calculate the tax amount on the gross less the discount amount. Blank Default to Y. Self-assessed taxes are not included in discount calculations. NOTE: This field does not apply to G/L processing. A/R, A/P, sales orders, and purchase orders use it. . . . . . *Form-specific information* . . . . . . For OneWorld, click one of the following options: • Tax on Gross Including Discount • Tax on Gross Excluding Discount
Discount on Gross Including Tax	A code that indicates whether to calculate the discount on a gross amount that already includes the tax amount. Valid codes are: Y Calculate the discount amount on the gross with tax. N Calculate the discount amount on the gross less the tax amount. Blank Defaults to N. Self-assessed taxes are not included in discount calculations. NOTE: This field does not apply to G/L processing. A/R, A/P, sales orders, and purchase order processing use this field. . . . . . *Form-specific information* . . . . . . For OneWorld, click the following option: • Discount on Gross Including Tax If you click this option, tax will be included in the gross that the system uses to calculate the discount.
Tax Rules–Allow Understatement	Code that indicates whether you can enter a VAT or GST amount on the A/R Invoice Entry form that is less than the system-calculated tax amount (less than the specified tax rate). Valid codes for WorldSoftware are: Y Accept amount less than the specified tax rate. N Reject amount less than the specified tax rate. Blank Defaults to N. NOTE: This field applies only to VAT and GST. For OneWorld software: • If this option is clicked, accepted amount is less than the specified tax rate. • If this option is blank (default), rejected amount less than the specified tax rate.

Examples: Calculation Rules

The system calculates gross and discount amounts using the tax rules that you set up. Each of the following examples uses a different combination of rules to calculate the following:

- Tax on gross with or without discounts
- Discount on gross with or without tax

The following examples use these amounts:

- Taxable: 1,000
- Tax percent: 10 percent
- Tax amount: 100
- Discount: 1 percent

Example: Calculate Tax on Gross with Discount

Calculate Tax on Gross (Including Discounts)	Yes
Calculate Discount on Gross (Including Tax)	Yes
Discount Formula	(Taxable Amount + Tax Amount) x (Discount Rate Percent) = Discount Available • (1,000 X 100) x .01 = 11.00
Gross Formula	Taxable Amount + Tax = 1,000 + 100 = 1,100

Example: Calculate Tax on Gross without Discount

Calculate Tax on Gross (Including Discount)	Yes
Calculate Discount on Gross (Including Tax)	No
Discount Formula	Taxable Amount x Discount Rate Percent = Discount Available • 1,000 x .01 = 10.00
Gross Formula	Taxable Amount + Tax = 1,000 + 100 = 1,100

Example: Calculate Discount on Gross with Tax

Calculate Tax on Gross (Including Discount)	No
Calculate Discount on Gross (Including Tax)	Yes
Discount Formula	[(Taxable Amount + Tax Amount) x (Discount Rate Percent)] / (1 – Discount Rate Percent) • [(1,000 + 100) × .01] / (1 − .01) = 11.11
Gross Formula	Taxable Amount + Tax + Discount = 1,000 + 100 + 11.11 = 1,111.11

Example: Calculate Discount on Gross without Tax

Calculate Tax on Gross (Including Discount)	No
Calculate Discount on Gross (Including Tax)	No
Discount Formula	(Taxable Amount x Discount Rate Percent) / (Discount Rate Percent x Tax Rate) • (1,000 x .01) / (.01 x .10) = 10.10
Gross Formula	Taxable Amount + Tax + Discount = 1,000 + 100 + 10.10 = 1,110.10

Daily

Customer Information

You must create a customer master record before you can enter an invoice and receive payment. The customer master is a central storage place for all of your customer records.

Customer information consists of:

- ❑ Creating customer records
- ❑ Locating customer records

What Is the Customer Record?

The customer record contains information and processing instructions that the system uses to process A/R transactions. For example, you might want to specify a credit limit for each customer or designate whether delinquency notices should be sent to a particular customer.

Specifically, the customer record enables you to enter and maintain default information about:

- Invoice processing
- Automatic receipt processing
- Statement processing
- Credit and collections
- Accounting distributions
- Billing instructions

See Also

- ❑ *Address Book Batch Processing* in the *Address Book Guide* for information about converting address book information from another system

Creating Customer Records

Before you can bill a customer for goods or services, you must create a customer master record. When you create a customer master record, you are setting up address book and mailing information, and information about how the system processes invoices, receipts, and other A/R information.

When creating customer records, you can:

- Enter address and mailing information
- Enter additional address book information
- Enter customer master information
- Enter credit information
- Enter collection information
- Enter G/L distribution information
- Enter tax information
- Enter bank account information

Customer information is stored in the following tables:

- Customer Master by Line of Business (F03012)
- Customer Master (F0301)
- Address Book Master (F0101)
- Address by Date (F0116)
- Address Organization Structure Master (F0150)
- Bank Transit Number Master (F0030)

You can use either of the following programs to create a customer record:

- Customer Master Information
- Address Book Revisions

Customer Master Revision and Address Book Revision forms have other tabs associated with setting up customer information:

Category Codes	On Address Book Revision, use these tabs to group addresses for reporting and mailings. When entering a customer record, you can set up category codes to organize your address book information and to quickly retrieve records for reporting purposes. Category codes are user defined codes that can be customized for your business needs.
Billing Pages	On Customer Master Revision, use these tabs to specify how the system processes sales orders for customers.
Customer Ship Notice	On Customer Master Revision, use this tab to set up shipping information for a customer.

You should consider the following related information when working with the Customer Master Revision program:

Saving and changing customer records	You can enter information on several tabs on the Customer Master Revision or Address Book Revision forms before you click OK. The system saves your information across all tabs on a form when you click OK. For example, when using the Customer Master Revision form, you can enter new information or change existing information on the Invoice tab, the Credit tab, and the G/L Distribution tab, and then click OK to save your information.
Deleting customer records	You can only delete a customer record that does not have any invoices associated with it for the year, open or paid. However, you can still access previously closed invoices and receipts.
Entering billing Instructions	When entering a customer record, you can access the Customer Master – Billing Instructions form to specify how the system processes sales orders for customers. See *Setting Up Customer Billing Instructions* in the *Sales Order Management Guide*.

See Also

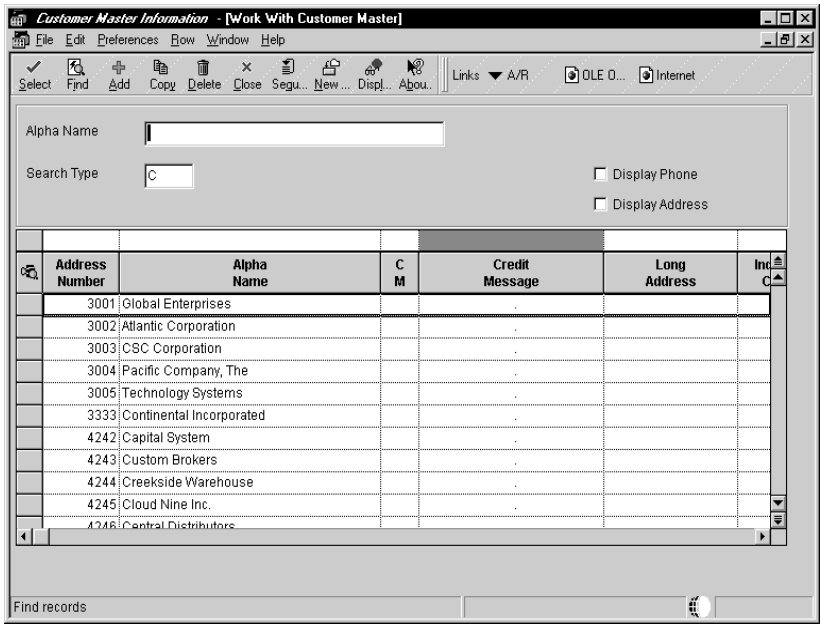
- *Working with Address Book Records* in the *Address Book Guide*
- *Converting Customer Currency Codes and Amounts* for information about changing the currency code for multiplier customers

▶ To enter address and mailing information

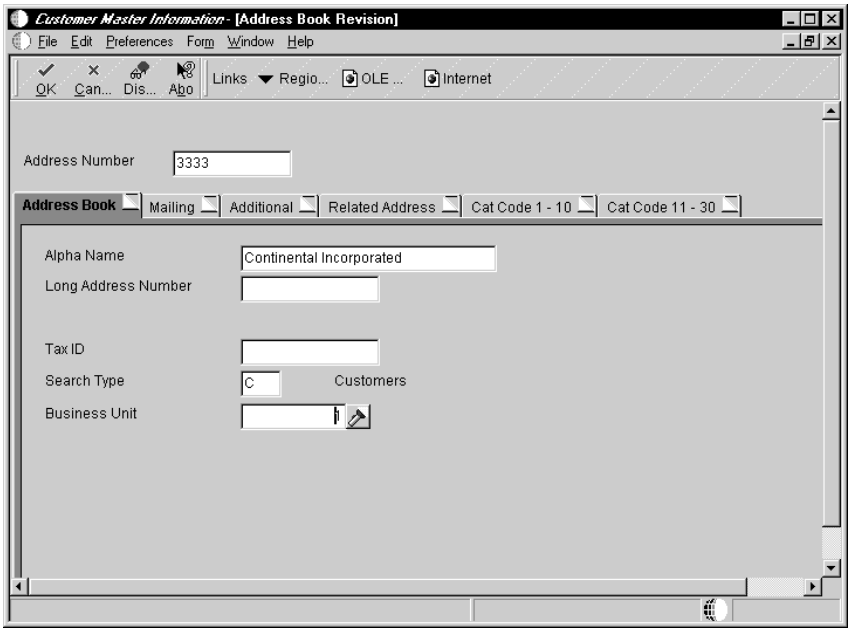
From the Customer & Invoice Entry menu (G03B11), choose Customer Master Information.

When you create a new customer record, the first step is to enter information that identifies the customer, such as the mailing name and address. To do this, you use the Address Book Revision form. You can access this form through Customer Master Revision.

On Work With Customer Master



1. Click Add to access Customer Master Revision.
2. To access Address Book Revision, choose A/B Revision from the From menu.

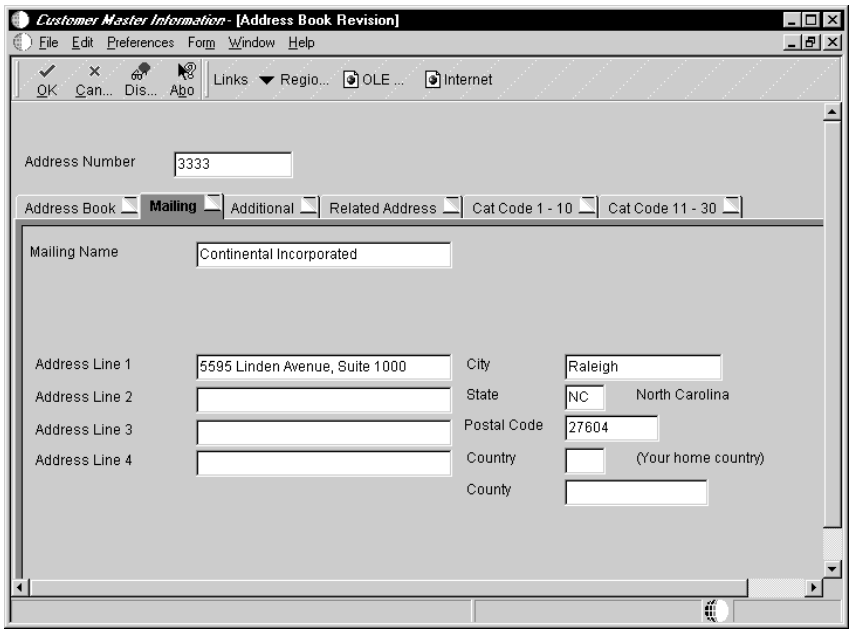


3. On Address Book Revision, complete the following fields:

   - Address Number
   - Alpha Name
   - Long Address Number
   - Tax ID
   - Search Type
   - Business Unit

     If you leave this field blank, the system will automatically assign a value of 1.

4. To enter mailing information, click the Mailing tab.



5. Complete the following fields:
   - Mailing Name
   - Address Line 1
   - City
   - State
   - Postal Code
   - Country
   - County

Field	Explanation
Address Number	A number that identifies an entry in the Address Book system. Use this number to identify employees, applicants, participants, customers, suppliers, tenants, and any other address book members.

Field	Explanation
Alpha Name	The text that names or describes an address. This 40-character alphabetic field appears on a number of forms and reports. You can enter dashes, commas, and other special characters, but the system cannot search on them when you use this field to search for a name. . . . . . *Form-specific information* . . . . . . If you leave this field blank, the system uses default information from the Mailing Name field. The Alpha Name field is required if you do not enter information into the Mailing Name field.
Long Address Number	A user defined name or number that is unique to the address book number. You can use this field to enter and locate information. You can use it to cross-reference the supplier to a Dun & Bradstreet number, a lease number, or other reference. . . . . . *Form-specific information* . . . . . . When you set up customers using a long address number, you can access the customer number more quickly. For example, when you enter a invoice, you use the long address number preceded by the special character assigned to long address numbers in Address Book constants in the Customer Number field. The system converts the long address number to the customer number.
Tax ID	The identification code required by various tax authorities. This can be a social security number, federal or state corporate tax ID, sales tax number, and so on. Do not enter separator characters. The system verifies the number and prints the separators in their correct format, according to the value of TAXC (Person/Corporation Code). If there is no value for TAXC, the system uses the Corporate Entity. Attention Accounts Payable users: The supplier master record supplies the default value for the tax ID for 1099 processing. . . . . . *Form-specific information* . . . . . . For US employees, the Tax ID is a social security number. For Canadian employees, the Tax ID must be a valid and unique Social Insurance Number (SIN).
Search Type	A user defined code (01/ST) that identifies the kind of address book record you want the system to select when you search for a name or message. For example: E Employees X Ex-employees V Suppliers C Customers P Prospects M Mail distribution lists T Tax authority

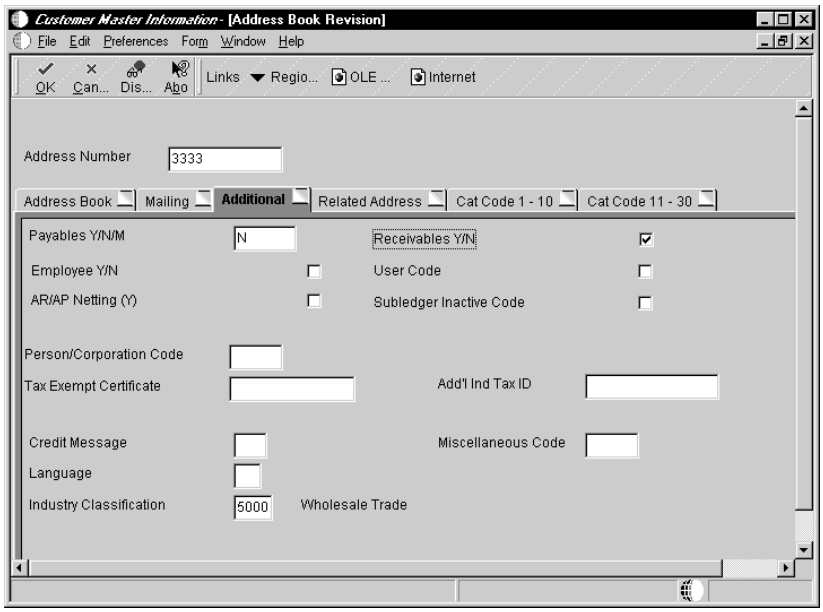
Field	Explanation
Business Unit	An alphanumeric field that identifies a separate entity within a business for which you want to track costs. For example, a business unit might be a warehouse location, job, project, work center, branch, or plant. You can assign a business unit to a voucher, invoice, fixed asset, employee, and so on, for purposes of responsibility reporting. For example, the system provides reports of open accounts payable and accounts receivable by business units to track equipment by responsible department. Security for this field can prevent you from locating business units for which you have no authority. NOTE: The system uses the job number for journal entries if you do not enter a value in the AAI table.
Mailing Name	The company or person to whom billing or correspondence is addressed.
Address Line 1	The first line of the mailing address for an employee, customer, or supplier in the Address Book system. The Internal Revenue Service (IRS) restricts the size of the address that prints on an employee's year-end tax returns. To comply with IRS regulations, the system uses the following restrictions: • On W-2 returns, the system prints only the last three nonblank address lines plus the city, state, and postal code. • On 1099 returns, the system prints only the last nonblank address line plus the city, state, and postal code. • On U.S. federal magnetic media, the system writes only the last nonblank address line plus the city, state, and postal code.
City	The city associated with the address.
State	A user defined code (system 00, type S) for the state or province. This code is usually a postal service abbreviation.
Postal Code	The United States ZIP code or the postal code attached to the address for delivery in other countries. This code is used as the low end value when doing Postal Code Transaction range processing.
Country	A user defined code (00/CN) that identifies a country. The country code has no effect on currency conversion. The Address Book system uses the country code for data selection and address formatting.
County	The name of a county, parish, or other political district that is necessary for the address or for tax purposes.

To enter additional address book information

After you enter address and mailing information for the new customer, you can enter additional address book information. For example, you can specify default tax information or an online credit message.

On Address Book Revision

1. Click the Additional tab.



2. Complete the following field:
   - Payables Y/N/M
3. Click any of the following options:
   - Receivables Y/N
   - Employee Y/N
   - User Code
   - AR/AP Netting (Y)
   - Subledger Inactive Code
4. Complete the following optional fields:
   - Person/Corporation Code
   - Tax Exempt Certificate
   - Add'l Ind Tax ID (Additional Individual Tax ID)
   - Credit Message

- Miscellaneous Code
- Language
- Industry Classification

5. To save the record and return to the Customer Master Revision form, click OK.

Field	Explanation
Payables Y/N/M	A code that identifies the address as a supplier. Valid values are: Y Yes, this is a supplier. A processing option determines whether the supplier master record automatically displays after you add an address. N No, this is not a supplier. This code does not prevent you from entering a voucher for the address. M This is a miscellaneous, one-time supplier. This code does not prevent you from entering multiple vouchers for the address. F This is a supplier with a foreign address. The IRS requires U.S. companies to identify suppliers with foreign addresses for 1099 reporting. You should assign tax authorities as suppliers. This allows tax payments to be made to tax authorities. Code N is informational only, unless you set a processing option. In this case, a warning message appears if both the Payables and Receivables fields are N.
Receivables Y/N	A code in WorldSoftware, or an option in OneWorld software, that identifies the address as a customer. Valid values for WorldSoftware are: Y Yes, this is a customer. A processing option determines whether the customer master record automatically displays after you add an address. N No, this is not a customer. This code does not prevent you from entering an invoice for the address. Code N is informational only, unless you set a processing option. In this case, a warning message appears if both the Receivables and Payables fields are N. For OneWorld software: On This is a customer. Off This is not a customer.
User Code	A code in WorldSoftware, or an option in OneWorld software, that you define in the data dictionary to reference an address. You can use this field to indicate information that is pertinent to your business.

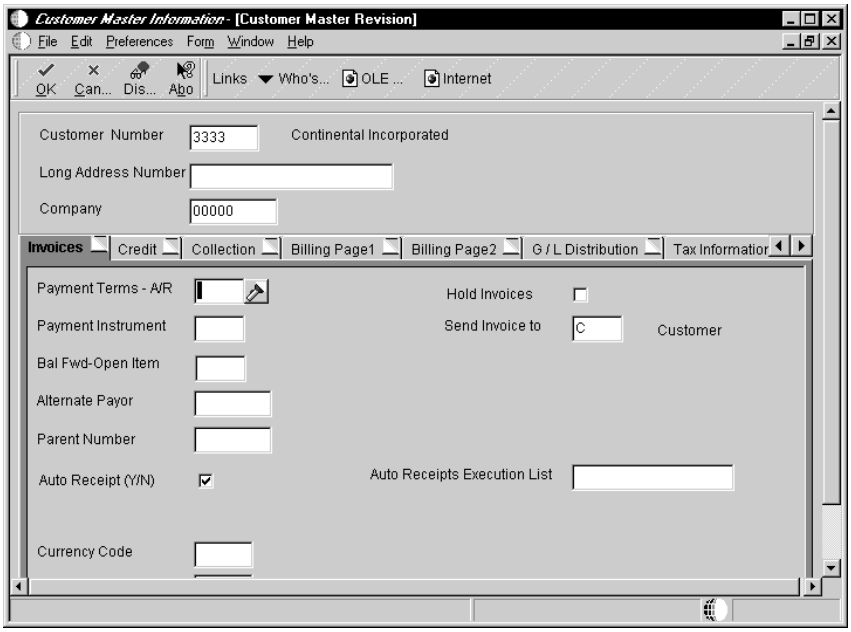
Field	Explanation
AR/AP Netting (Y)	A code in WorldSoftware, or an option in OneWorld software, that indicates whether an address is eligible for use in the A/R and A/P netting process. This value applies to both the Accounts Receivable and Accounts Payable systems.
Subledger Inactive Code	A code in WorldSoftware, or an option in OneWorld, that indicates whether a specific subledger is active or inactive. Any value other than blank indicates that a subledger is inactive. Examples are jobs that are closed, employees that have been terminated, or assets that have been disposed. If a subledger becomes active again, set this field back to blank. If you want to use subledger information in the tables for reports but want to prevent transactions from posting to the master record, enter a value other than blank in this field.
Person/Corporation Code	A code that designates the type of taxpayer. Valid values for U.S. entities are: C Corporate entity (the 20-digit Tax field prints as 12-3456789) P Individual (the 20-digit Tax field prints as 123-45-6789) N Non-corporate entity (the 20-digit Tax field prints as 12-3456789) Blank Corporate entity Valid values for non-U.S. clients are (used with the 20-digit Company field and Individual field): 1 Individual 2 Corporate entity 3 Both an individual and a corporate entity 4 Non-corporate entity 5 Customs authority For 1099 reporting, the system selects suppliers with codes of P and N.
Tax Exempt Certificate	A number that identifies a license or certificate that tax authorities issue to tax-exempt individuals and companies.
Add'l Ind Tax ID	An additional identification number that a tax authority assigns to an individual.
Credit Message	A user defined code (00/CM) that displays information about a particular customer or supplier. Examples: 1 Over credit limit 2 Requires purchase order 3 Not on maintenance agreement 4 Notify the credit manager The Customer Master Revision and the Supplier Master Revision forms display credit messages for customers and suppliers when you enter or locate information.

Field	Explanation
Miscellaneous Code	A user defined code (01/EP) that designates from where a user sends and receives messages. Values include: Blank Inactive e-mail. Assigned to a user who sends and receives only internal messages. 1 JDEM Messaging. All messages sent and received using this preference are local to the OneWorld database. JDEM messaging does not allow any access to e-mail (internet). 2 Microsoft Exchange. Assigned to a user who sends and receives internal and external messages using Exchange, which is accessed from the Work Center. 3 Microsoft Outlook. Assigned to a user who sends and receives internal and external messages using Outlook, which is accessed from the Work Center. 4 Other. Assigned to a user who sends and receives internal and external messages using a third-party e-mail system other than Exchange or Outlook, such as Lotus Notes.
Language	A user defined code (01/LP) that specifies a language to use in forms and printed reports. Before any translations can become effective, a language code must exist at either the system level or in your user preferences.
Industry Classification	A code that classifies goods and services. This code can be in the format of any one of the following systems of classification: • Standard industrial code (SIC). A numerical system used in the United States to classify goods and services. This code is four digits and some codes have sub-digits. • Harmonized system (HS). The international method of classifying goods. More than fifty countries use this code. It can be up to 10 digits. • Standard industrial trade classification (SITC). A numerical code system developed by the United Nations to classify goods used in international trade. International organizations use this code. It can be up to six digits.

To enter customer master information

After you enter address book information for a new customer, enter customer master information. The system uses this as default information when you enter invoices.

On Customer Master Revision



1. Complete the following field:
   - Customer Number
2. If you activated Line of Business processing, complete the following field:
   - Company

   In OneWorld A/R – Line of Business, you can set up multiple customer records by company and assign them to the same address number. This allows you to process A/R information, such as credit limits, payment terms, or default tax information for a customer by company.

   To activate Line of Business processing, see *Setting Up A/R Constants*.
3. Complete the following optional field:
   - Long Address Number
4. On the Invoices tab, complete the following fields:
   - Payment Terms – A/R
   - Hold Invoices
   - Payment Instrument

- Send Invoice to
- Alternate Payor
- Parent Number

5. To process automatic receipts, click the following option:
   - Auto Receipt (Y/N)
6. To specify how the system processes automatic receipts, complete the following field:
   - Auto Receipts Execution List
7. To specify default currency information, complete the following fields:
   - Currency Code
   - A/B Amount Codes

Field	Explanation
Customer Number	A number that identifies an entry in the Address Book system. Use this number to identify employees, applicants, participants, customers, suppliers, tenants, and any other address book members.
Company	A code that identifies a specific organization, fund, entity, and so on. The company code must already exist in the Company Constants table (F0010) and must identify a reporting entity that has a complete balance sheet. At this level, you can have intercompany transactions. NOTE: You can use Company 00000 for default values, such as dates and automatic accounting instructions (AAIs). You cannot use Company 00000 for transaction entries.

Field	Explanation
Payment Terms – A/R	A code that indicates the default payment terms for a customer. Payment terms determine due dates and discounts, and are used as a default value when you create invoices. You define payment terms in the Payment Terms Revisions program (P0014). Use a blank code for the payment terms that you use most frequently. For WorldSoftware use the following: blank Net 15 1 1/10 net 30 2 2/10 net 30 N Net 30 P Prox 25th . . . . . *Form-specific information* . . . . . . For OneWorld, the system automatically assigns this code to invoices that you enter for the customer. The payment terms codes are as follows: blank Net 30 days (default) 001 1/10 net 30 002 Net 30 days (override) 003 Prox days 1/10 004 Due at first of month 005 50/50 split payments 006 Due upon receipt
Hold Invoices	A code in WorldSoftware or an option in OneWorld software that allows you to put all A/R invoices for a customer on hold. For WorldSoftware, valid values are: blank No, do not hold invoices. Y Yes, hold invoices. Do not allow entry of new A/R invoices. (You can still enter receipts and sales orders) For OneWorld software, valid values are: On Hold invoices. Off Do not hold invoices. This code is maintained in the Customer Master by Line of Business table (F03012).
Payment Instrument	The user defined code (00/PY) that specifies how payments are made by the customer. For example: C Check D Draft T Electronic funds transfer . . . . . *Form-specific information* . . . . . . The information that you enter is used as the default value when you enter invoices for the customer.

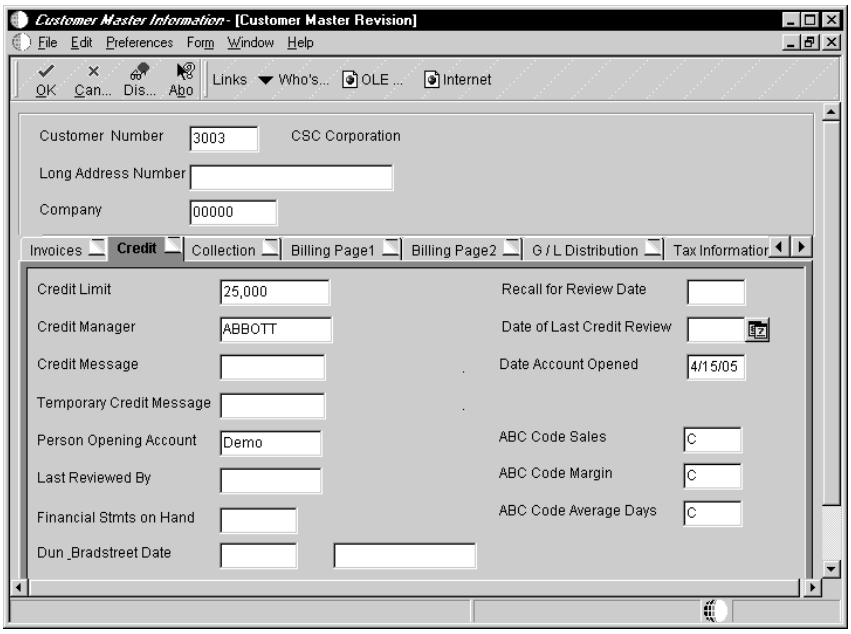
Field	Explanation
Send Invoice to	A code that identifies the address where accounts receivable invoices are sent. Valid codes are: C Customer P Parent 1 1st Address Number 2 2nd Address Number 3 3rd Address Number 4 4th Address Number 5 5th Address Number 6 6th Address Number (Factor/Special Payee)
Alternate Payor	A person or company other than the customer who pays the customers invoices. This might be a bank, an agent, an attorney, and so on.
Parent Number	The Address Book number of the parent company. The system uses this number to associate a particular address with a parent company or location. For example: • Subsidiaries to parent companies • Branches to a home office • Job sites to a general contractor This address must exist in the Address Book Master table (F0101) for validation purposes.
Auto Receipt (Y/N)	A code in WorldSoftware, or a code in OneWorld software, used in the Accounts Receivable system to indicate whether receipts from the customer can be processed through Auto Receipt. Valid codes for WorldSoftware are: Y Yes, you can process receipts through Auto Receipt. N No, you cannot process receipts through Auto Receipt. For OneWorld software: On You can process receipts through Auto Receipt. Off You cannot process receipts through Auto Receipt. Specify whether a company is eligible for auto receipts processing in the A/R constants.
Auto Receipts Execution List	The execution list of algorithms to be assigned to each customer.
Currency Code	A code that indicates the currency of a customer's or a supplier's transactions.
A/B Amount Codes	The currency in which amounts are stored in the address book. For example, the credit limit, invoiced this year, invoiced prior year, and so on. The currency you specify is used to record and store transaction history. . . . . . *Form-specific information* . . . . . . Enter the currency you want to see amounts reflected in when reviewing credit limits and so on.

To enter credit information

When you create a customer record, you enter credit information for the customer. For example, you can assign a credit limit to a customer and designate a credit manager to perform credit reviews.

On Customer Master Revision

1. Click the Credit tab.



2. Complete any of the following optional fields:
   - Credit Limit
   - Credit Manager
   - Credit Message
   - Temporary Credit Message
   - Person Opening Account
   - Last Reviewed By
3. To specify when you receive financial statements from the customer, complete the following field:
   - Financial Stmts on Hand
4. To specify credit reporting information for the customer, complete either or both of the following fields:
   - Dun & Bradstreet Date

- TRW Date

5. To specify credit review dates, complete the following fields:
   - Recall for Review Date
   - Date of Last Credit Review
   - Date Account Opened
6. To rate a customer by sales activity, average investment, and average days to pay an invoice, complete the following fields:
   - ABC Code Sales
   - ABC Code Margin
   - ABC Code Average Days

Field	Explanation
Credit Limit	The credit limit for a customer. This value is used throughout the credit management programs.
Credit Manager	The name of the credit manager responsible for approval of this customer's accounts.
Temporary Credit Message	A user defined code that identifies a temporary credit status. Generally, the code is assigned when an account becomes past due. If the rules of the policy are broken, this code is updated in the Customer Master by Line of Business table (F03012) after you run the Credit Analysis Refresh (R03B525).
Person Opening Account	The person who entered the account in the Address Book. The system supplies the data for this field.
Last Reviewed By	The person who completed the last credit review. The system updates this field when the credit limit is reviewed and changed.
Financial Stmts on Hand	The date that financial statements are received.
Dun & Bradstreet Date	The date Dun & Bradstreet ratings were available.
TRW Date	The date in which TRW ratings were available.
Recall for Review Date	The review date for the customer's credit information.
Date of Last Credit Review	The date on which the credit manager last examined this customer's payment record and assigned a credit status to the account.
Date Account Opened	The date the account was entered in the Address Book.
ABC Code Sales	A grade that indicates the level of sales activity for a customer or inventory item. This code documents the 80/20 principle (80% of the significant results is attributable to 20% of the business effort). The possible grades are A (best) to F (worst).

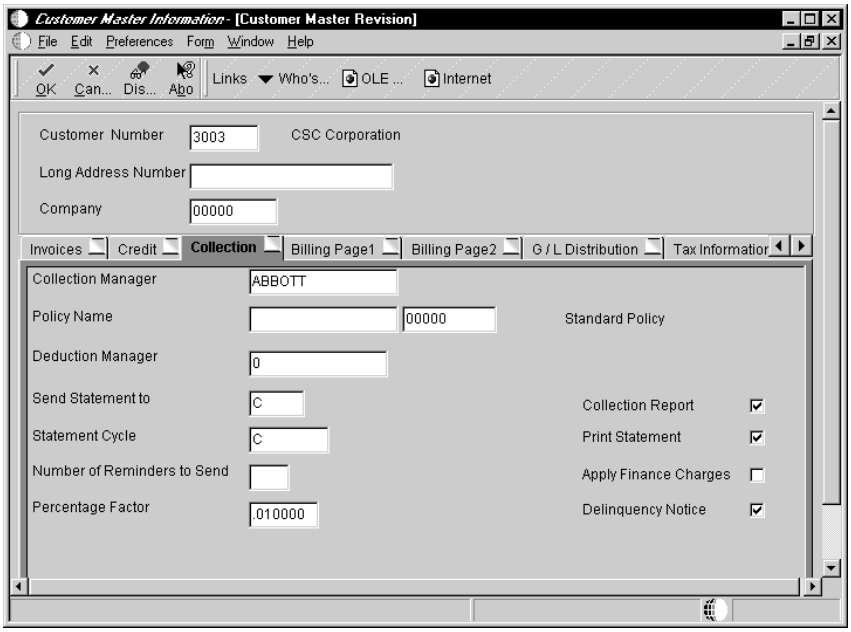
Field	Explanation
ABC Code Margin	A code that represents an item's ranking by average investment. You can assign a code here or let the system assign it. Valid codes are: A Assign this item to the first amount ranking B Assign this item to the second amount ranking C Assign this item to the third amount ranking D Skip this item in the ABC Analysis If you leave this field blank, the ABC Analysis program (P4164) assigns this code based on an item's value as follows: Total Item Average Investment divided by Business Unit Average Investment equals the Item's Calculated Value Total
ABC Code Average Days	A grade that indicates the average number of days a customer takes to pay a bill. This code documents the 80/20 principle. The possible grades are A (best) to F (worst).

▶ To enter collection information

When you create a customer record, enter collection information for the customer. For example, you can assign a collection manager to a customer or designate a customer for automated delinquency processing.

On Customer Master Revision

1. Click the Collection tab.



2. Complete the following optional fields:

- Collection Manager
- Policy Name
- Company
- Deduction Manager

3. To process statements for the customer, click the Print statement option and complete the following fields:
   - Send Invoice to
   - Statement Cycle
4. To process late payment information for the customer, click the following options:
   - Collection Report
   - Delinquency Notice
5. To print statements with draft attachments for the customer, click the following option:
   - Print Statement
6. To specify the number of statements to send the customer, complete the following field:
   - Number of Reminders to Send
7. To assess finance charges for the customer click the following option:
   - Apply Finance Charges – Y/N
8. To specify the percentage factor when computing finance charges, complete the following field:
   - Percentage Factor

Field	Explanation
Collection Manager	The name of the collection manager responsible for this customer's account.
Policy Name	This field is used to group policies under a common name, such as "Standard." For example, you might assign a policy to customers that do not pay their invoices on time. This instructs the system to treat the group of customers the same way during delinquency processing.

Field	Explanation
Deduction Manager	A user defined name or number that is unique to the address book number. You can use this field to enter and locate information. You can use it to cross-reference the supplier to a Dun & Bradstreet number, a lease number, or other reference. . . . . . *Form-specific information* . . . . . . When you set up customers using a long address number, you can access the customer number more quickly. For example, when you enter a invoice, you use the long address number preceded by the special character assigned to long address numbers in Address Book constants in the Customer Number field. The system converts the long address number to the customer number.
Statement Cycle	A code that indicates when the customer should be billed during the next monthly cycle. For example, billing could be done alphabetically: A–F On the 5th day of the month G–L On the 10th M–R On the 15th S–Z On the 20th The first letter of the customer's alpha name is the default value for this statement cycle.
Collection Report	An option that indicates whether invoices for a particular customer appear for collection. If you select this field, invoices appear on the collection report after you send the maximum number of reminders to the customer and the system generates the final collection report. If you do not select this option, the customer's invoices do not appear on the collection report.
Delinquency Notice	An option that allows you to determine whether delinquency notices or payment reminders should be sent to the customer: On Send the notice to the customer. Off Do not send the notice to the customer.
Print Statement	A code that indicates whether the system prints invoices and statements for the customer. For World, the valid codes are: Y Yes, print invoices and statements N No, do not print invoices and statements For OneWorld, the valid options are: On Yes, print invoices and statements Off No, do not print invoices and statements

Field	Explanation
Number of Reminders to Send	The number of payment reminders to send to a customer. Valid codes are: 1 Send a single, very strong (level 3) reminder. 2 Send a strong (level 2) reminder. If the customer does not respond, send a very strong (level 3) reminder in the next cycle. 3 Send a mild (level 1) reminder. If necessary, send a level 2 reminder in the next cycle and a level 3 in the following cycle after that. NOTE: The Delinquency Notice field must be set to Y.
Apply Finance Charges – Y/N	An option that allows you to indicate whether finance charges should be applied or waived for the account: On Apply finance charge Off Waive finance charge
Percentage Factor	This is the percentage factor used in computing finance charges. This number is expressed as a decimal. For example, .185 would express 18.5%. The past due amounts are multiplied by the percentage factor for the actual finance charge amounts. If finance charges are calculated monthly, the percentage factor should reflect a monthly assessment.

See Also

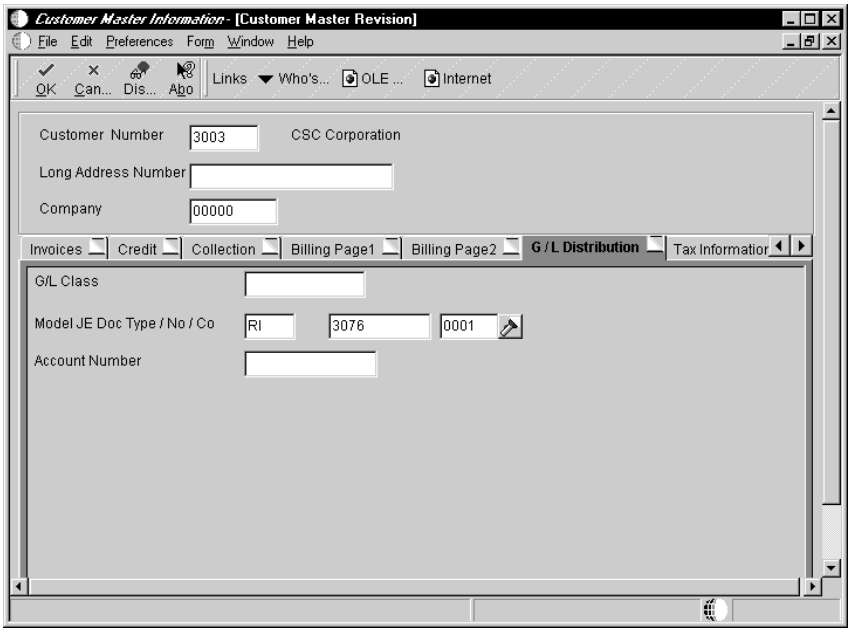
- *Setting Up Policies* for information about setting up policies

▶ To enter G/L distribution information

When create a customer record, enter G/L distribution information. The system uses this information as the default G/L distribution when you enter an invoice for the customer.

On Customer Master Revision

1. Click the G/L Distribution tab.



2. Complete any of the following optional fields:
   - G/L Class
   - Model JE Doc Ty/No/Co (Type/Number/Company)
   - Account Number

Field	Explanation
G/L Class	A code that determines the A/R account (class) that will be the offset when you post invoices. The code you enter in this field can be alphanumeric or can match the object code of the G/L account number. Examples: blank Trade Accounts Receivable TRAD or 1210 Trade Accounts Receivable EMP or 1220 Employee Receivables (Use class codes as the exception to the trade account.) If you leave this field blank during entry, the system uses AAI item RC____ for the company. NOTE: Do not use class code 9999. This is reserved for the post program and indicates that offsets should not be created. The information you specify is used as the default value when you enter invoices.

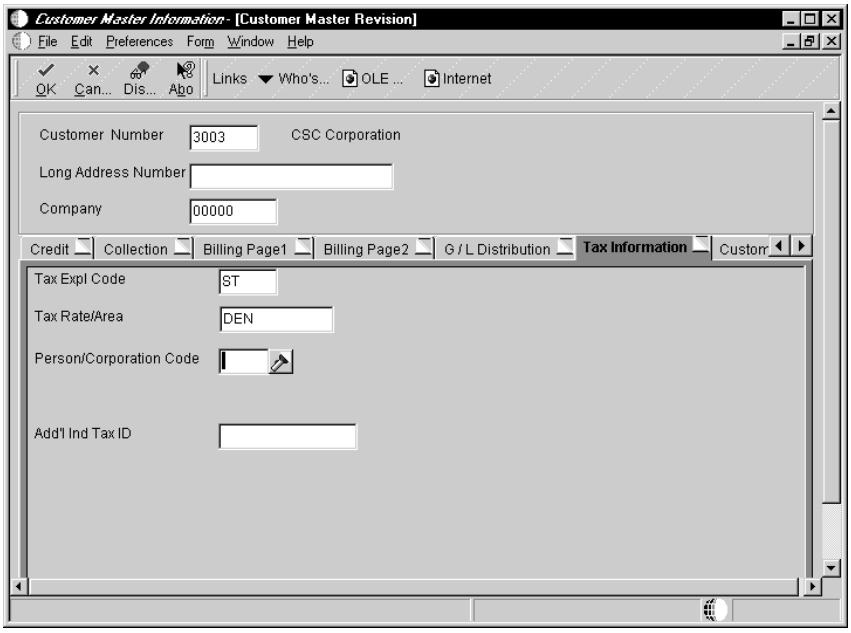
Field	Explanation
Model JE Doc Type / No / Co	A code that identifies the type of model journal entry to use for a particular customer. . . . . . *Form-specific information* . . . . . . If you specify a model journal entry, do not specify a default expense account. Although the system will allow you to do this, it will override the model journal entry and you will have to manually enter the journal entry information.
Account Number	A field that identifies an account in the general ledger. You can use one of the following formats for account numbers: • Standard account number (business unit.object.subsidiary or flexible format) • Third G/L number (maximum of 25 digits) • 8-digit short account ID number • Speed code The first character of the account indicates the format of the account number. You define the account format in the General Accounting Constants program. . . . . . *Form-specific information* . . . . . . Do not specify a default expense account if you specify a model JE. Although the system allows you to do this, it overrides the model JE, and you must enter the JE manually.

To enter tax information

When you create a customer record, enter default tax information for the customer. The system uses this information to calculate taxes on invoices that you enter for the customer.

On Customer Master Revision

1. Click the Tax Information tab.



2. Complete the following fields:
   - Tax Expl Code
   - Tax Rate/Area
   - Person/Corporation Code
   - Add'l Ind Tax ID (Additional Individual Tax ID)
3. To save your customer record, click OK.

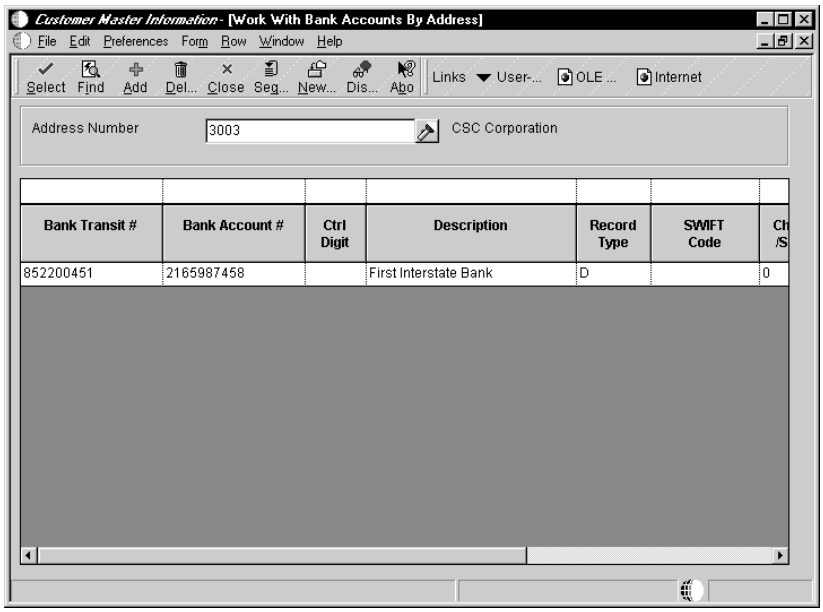
Field	Explanation
Tax Expl Code	A user defined code (system 00/type EX) that controls how a tax is assessed and distributed to the general ledger revenue and expense accounts. Do not confuse this with the taxable, non-taxable code. A single invoice can have both taxable and non-taxable items. The entire invoice, however, must have one tax explanation code. . . . . . *Form-specific information* . . . . . . The information that you specify is used as the default value when entering invoices. You can override this code during invoice entry. If you use Vertex, the system accepts the following GeoCode values: E (exempt) and S (sales tax).
Tax Rate/Area	A code that identifies a tax or geographic area that has common tax rates and tax distribution. The tax rate/area must be defined to include the tax authorities (for example, state, county, city, rapid transit district, or province), and their rates. To be valid, a code must be set up in the Tax Rate/Area table (F4008). Typically, U.S. sales and use taxes require multiple tax authorities per tax rate/area, whereas value-added tax (VAT) requires only one simple rate. The system uses this code to properly calculate the tax amount. . . . . . *Form-specific information* . . . . . . The information that you specify is used as the default value when you enter invoices for the customer. You can override this code during invoice entry. If you use Vertex, the GeoCode appears in this field. The system retrieves the GeoCode based on the customer's city, state, and zip code.

To enter bank account information

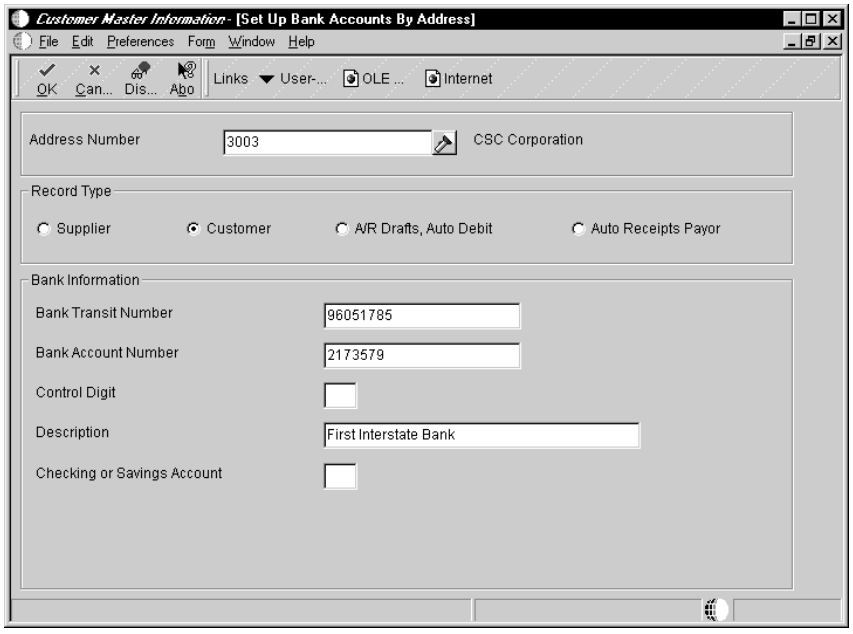
When you create a customer record, enter default bank account information for the customer. The system uses this information to identify the customer's bank account when using a bank tape or Electronic Data Interchange (EDI).

On Customer Master Revision

1. From the Form menu, choose Bank Account.



2. On Work With Bank Accounts by Address, click Add.



3. On Set Up Bank Accounts by Address, complete the following field:
   - Address Number
4. Click the following option:
   - Customer
5. Complete the following fields:
   - Bank Transit Number
   - Bank Account Number
6. Complete the following optional fields:
   - Control Digit
   - Description
   - Checking or Savings Account

Field	Explanation
Bank Transit Number	The routing and transit number for a particular bank account. The combination of account number and transit number must be unique.
Bank Account Number	The bank account number for a company, customer, or supplier.
Control Digit	An optional field that allows you to enter a check digit for a bank account number. The check digit is not part of the key to the Bank Account table (F0030).

Field	Explanation
Checking or Savings Account	A code that indicates whether the account is a checking or savings account. This indicator is used during bank tape processing for automatic payments. Valid values are: blank Checking account 0 Checking account 1 Savings account

Processing Options for Customer Master Information

Entry

1. Enter a '1' to suppress the Tax ID Field. Enter a ' 2 ' to display Tax ID in protected mode. If left blank, the Tax ID field will appear on the form. _____

Default

2. Enter the Search Type value for Customer. If left blank, it will default to C _____

3. Enter the default Currency Code. If blank, default comes from the Company associated with the Security Business Unit in Address Book. _____

Audit

4. Enter a '1' to utilize the Audit Log File (F0101A). Currently not available. _____

Version

5. Enter the Version of Customer Master to be used. If left blank ZJDE0001 will be used. _____

Locating Customer Records

When entering or locating accounts receivable information for a customer, you can locate its customer number by specifying:

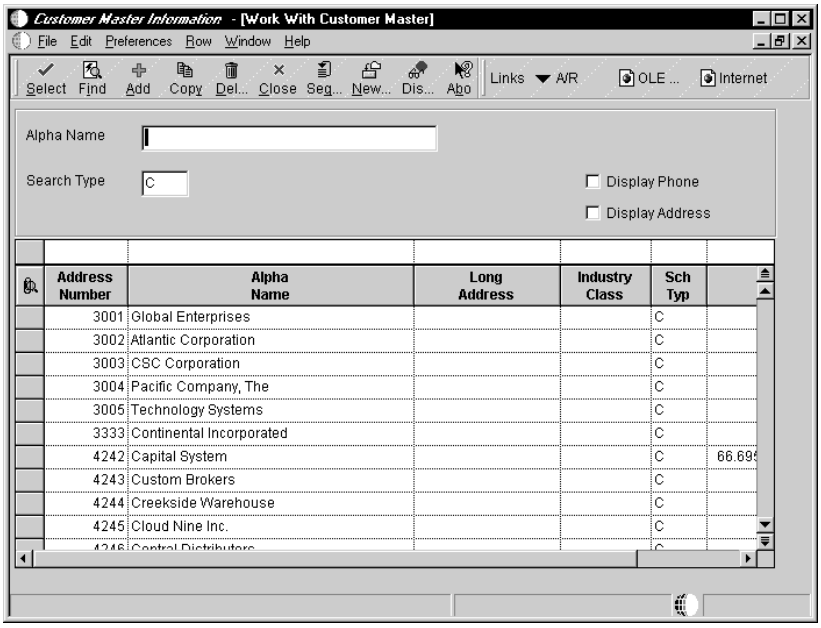
- Alpha name
- Search type

This information is stored in the Address Book Master table (F0101).

▶ To locate a customer record

From the Customer & Invoice Entry menu (G03B11), choose Customer Master.

On Work With Customer Master



Complete one or both of the following fields and click Find:

- Alpha Name
- Search Type

Field	Explanation
Search Type	A user defined code (01/ST) that identifies the kind of address book record you want the system to select when you search for a name or message. For example: E Employees X Ex-employees V Suppliers C Customers P Prospects M Mail distribution lists T Tax authority . . . . . *Form-specific information* . . . . . Placing security on search types might restrict you from viewing certain records. When security is active, a code is required in this field.

See Also

- *Locating Existing Address by Word Search* in the *Address Book Guide*
- *Creating Customer Records* for information about changing and deleting customer records

Processing Options for Locating Customer Records

Entry

1. Enter a ’1’ to suppress the Tax ID Field. If left blank, the Tax ID field will appear on the form.

   Tax ID _____

2. Enter a ’1’ to automatically display the following forms on an add.

   Category Codes _____
   Bank Information _____
   Billing Instructions _____

Default

3. Enter the Search Type value for customer. Default is ’C’.

   Search Type _____

Audit

4. Enter a ’1’ to utilize the Audit Log File (F0101A). Currently not available.

   Audit Log File _____

Currency

5. Enter the default Amount Currency Code. If blank, default comes from the Company associated with the Security Business Unit in Address Book.

   Currency Code – A/B Amounts _____

Invoice Processing

Effective management of invoice processing is fundamental to your accounts receivable department. Typically, you create an invoice before you receive payment from the customer. Most invoices are generated from other systems, such as Sales Order Processing. However, at times you will need to enter and revise invoices for your customers.

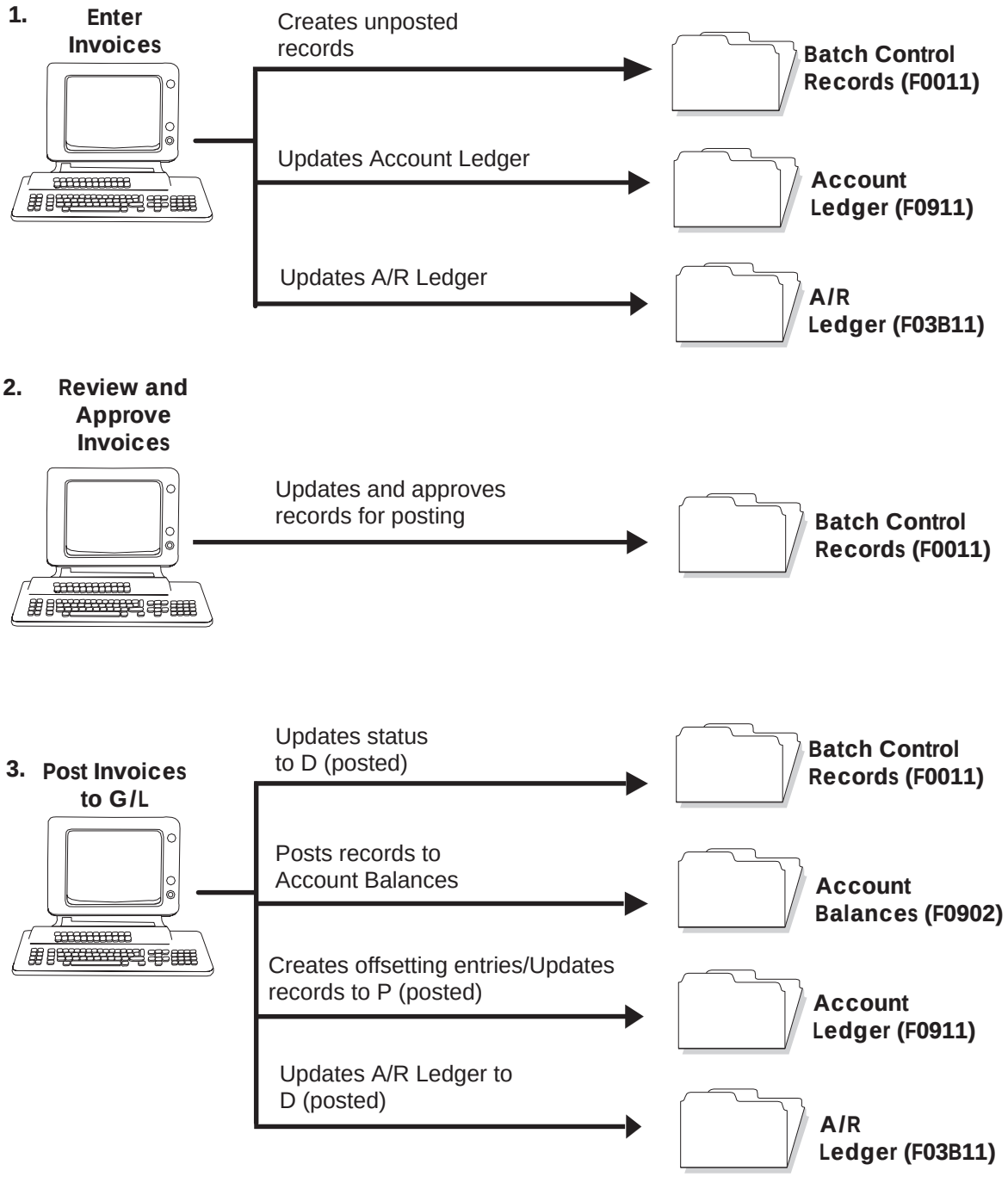
Invoice processing consists of the following topics:

- ❑ Understanding A/R batch control
- ❑ Understanding G/L date warnings
- ❑ Working with standard invoices
- ❑ Working with recurring invoices
- ❑ Entering speed invoices
- ❑ Reviewing and approving invoices
- ❑ Understanding the post process for A/R
- ❑ Posting invoices
- ❑ Revising posted invoices
- ❑ Printing invoice journal information
- ❑ Working with customer ledger information
- ❑ Working with speed status change

Invoice processing is one example of three-tier processing. All J.D. Edwards systems use three-tier processing to manage batches of transactions. The term *three-tier* refers to the following standard steps:

1. Enter transactions, such as invoices, receipts, and drafts
2. Review and approve transactions for posting
3. Post transactions to the general ledger

The following graphic illustrates the concept of three-tier processing.



What Are the Methods of Invoice Entry?

Depending on your needs, you can enter invoices using the following methods:

- Standard invoice entry. This method gives you the most flexibility and options.
- Speed invoice entry. This method gives you less flexibility and options than standard invoice entry. However, it provides a quicker way of entering invoice and general ledger information.

Which Method of Invoice Entry Should You Use?

To help determine which method of invoice entry you should use, consider the following advantages and limitations of standard and speed invoice entry:

Standard invoice entry advantages

You can:

- Create installment payments
- Use multiple pay items
- Set up recurring invoices
- Modify, delete, and void invoices
- Utilize and create model journal entries
- Override the G/L offset

Standard invoice entry limitations

You cannot:

- Enter invoices as quickly because you use two forms to enter invoice and G/L distribution information

Speed invoice entry advantages

You can:

- Use one entry program to enter both invoice and accounting distribution information
- Enter limited invoice information quickly

Speed invoice entry limitations

You cannot:

- Create installment payments
- Modify, delete, or void invoices
- Set up recurring invoices
- Enter more than one pay item per invoice
- Create or use model journal entries
- Override the G/L offset

When Do You Review and Approve Invoices?

After you enter invoices, you can review and approve them before posting. You can:

- Review and approve invoice batches

- Review and revise individual invoices
- Review and revise associated journal entries

What Happens When You Post Invoices?

After you review and approve invoices, post them to the general ledger. When you submit a batch of invoices for posting, the system:

- Selects unposted, approved invoices and edits each transaction
- Creates automatic offsets to the A/R trade and tax accounts
- Posts accepted transactions to the Account Balances table (F0902)
- Marks the invoices as posted in the A/R Ledger (F03B11), Invoice Revision Audit Trail (F03B112), and Account Ledger (F0911) tables
- Sends system messages to electronic mail
- Prints a general ledger report and/or a post detail error report

When Do You Set Up a Recurring Invoice?

If you have a customer that you repeatedly bill for a specific amount, such as a service or lease agreement, set up a recurring invoice. You specify the frequency and the number of payments when you enter the original invoice.

What Is Customer Ledger Information?

As part of your A/R activities, you might need to review the transaction history of a customer. Customer ledger information provides:

- A comprehensive audit trail of a transaction
- Open amounts remaining on an invoice
- The pay status and posting status of an invoice or a receipt
- Invoice detail and associated journal entry information
- The result of applying receipts to customers or invoices

The Customer Ledger Inquiry form is fundamental to the in-depth analysis of accounts receivable information. In addition to being the entry point to the standard invoice entry method, it enables you to review and access the details associated with each transaction.

Understanding A/R Batch Control

Before entering invoices, you can activate batch control to help manage your invoice entry process. When you activate batch control for a company, the system will use batch control for all companies.

Why Would You Activate Batch Control?

Use batch control to verify that the batch of invoices you enter into the system balances to a manual record of the batch. You activate batch control in the Accounts Receivable constants by clicking the appropriate option. Batch control information is stored in the Batch Control table (F0011).

You can activate batch control at the company level. When you activate batch control for a company, the system will use batch control for all companies.

When Do You Use Batch Control?

If you click the Batch Control Required option on A/R Constants, the system displays a form that you use to enter balancing information about your invoices before you actually enter them. If the amount entered differs from the amount expected, the system does not prevent you from posting the batch. Once you enter the information, the system compares the control totals with the actual totals you entered for the batch. If the totals are not the same, the Batch Review form displays the difference.

The Amount column is used for multiple currencies with different decimal positions. The Amount column does not represent decimal precision. A batch might contain multiple currencies with different decimal positions. You can set up the decimal position for transactions in the Data Dictionary.

After you enter invoices, if the process of closing the batch has not yet completed, the system displays the Notify form. To see if the batch has closed, click Retry. If the process of closing the batch has completed, the system displays the Batch Control form. To bypass the Batch Control form, click Cancel.

See Also

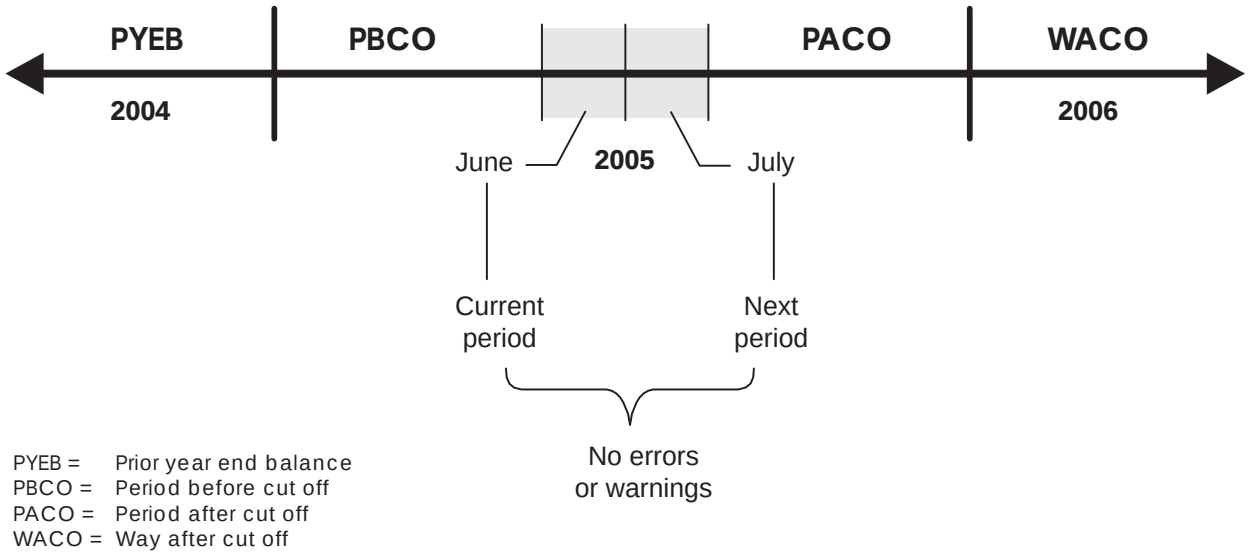
- *Setting Up A/R Constants*

Understanding G/L Date Warnings

From the Organization and Account Setup menu (G09411), choose Company Numbers & Names.

If the Company constants in the G/L system is set with the current period equal to 06, and you enter a transaction, the system edits the G/L date against the open period in the company constants. If you enter a journal entry with a G/L date that is not in the current or next accounting period, you get a warning or an error message.

In the example below, if you entered transactions to periods 06 and 07 (June and July), you would *not* get a warning or an error message. This is known as a "two-period" window.



PYEB = Prior year end balance
PBCO = Period before cut off
PACO = Period after cut off
WACO = Way after cut off

What Are the Warning and Error Messages You Might Receive?

The following lists the types of warning and error messages you receive when you enter a transaction outside the two-period window. These messages appear based on how you set your general accounting constants.

PYEB – Prior Year-End Balance	**Reason:** You entered a G/L date in a prior year. **Result:** You get an error message. The system does not accept the entry.
PBCO – Post Before Cut Off	**Reason:** You entered a G/L date prior to the current period. **Result:** You either get a warning or an error message, depending on your general accounting constants.
PACO – Post After Cut Off	**Reason:** You entered a G/L date that is after the two-period window. **Result:** You either get a warning or an error message, depending on how you set up your fiscal date patterns. If your fiscal date pattern is not set up for the full year, you get an error message. If it is set up for the full year, you get a warning.
WACO – Way After Cut Off	**Reason:** You entered a G/L date in a future year. **Result:** You either get a warning or an error message, depending on how you set up your fiscal date patterns.

See Also

- *Setting Up Fiscal Date Patterns* in the *General Accounting Guide*

Working with Standard Invoices

Standard invoice entry provides the features and flexibility that you need to enter invoices for your customers. When you need to change, delete, or void an invoice, use standard invoice entry. If you routinely distribute invoices to multiple G/L accounts, you can set up a journal entry to use as a model.

In addition to entering basic information for a standard invoice, you can enter and revise other types of information. For example, you might want to enter an invoice for multiple line items with different due dates or tax information.

Working with standard invoices consists of:

- ❑ Entering standard invoices
- ❑ Locating invoices
- ❑ Revising unposted invoices
- ❑ Adding attachments to invoices
- ❑ Entering invoices with discounts
- ❑ Entering split invoice payments
- ❑ Entering installment invoice payments
- ❑ Entering credit memos
- ❑ Entering invoices with taxes
- ❑ Entering multi-currency invoices

Before You Begin

- ❑ Set up customer master records. See *Creating Customer Records.*
- ❑ Set the appropriate processing options.
- ❑ Set up AAI items Receivables Class (RC). See *Understanding AAIs for A/R*.

Entering Standard Invoices

You must create an invoice to bill a customer for goods or services. You create an invoice by entering information about how you will process the invoice for receipt or allow the system to enter this information from the customer record.

After you enter information that is specific to the invoice, you enter the G/L distribution information. You typically enter a credit to a revenue account. When you post the invoice, the system debits the offset to an A/R Trade account that you specify in the AAIs.

Entering standard invoices consists of:

- Entering basic invoice information
- Entering G/L distribution information

You must complete both tasks for each invoice.

The system assigns a batch type of IB to invoices. When you enter a standard invoice, the system marks it as unposted and adds it to the A/R Ledger and Account Ledger tables. When you post it, the system updates the Account Balances table (F0902) and marks the invoice as posted in the following tables:

- A/R Ledger (F03B11)
- Invoice Revisions Audit Trail (F03B112), if revisions exist
- Account Ledger table (F0911)
- Batch Header (F0011)

Related Tasks

Creating a customer record

You can create a customer record when you enter invoice information. To do so, choose Customer Master from the Form menu on the Standard Invoice Entry form. Then, follow the steps to enter a customer.

See *Creating Customer Records*.

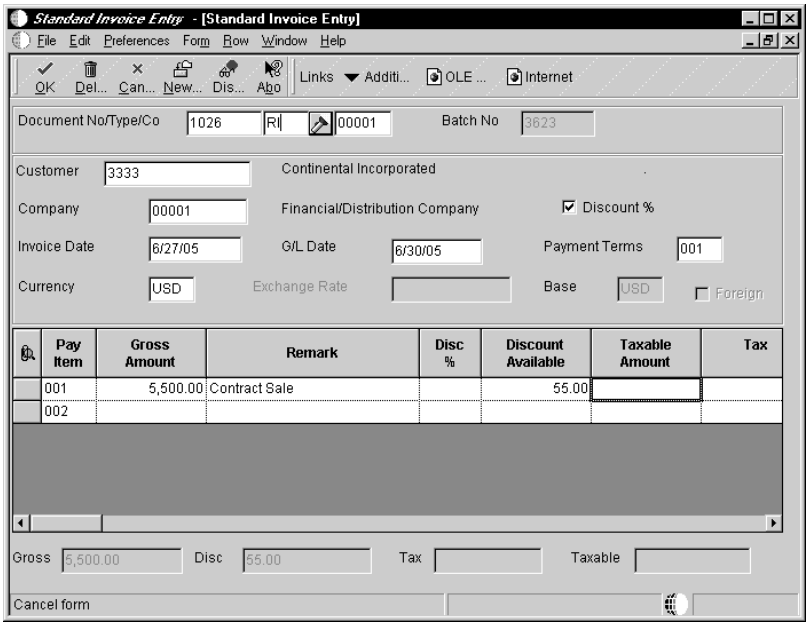
See Also

- *Entering Basic Journal Entries* in the *General Accounting Guide*

To enter basic invoice information

From the Customer & Invoice Entry menu (G03B11), choose Standard Invoice Entry.

1. On Work With Customer Ledger Inquiry, click Add to access Standard Invoice Entry.



2. On Standard Invoice Entry, complete the following optional fields in the header area:

   - Document No/Type/Co (Number/Type/Company)

   After you enter an invoice, the system displays the assigned document type and document number. You can use this as reference information to facilitate locating and reviewing an invoice.

3. Complete the following fields in the header area:

   - Customer
   - Company
   - Invoice Date
   - G/L Date

4. Complete the following optional field:

   - Payment Terms

5. In the detail area, complete the following required field:

   - Gross Amount

You cannot enter or change the open amount in the detail area of Standard Invoice Entry. The system automatically calculates it for you. However, if you change the gross amount the system recalculates the open amount when you move to the next pay item or click OK.

6. In the detail area, complete the following optional fields for each pay item, and click OK:
   - Remark
   - Due Date
   - Pay Status Code (PS)
   - Purchase Order (if you set the appropriate processing option)
   - G/L Offset
7. After you complete these steps, click OK to enter G/L distribution information.

   If an error occurs during entry, the system highlights the first field that is in error. To view the error, choose Display Error from the Help menu.

Field	Explanation
Document No/Type/Co	A number that identifies the original document, such as a voucher, invoice, unapplied cash, journal entry, and so on. On entry forms, you can assign the original document number or let the system assign it through Next Numbers. Matching document (DOCM) numbers identify related documents in the Accounts Receivable and Accounts Payable systems. Examples: • Automated/Manual Payment Original document – Voucher Matching document – Payment • A/R Original Invoice Original document – Invoice • Receipt Application Original document – Invoice Matching document – Receipt • Credit Memo/Adjustment Original document – Invoice Matching document – Credit Memo • Unapplied Receipt Original document – Receipt
Customer	A user defined name or number that is unique to the address book number. You can use this field to enter and locate information. You can use it to cross-reference the supplier to a Dun & Bradstreet number, a lease number, or other reference.

Field	Explanation
Company	A code that identifies a specific organization, fund, entity, and so on. The company code must already exist in the Company Constants table (F0010) and must identify a reporting entity that has a complete balance sheet. At this level, you can have intercompany transactions. NOTE: You can use Company 00000 for default values, such as dates and automatic accounting instructions (AAIs). You cannot use Company 00000 for transaction entries.
Invoice Date	The date of the invoice. This can be either the date of the supplier's invoice to you or the date of your invoice to a customer.
G/L Date	A date that identifies the financial period to which the transaction will be posted. The company constants table for general accounting specifies the date range for each financial period. You can have up to 14 periods. Generally, period 14 is used for audit adjustments.
Gross Amount	The gross amount of an invoice or voucher pay item, including tax. The total amount for a voucher or invoice is the accumulation of the open pay items. The accounting distributions must balance to the gross amount less recoverable VAT. . . . . . *Form-specific information* . . . . . . The total gross amount of all pay items must equal the invoice amount. The gross amount includes the original invoice amount. If you make a payment or a revision, this amount is reflected in the open amount. The gross amount total changes if you change the invoice amount, but it does not change with the entry of a payment, revision, and so on.
Remark	A generic field that you use for a remark, description, name, or address. . . . . . *Form-specific information* . . . . . . The system uses this remark as the default G/L distribution explanation, if you leave the Explanation field blank on G/L Distribution.

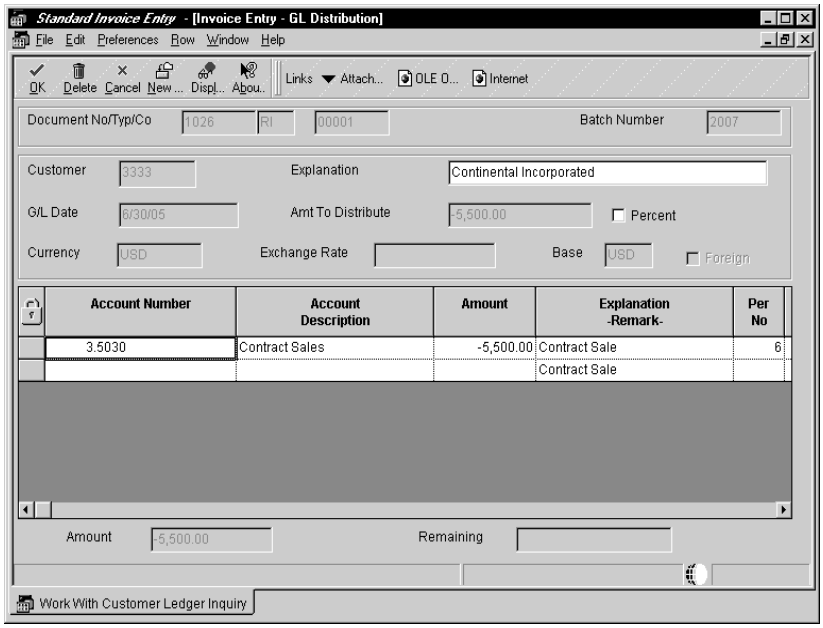
Field	Explanation
Due Date	The date the net payment is due (accounts receivable). In accounts payable, this date is either the discount date or the net due date, depending on what you entered or how you set up your payment terms. If you leave this field blank during invoice entry or voucher entry, the system calculates the due date using the invoice date and the payment terms code. If you leave the Payment Terms field blank, the system calculates them based on the payment terms you specified for the customer on Customer Master Revision or for the supplier on Supplier Master Revision.
PS	A user defined code (00/PS) that indicates the current payment status for a voucher or an invoice. Valid codes are: P Paid. The voucher or invoice is paid in full. A Approved for payment, but not yet paid. This applies to vouchers and automatic cash applications. H Hold pending approval. R Retainage. % Withholding applies. ? Other codes. All other codes indicate reasons that payment is being withheld. # Payment-in-process. . . . . . *Form-specific information* . . . . . . You cannot change the pay status to P (paid), D (draft accepted), or # (payment in-process). If you leave this field blank, the system uses the default value from the processing options.
Purchase Order	A document that authorizes the delivery of specified merchandise or the rendering of certain services.

Field	Explanation
G/L Offset	The table of Automatic Accounting Instruction accounts that allows you to predefine classes of automatic offset accounts for Accounts Payable, Accounts Receivable, and other systems. G/L offsets might be assigned as follows: • Blank or 1210– Trade Accounts Receivable • RETN or 1220 – Retainages Receivable • EMP or 1230 – Employee Accounts Receivable • JIB or 1240 – JIB Receivable (See A/R Class Code – ARC) • Blank or 4110 – Trade Accounts Payable • RETN or 4120 – Retainage Payable • OTHR or 4230 – Other Accounts Payable (See A/P Class code – APC) If you leave this field blank during data entry, the system uses the default value from the Customer Master by Line of Business table (F03012) or the Supplier Master table (F0401). The post program uses the G/L Offset class to create automatic offset entries. NOTE: Do not use code 9999. It is reserved for the post program and indicates that offsets should not be created.

▶ To enter G/L distribution information

After you enter invoice information, enter the detail lines that distribute the invoice amount to your G/L accounts.

On Invoice Entry – GL Distribution



1. In the detail area, complete the following fields for each G/L distribution, and click OK:
   - Account Number
   - Amount (as a credit)
2. Complete the following optional field:
   - Explanation

   Before you click OK when entering the G/L distribution of an invoice, the Remaining Amount field must be blank. Otherwise, the system will issue a warning and the invoice will not be accepted.

Field	Explanation
Account Number	A field that identifies an account in the general ledger. You can use one of the following formats for account numbers: • Standard account number (business unit.object.subsidiary or flexible format) • Third G/L number (maximum of 25 digits) • 8-digit short account ID number • Speed code The first character of the account indicates the format of the account number. You define the account format in the General Accounting Constants program.

Field	Explanation
Amount	A number that identifies the actual amount. Enter debits with no sign or a plus sign. Enter credits with a minus sign either before or after the amount. You can use decimals, dollar signs, and commas. The system ignores nonsignificant symbols.
Explanation –Remark–	A name or remark that describes an element in the J.D. Edwards systems. . . . . . *Form-specific information* . . . . . . For G/L distribution, a field that the system usually populates with the customer name from the invoice.

Technical Considerations

Default information

If you specify a default revenue account or a model journal entry in the customer master record, the system uses this information as the default revenue account in the detail area of the Invoice Entry - GL Distribution form. The total invoice amount displays as a credit in the Amount field. If necessary, you can override any of this information.

Creating multiple G/L distributions as a percent

To create multiple G/L distribution amounts as a percent, click the Percent option in the header of Invoice Entry - G/L Distribution. Then, specify the percentage you want to distribute in the % (Percentage) field in the grid. The system calculates the amount. The total of all distribution lines must equal 100%.

Locating Invoices

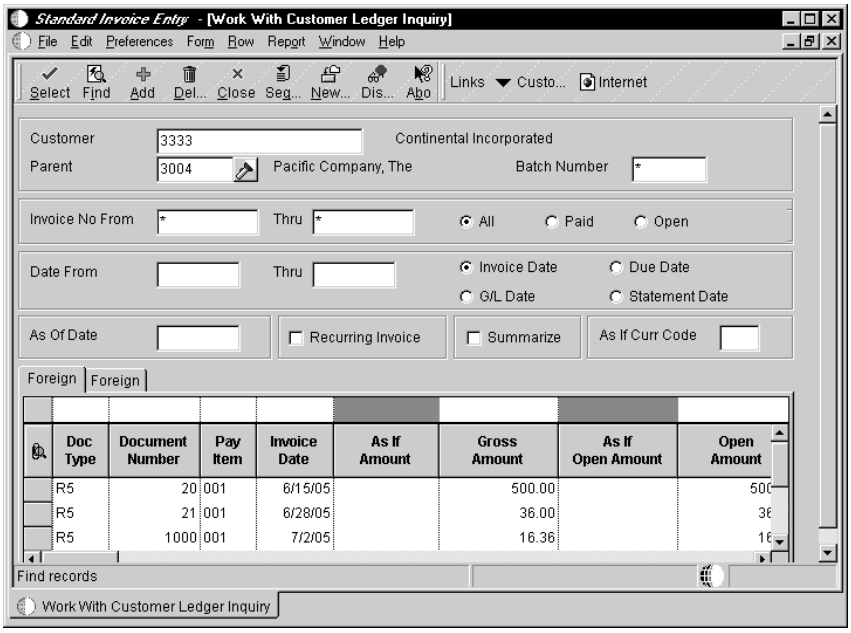
To review, change, delete, or void an invoice, you must first locate it. You can limit your search by defining:

- Standard invoice criteria, such as a customer number or invoice number
- Detailed invoice criteria, such as a date range, a specific invoice date, or a G/L date

▶ To locate invoices

From the Customer & Invoice Entry menu (G03B11), choose Standard Invoice Entry.

On Work With Customer Ledger Inquiry



1. To limit your search, complete any of the following fields:
   - Customer
   - Parent
   - Batch Number
   - Invoice No From
   - Thru
   - Date From

Alternatively, you can enter a value in the Query by Example (QBE) line for any field.

2. To display documents by pay status, click one of the following options:
   - All
   - Open
   - Paid
3. To display documents by date, click one of the following options:
   - Invoice Date
   - Due Date
   - G/L Date
   - Statement Date
4. To view invoices as of a specific date, complete the following field:
   - As Of Date
5. To view invoices in recurring or summarized mode, click one or both of the following options:
   - Recurring Invoice
   - Summarize
6. Click Find to display the invoices that meet your search criteria.
7. Choose the invoice you want to work with.
8. Click Select to display the invoice on Standard Invoice Entry.

See Also

- *Revising Unposted Invoices*
- *Revising Posted Invoices*

Revising Unposted Invoices

You can change or delete an invoice before you post it. However, you cannot change the following key fields:

- Document Number
- Document Type
- Document Company
- Customer Number
- G/L Date
- Currency Code
- Pay Status, if equal to Paid (P)

If you need to change one of these fields, you must delete the invoice and re-enter it. The system displays a warning if you attempt to change a multi-currency transaction in domestic mode.

You must change the amounts in both the invoice information and G/L distribution information and ensure that they balance.

You cannot change a pay item that has been paid.

▶ To revise unposted invoices

From the Customer & Invoice Entry menu (G03B11), choose Standard Invoice Entry.

On Work With Customer Ledger Inquiry

1. Locate the invoice, and click Select.
2. On Standard Invoice Entry, change the information in any field that is not a key field, and click OK.

   If you changed a field that affects the G/L distribution, the system displays Invoice Entry – GL Distribution.

3. Change the amount in the following field, if necessary:
   - Discount Available
4. On Invoice Entry – GL Distribution, complete the following fields to create a balancing entry on a new grid line, if necessary:
   - Account Number
   - Amount
   - Explanation –Remark–

Related Tasks

Changing several invoices

To quickly change specific information for several invoices at the same time, such as discounts, use Speed Status Change.

Deleting unposted invoices

To delete an unposted invoice, locate the invoice that you want to delete on the Customer Ledger Inquiry form and click Delete. Then click OK to confirm the deletion.

After you delete an unposted invoice, no audit trail exists. You cannot delete a posted invoice. You must void it.

Deleting unposted invoice pay items

To delete an unposted invoice pay item, choose the pay item that you want to delete and click Delete on Standard Invoice Entry. Then click OK to confirm the deletion.

Recommendations

Batch headers

Any change to an invoice on an invoice entry form reopens the batch and requires you to repost it. Consider using Speed Status Change to change information, such as due dates, that does not affect the G/L distribution.

See Also

- *Locating Invoices*
- *Revising Posted Invoices*
- *Working with speed status change*
- *Entering Invoices with Discounts*

Adding Attachments to Invoices

After you enter an invoice, you can add one of the following attachments to it:

- Text
- Image
- OLE

The system displays a paperclip icon on the invoice line as follows:

- On Work With Customer Ledger Inquiry, when an attachment was added for the invoice
- On the Work With Customer Ledger Inquiry, Standard Invoice Entry, and Invoice Entry – G/L Distribution forms when an attachment was added for a detail line

These attachments are for internal reference only and do not appear on reports, invoices, or statements. For example, you might enter customer instructions that regard invoice revisions or voids. Depending on the results that you want, complete one of the following tasks:

- Add an attachment to an invoice
- Add an attachment to a detail line of an invoice

See Also

- *Locating Invoices*

▶ To add an attachment to an invoice

From the Customer & Invoice Entry menu (G03B11), choose Standard Invoice Entry.

On Work With Customer Ledger Inquiry

1. Locate the invoice.
2. From the Row menu, choose Attachments.
3. On Media Objects, from the File menu, choose Add and then one of the following options:
   - Text
   - Image
   - OLE
4. Attach the object or enter the text.
5. Choose Save and Exit from the File menu.

▶ To add an attachment to a detail line of an invoice

From the Customer & Invoice Entry menu (G03B11), choose Standard Invoice Entry.

On Work With Customer Ledger Inquiry

1. Locate the invoice and click Select.

2. On Standard Invoice Entry, choose the detail line of the invoice for which you want to add text.
3. From the Row menu, choose Attachments.
4. On Media Objects, choose Add from the File menu, then choose one of the following:
    - Text
    - Image
    - OLE
5. Attach the object or enter the text.
6. Choose Save and Exit from the File menu.

Entering Invoices with Discounts

You might offer discounts to your customers as an incentive for early payment of their invoices. When you enter an invoice with a discount, the system calculates the discount and net due dates according to the payment terms assigned to the invoice. You can change the discount before you receive payment by:

- Changing the discount amount or payment terms during invoice entry
- Overriding the discount amount during receipts entry
- Overriding the discount amount when you update an invoice for payment

The system post a creates the associated journal entries for the discount amount when you received payment.

Entering Discounts

There are three methods for entering discounts:

- Using payment terms. You enter an invoice, specifying the payment terms. The system calculates the discount available and due date from the payment terms.
- Entering a discount amount. You enter an invoice, specifying the discount available and, optionally, a net due date.
- Entering a discount percentage. You enter an invoice, specifying the discount percentage and, optionally, a net due date.

If you change a discount field for an invoice, remove the system-calculated information. For example, if you change the Payment Terms field to calculate a new discount, clear the following fields:

- Discount Available
- Discount Due Date

- Net Due Date

If you clear the payment terms but not the other discount fields, the system will not recalculate the discount information.

Before You Begin

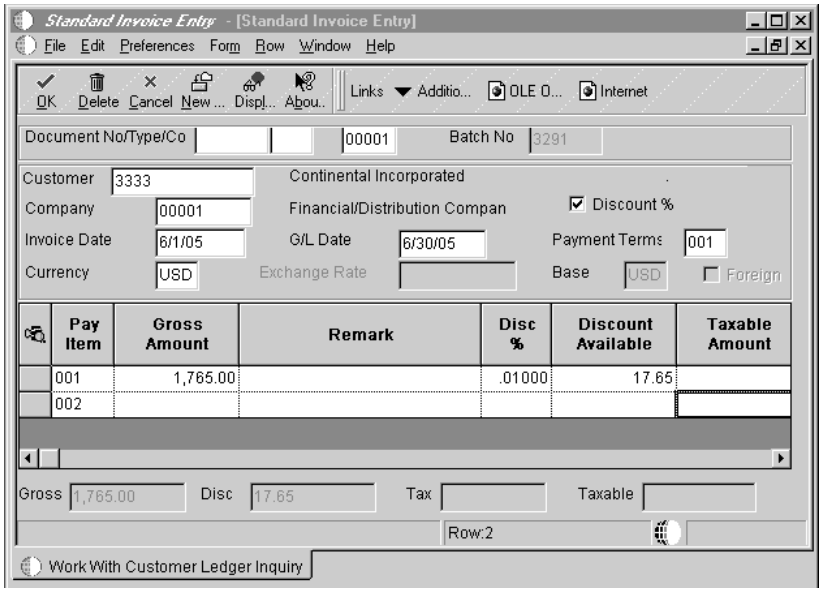
❑ Verify that AAI item RKD (Discounts Taken) is set up correctly

▶ To enter invoices with discounts

From the Customer & Invoice Entry menu (G03B11), choose Standard Invoice Entry.

On Work With Customer Ledger Inquiry

1. Click Add to access Standard Invoice Entry.
2. On Standard Invoice Entry, follow the steps to enter invoice information.



3. Complete the following optional field:
   - Discount %

     The system automatically chooses the Discount % option when you enter an invoice. It calculates the discount available amount when you specify a percentage in the detail area on Standard Invoice Entry.

     You can override the calculated amount by specifying a different amount in the Discount Available field.

4. Complete the following field, if necessary:
   - Payment Terms
5. In the detail area, complete one of the following fields:
   - Discount % – Payment Terms
   - Discount Available
6. Complete the following optional fields, and click OK:
   - Due Date
   - Discount Due Date
7. Complete the necessary G/L distribution information.

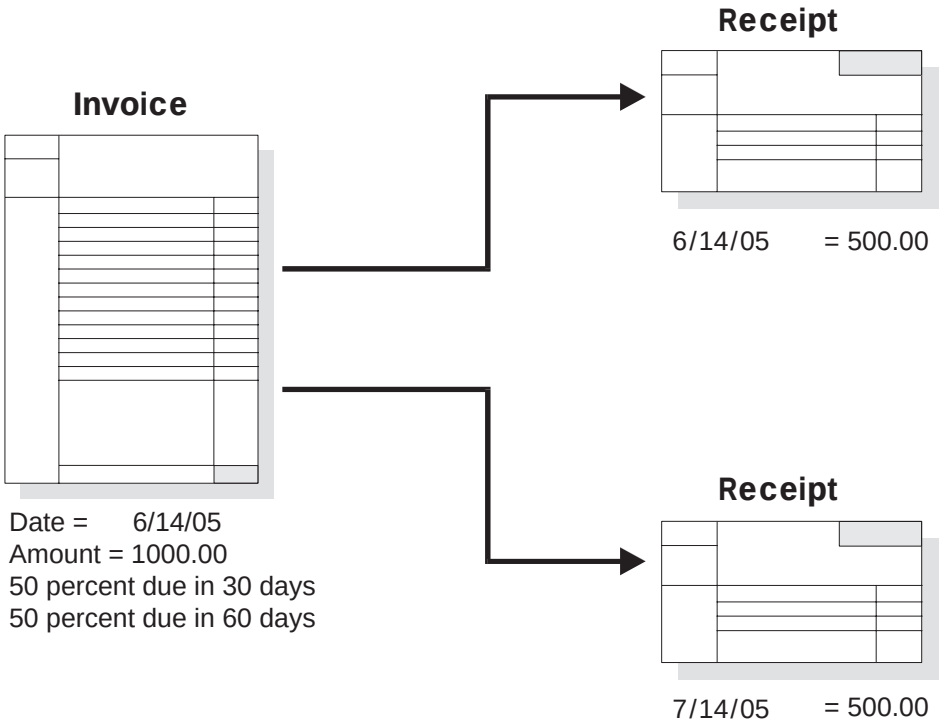
Field	Explanation
Disc Percent	The percent of the total invoice that you will discount if the invoice is paid within the discount period. You enter the discount percent as a decimal, for example, a 2 percent discount is .02.
Discount Available	The amount of the discount available as opposed to the amount of the discount actually taken. If the supplier's invoice specifies a discount available, type that amount. If not, do one of the following: • Compute the amount manually and type it in the field. • Leave the field blank. The system calculates the amount based on the payment terms specified in the address book. • Type a zero (0) to override the address book value and indicate that a discount is not applicable. NOTE: If the discount is to be calculated automatically, take care in determining the amount available for discount. Usually, freight, sales taxes, and labor included in the gross amount do not qualify for discounts. If this is the case, separate these pay items to ensure that the discount is calculated correctly.

Field	Explanation
Discount Due Date	The date that the invoice or voucher is due in order to receive the discount. If you leave this field blank during invoice or voucher entry, the system calculates the due date using the invoice date and the payment terms code. If there is no discount, the net due date populates this field. The value shown in this field is calculated by the system when you add a voucher. The system calculates the net due date based on the invoice date and the payment terms code, or the discount due date if one is entered manually. If you leave the Payment Terms field blank, the system calculates the net due date and discount due date based on the payment terms you specified for the supplier on the Supplier Master Revision form.

Entering Split Invoice Payments

You can allow a customer to pay an invoice in equal installments, or regular intervals. For example, you might require that a customer pay half an invoice amount when the order is placed and pay the remaining amount when the service is complete or when goods are shipped. To do this, enter an installment payment invoice.

The system splits the invoice into equal amounts to be paid at regular intervals according to the payment terms set up for the customer. You can change the payment terms and amounts before payment is received. The system calculates the net due date based on the payment terms you specify.



Before You Begin

❑ Verify that the payment terms for split payments invoice are set up correctly. See *Setting Up Payment Terms for A/R.*

▶ To enter split invoice payments

From the Customer & Invoice Entry menu (G03B11), choose Standard Invoice Entry.

On Work With Customer Ledger Inquiry

1. Click Add to access Standard Invoice Entry.

2. On Standard Invoice Entry, follow the steps to enter invoice information.
3. Complete the following field, and click OK:
   - Payment Terms

   Choose a payment term that is established for split payments. When you enter the payment term, only one pay item appears. You do not see the invoice split until you enter the G/L distribution and locate the voucher again.

   If you change the invoice amount, you must manually adjust the gross amounts for the pay items.

   If you split an invoice with a discount, the total discount amount is applied to the first payment. To apply the invoice to additional pay items, you must manually enter the appropriate discount amount.
4. Complete the necessary G/L distribution information.

Entering Installment Invoice Payments

Instead of requiring an invoice to be paid all at one time, you can arrange installment payments. You can set up installment payment terms to allow a customer to pay an invoice with multiple payments over a specified period of time.

Installment payments are similar to split payments, but allow you to set up equal or unequal payments with different discount percentages. You can also specify a different discount percent for each installment. The system calculates the due date of each installment based on the due date rule you assign to it.

The following describes two examples of installment payment terms:

Equal payments with a discount due date	You might set up five equal payments. Each payment includes a 10 percent discount if paid within the discount period that you defined in the discount due date rule. The actual due date of the payment depends on the net due date rule that you set up.
Unequal payments with a discount due date	You might set up six payments. Five of the payments might be 15 percent of the invoice amount, and the sixth payment is 25 percent. Each payment might also include a 5 percent discount if paid within the discount period that you defined in the discount due date rule. The actual due date of the payment depends on the net due date rule that you set up.

Before You Begin

❑ Verify that the payment terms for installment payments invoice are set up correctly. See *Setting Up Payment Terms for A/R.*

▶ To enter installment invoice payments

From the Customer & Invoice Entry menu (G03B11), choose Standard Invoice Entry.

On Work With Customer Ledger Inquiry

1. Click Add to access Standard Invoice Entry.
2. On Standard Invoice Entry, follow the steps to enter invoice information.
3. Complete the following field, and click OK:
   - Payment Terms

   Choose a payment term that is established for installment payments. When you enter the payment term, only one pay item appears. You do not see the invoice installment until you enter the G/L distribution and locate the invoice again.

   If you change the invoice amount, you must manually adjust the gross amounts for the pay items.

   To apply the invoice to additional pay items, you must manually enter the appropriate discount amount.
4. Complete the necessary G/L distribution information.

See Also

- *Setting Up Payment Terms for A/R*

Entering Credit Memos

When a customer is overcharged and you want the customer's statement to reflect the correction, enter a credit memo.

The system assigns the document type you specify in the processing options for the Master Business Function (P03B0011). Generally, a credit memo is assigned a document type RM.

▶ To enter credit memos

From the Customer & Invoice Entry menu (G03B11), choose Standard Invoice Entry.

On Work With Customer Ledger Inquiry

1. Click Add to access Standard Invoice Entry.
2. On Standard Invoice Entry, follow the steps to enter a standard invoice, except enter a negative amount in the following field:
    - Gross Amount

Technical Considerations

When you enter a credit memo, the net due date will equal the G/L date. The system ignores the payment terms when calculating due dates for credit memos.

Depending on the payment terms, the system calculates a negative discount in the Discount Available field. To remove the negative discount, clear the payment terms field and the Discount Available field before clicking OK.

See Also

- *Processing Options for Standard Invoice Entry*

Entering Invoices with Taxes

Enter tax information on an invoice to override the default tax information. Default information, which you specify in the customer master record, applies to an entire invoice or each associated pay item.

The system makes accounting entries for taxes when you post the invoice. AAI item RTyyyy points to the tax account. The system posts taxes to the appropriate accounts using AAI item RT and records tax pay items in the Sales/Use/VAT Tax table (F0018). If you enter a tax amount, the system validates it based on the tolerance ranges you specify when you set up tax rules by company. You must set the processing option in the post correctly to perform this update.

Before You Begin

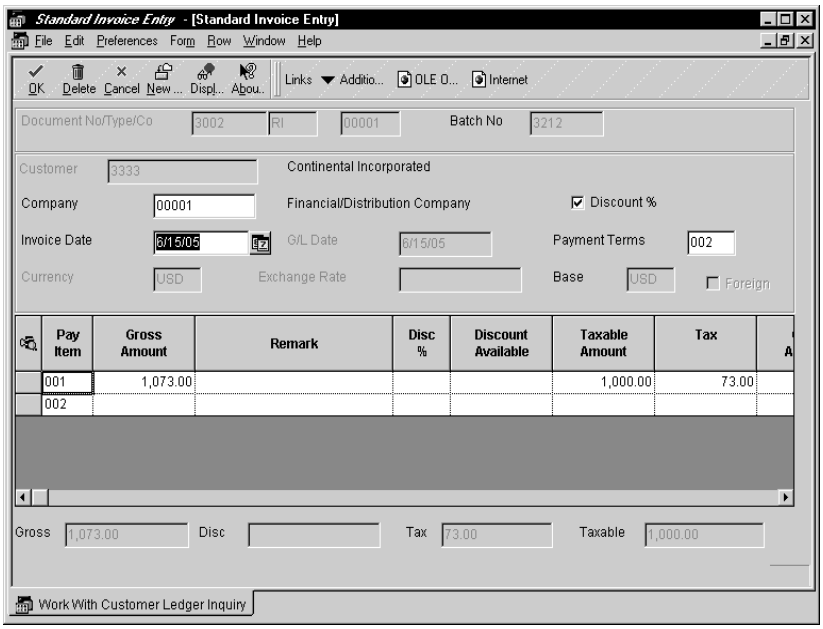
- ❑ Set up the appropriate tax rates and areas
- ❑ Set up AAI item RT (Accrued Sales or VAT tax)

▶ To enter an invoice with taxes

From the Customer & Invoice Entry menu (G03B11), choose Standard Invoice Entry.

On Work With Customer Ledger Inquiry

1. Click Add to access Standard Invoice Entry.



2. On Standard Invoice Entry, follow the steps to enter invoice information.
3. In the detail area, complete the following fields:
   - Tax Area
   - Tax Expl
4. Complete the following optional fields, and click OK:
   - Taxable Amount

     Amounts on a pay item are either taxable or non-taxable, but never both. To enter non-taxable amounts, you should use a separate pay item and a tax explanation code of Exempt, or some other appropriate code.

   - Tax

     You must change or clear the system-calculated information (tax amount and taxable amount) so the system recalculates it.

     When an invoice has multiple tax rates, you must change tax information for each pay item that differs from the default information.
5. Complete the necessary G/L distribution information.

Field	Explanation
Tax Area	A code that identifies a tax or geographic area that has common tax rates and tax distribution. The tax rate/area must be defined to include the tax authorities (for example, state, county, city, rapid transit district, or province), and their rates. To be valid, a code must be set up in the Tax Rate/Area table (F4008). Typically, U.S. sales and use taxes require multiple tax authorities per tax rate/area, whereas value-added tax (VAT) requires only one simple rate. The system uses this code to properly calculate the tax amount.
Tax Expl	A user defined code (system 00/type EX) that controls how a tax is assessed and distributed to the general ledger revenue and expense accounts. Do not confuse this with the taxable, non-taxable code. A single invoice can have both taxable and non-taxable items. The entire invoice, however, must have one tax explanation code.
Taxable Amount	The amount on which taxes are assessed. . . . . . *Form-specific information* . . . . . . You can either enter an amount in this field and the system will calculate the tax for you, or you can enter an amount in the Tax Amount field. If you decide to type an amount in the Taxable Amount field, the system will validate it according to the tax rules you set up on Tax Rules by Company.
Tax	This is the amount assessed and payable to tax authorities. It is the total of the VAT, use, and sales taxes (PST). . . . . . *Form-specific information* . . . . . . When you enter a tax amount, you might receive a warning message if the amount is different than the calculated amount in the Tax Rate/Area field. This warning does not prevent you from completing the entry.

Related Information

Updating tax amounts

You must set the three processing options in the post program for invoice entry so that tax amounts are updated in the Sales/Use/VAT Tax table (F0018). If they are not set correctly, the system does not update information in this worktable, and does not generate standard tax reports.

See Also

- *Setting Up Tax Rates and Areas for A/R*
- *Setting Up Tax Rules by Company for A/R*
- *Understanding Tax Explanation Codes for A/R*

Entering Multi-Currency Invoices

To enter an invoice for a currency other than the domestic currency for the customer, enter a multi-currency invoice. When you choose the Foreign option, the system converts the amount to the domestic currency of the company that the invoice is associated with using the exchange rate in the Currency Exchange Rate table (F0015).

Before You Begin

❑ Ensure that multi-currency conversion option is set to Y (yes) in the General Accounting Constants.

❑ Verify that the following AAIs are set up correctly:

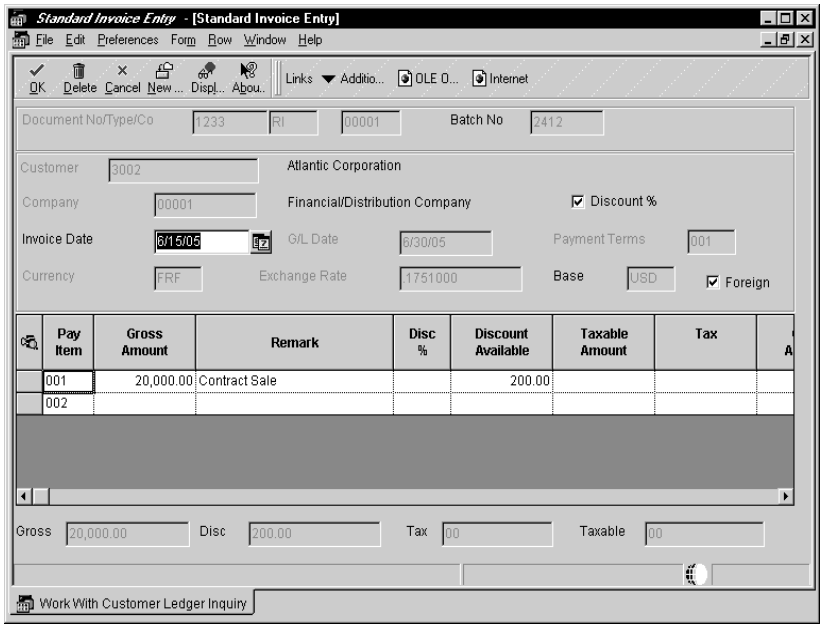
- Realized Gain (RG)
- Realized Loss (RL)

▶ To enter multi-currency invoices

From the Customer & Invoice Entry menu (G03B11), choose Standard Invoice Entry.

On Work With Customer Ledger Inquiry

1. Click Add to access Standard Invoice Entry.



2. On Standard Invoice Entry, follow the steps to enter a standard invoice.
3. Complete the following fields:
   - Currency

     After you enter a multi-currency invoice, you cannot change the currency code. If you need to change the currency, you must enter a new invoice with the correct currency code and delete the incorrect invoice.

     If you delete a foreign currency invoice, the system also deletes the domestic side of the invoice. If you delete a domestic invoice, the system also deletes the foreign side.

   - Exchange Rate (optional)
   - Foreign
   - Currency
   - Exchange Rate
4. To enter the foreign side of the invoice, click the following option:
   - Foreign

     You can display the currency originally entered for the invoice as well as the domestic currency of the company. Use the Foreign option to change from Foreign to Domestic currency.

5. In the detail area, complete the following fields for each pay item, and click OK:
   - Remark
   - Due Date

- Discount Due Date

6. After you complete these steps, follow the steps to enter G/L distribution information.

Field	Explanation
Currency	A code that indicates the currency of a customer's or a supplier's transactions.
Exchange Rate	The conversion rate that the system uses to convert foreign currencies to the domestic currency. If the Multi-Currency Conversion field in General Accounting Constants is set to Y, the multiplier rate is used for all calculations. . . . . . *Form-specific information* . . . . . . If you leave this field blank, the rate is supplied from the exchange rate table on the Set Daily Transaction Rates form. The effective date for the exchange rate is either the invoice date or the general ledger date, depending on how the processing options are set.
Foreign	A code that specifies whether amounts are in the domestic currency of the contract or the foreign currency of the supplier. Valid codes are: D Domestic F Foreign 3 Foreign and Domestic For conversions, D indicates domestic to foreign, and F indicates foreign to domestic.

See Also

- *Reviewing Invoice Information* for information about reviewing invoices as if they were entered in a currency other than the domestic or foreign currency

Processing Options for Standard Invoice Entry

Display

1. Enter a ’1’ to display the Purchase Order fields.

   Display Purchase Order _____

2. Enter a ’1’ to hide tax information

   Disable Sales/Use/VAT Tax Processing _____

Versions

   1. Enter the version to be used for Invoice Entry (P03B0011) processing. If left blank, version ZJDE0001 will be used. _____
   2. Enter the version to be used for Journal Entry (P0900049) processing. If left blank, version ZJDE0001 will be used. _____

Currency

1. Enter the currency code for As If currency display on Customer Ledger Inquiry. This option allows for amounts to display in a currency other than the currency they are stored in. Domestic amounts will be translated and displayed in this as-if currency. If left blank, the As If currency grid columns will not display.

   As If Currency _____

2. Enter the “As Of” date for processing the current exchange rate for the as-if currency. If left blank, the Thru date will be used. NOTE: A valid exchange rate must exist in the exchange rate table between the two currencies based on the As Of date.

   As Of Date _____

Process

1. Enter a ’1’ to activate Customer Self-Service functionality for use in Java/HTML. Leave blank to bypass Customer Self-Service functionality.

   Customer Self-Service _____

Master Business Function (P03B0011)

The purpose of a master business function (MBF) is to provide a central location for standard business rules about entering documents, such as invoices, invoices, and journal entries.

The master business function is comprised of processing options that are shared by certain programs. The processing options for the Invoice Entry MBF are used by the following invoice entry programs:

- Standard
- Speed
- Invoice Batch Processor

To review versions and processing options for the Invoice Entry MBF in OneWorld, follow these steps:

1. From the System Administration Configuration Tools menu (GH9011), choose Interactive Versions.
2. On Work with Interactive Versions, type the application number (P03B0011) in the Interactive Application field and click Find.
3. Choose a version.
4. To review the process option settings for the version, choose Processing Options from the Row menu.

Processing Options for Invoice Entry MBF Processing Options

Defaults

1. Select an option for default service/tax date. Enter a ’1’ to default from the invoice date. Leave blank to default from the G/L date.

   Service/Tax Date Option _____

2. Enter the default pay status or leave blank to use the data dictionary default value.

   Default Pay Status _____

3. Enter the default document types for the following:

   Standard Invoice Type (default = RI) _____
   Credit Memo Type (default = RM) _____

Edits

1. Select an option for invoice date editing:
   Blank = No Edit, ’1’ = Warning, ’2’ = Error

   Invoice Date > Today’s Date _____
   Invoice Date > G/L Date _____

Currency

1. Enter a ’1’ to allow value added tax on entries with currency.

   Value Added Tax Option _____

2. Select the date to be used to retrieve the exchange rate. Enter a ’1’ to use the G/L date. Leave blank to use the invoice date.

   Exchange Rate Date Option _____

3. Enter a ’1’ to edit the exchange rate effective date against the G/L period of the transaction.

   Effective Date Option _____

4. Enter the exchange rate tolerance limit.

   Tolerance Limit _____

Working with Recurring Invoices

If you need to bill a customer for the same amount on a regular basis, such as monthly, quarterly, and so on, set up your Accounts Receivable system to create a recurring invoice.

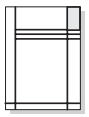
Working with recurring invoices consists of:

- ❑ Entering recurring invoices
- ❑ Reviewing recurring invoices
- ❑ Revising recurring invoices
- ❑ Canceling recurring invoices
- ❑ Recycling recurring invoices

To set up a recurring invoice, you first enter the total number of payments and the recurring frequency. Then you complete entering the invoice information and the accounting distributions.

Information about recurring invoices is maintained in the A/R Ledger (F03B11) and Account Ledger (F0911) tables.

The following graphic illustrates the recurring invoice process.

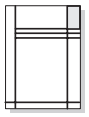


Enter the original document into the A/R system. In addition to the normal information, you must also enter the recurring information.

Original Invoice #5555
Document number #1267
Recurring Frequency QT
Number of Payments 4
1,200.00

Review, approve, and post. Send invoice to customer.

Run recycle program

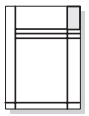


When you run the recycle program, the system makes a copy of the original invoice, reduces the number of payments by one, and assigns a new document number.

Document number #2275
Recurring Frequency QT
Number of Payments 3
1,200.00

Review, approve, and post. Send invoice to customer.

Run recycle program

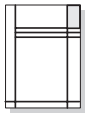


When you run the recycle program, the system makes a copy of document number 2275, reduces the number of payments by one, and assigns a new document number.

Document number #3120
Recurring Frequency QT
Number of Payments 2
1,200.00

Review, approve, and post. Send invoice to customer.

Run recycle program



When you run the recycle program, the system makes a copy of document number 3120, reduces the number of payments by one, and assigns a new document number when the number of payments equals 1. This is the last time the invoice will be recycled.

Document number #4890
Recurring Frequency QT
Number of Payments 1
1,200.00

Review, approve, and post. Send invoice to customer.

Run recycle program

See Also

- *R03B305, Recurring Invoice Report* in the *Reports Guide* for a report sample

Entering Recurring Invoices

To bill a customer the same amount on a regular basis, enter a recurring invoice. This method of entering a standard invoice is ideal for lease and rent payments.

When you enter recurring invoices, you must first specify the recurring information (recurring frequency and number of payments) on the Recurring Invoices form before you enter standard invoice information.

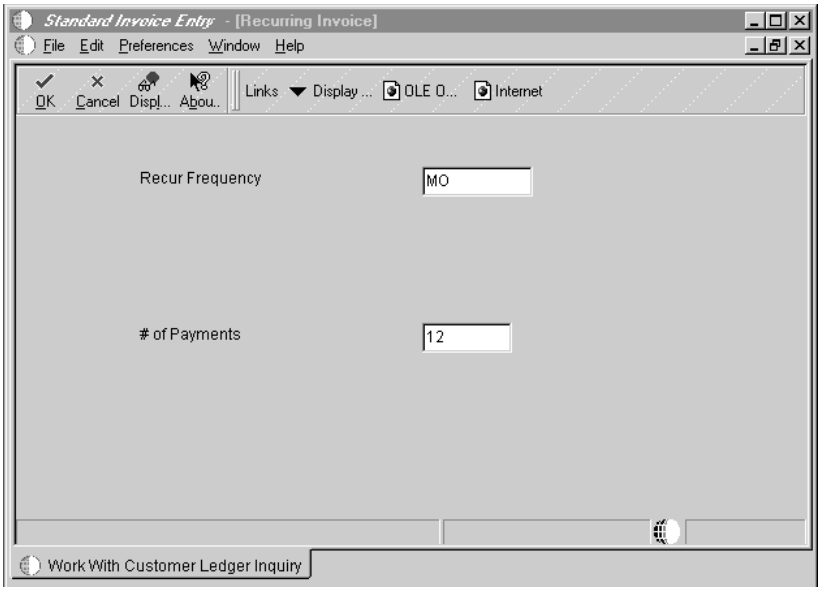
When you enter recurring invoices, the system assigns a document type of RR to the invoice.

▶ To enter recurring invoices

From the Other Invoice Entry Methods menu (G03B111), choose Standard Invoice Entry.

On Work With Customer Ledger Inquiry

1. Click Add to access Standard Invoice Entry.
2. On Standard Invoice Entry, enter the necessary header information.
3. From the Form menu, choose Recurring Invoice.



4. On Recurring Invoices, complete the following fields, and click OK:
   - Recur Frequency
   - Recurring Frequency # of Payments
5. Complete the necessary detail fields, and click OK.
6. Complete the necessary G/L distribution information.

Field	Explanation
Recur Frequency	A code to designate that a voucher or invoice payment is to be set up as recurring. If a frequency is defined, the number of recurring payments must also be defined. These two pieces of information are used when you run the Recycle Recurring Voucher/Invoices program. If you specify a recurring frequency in voucher or invoice entry, you cannot enter multiple pay items. Valid recurring frequency values are: MO Monthly AN Annually WK Weekly QT Quarterly SA Semiannually BW Biweekly

Field	Explanation
Number of Payments	Identifies the total number of recurring payments to be made for an invoice or a voucher. For recurring payments, enter the total number of payments including the original invoice or voucher. The invoice or voucher you are currently entering is the first payment. When the next recurring payment is created, this value is reduced by 1. For example, if twenty payments are to be made, enter 20 during invoice entry or voucher entry. The next time a new recurring payment is created, the number of payments will be 19.

See Also

- *Entering Standard Invoices*

Reviewing Recurring Invoices

After you enter recurring invoices, you might want to verify them before recycling them. To do so, review recurring invoices on the following items:

- Work with Recurring Invoice History form
- Recurring Invoice Report (Invoice Journal)

Normally, you review invoices online. However, if you have numerous invoices to review, the report is a more usable format. The report is a traditional invoice journal for proofing and balancing. It shows transactions from the A/R Ledger table and related information from the Account Ledger table.

Processing Options for Recurring Invoice Report

```
Print Options

Enter the format of the account number
    to print on the Journal:        '  '
    = Number entered during input, '1' =
    Business Unit, Object, Subsidiary,
    '2' = Short Account ID,  '3' = Third
    Account Number

      Account Number Format                    _____________
```

See Also

- *Revising Recurring Invoices*

Revising Recurring Invoices

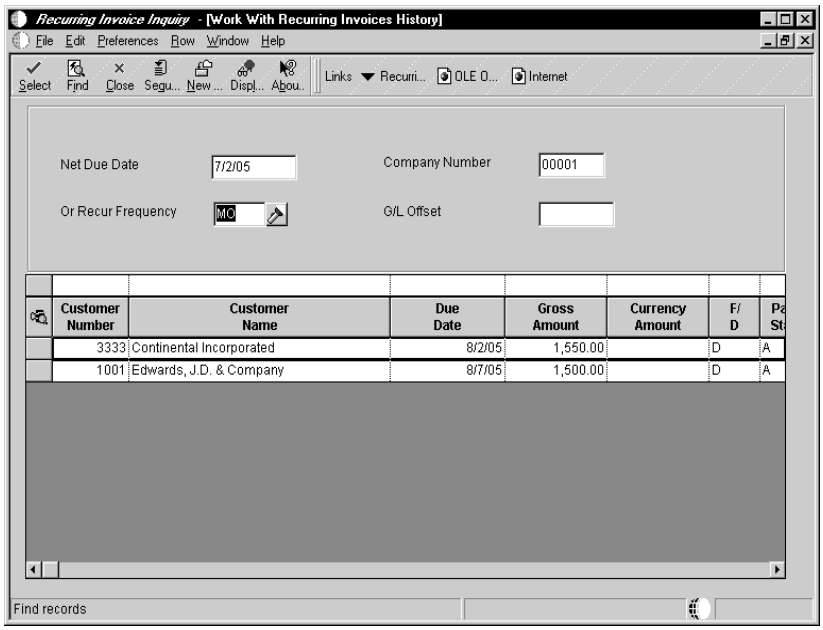
Before recycling your recurring invoices, you might choose to revise them. This might happen if you bill a customer the same amount for a monthly service agreement and you have increased the cost of the service agreement. Or it might happen if a customer requests that you submit their invoices in a different currency and you have the invoice set up as a recurring invoice. When you revise a recurring invoice, you can:

- Change selected fields. To prevent conflicts between old recurring invoices and new recurring invoices, the system assigns a new document number each time it generates a recurring invoice.
- Cancel the recurring portion of the invoice. To do this, you must use the Standard Invoice Entry form.
- Delete or void the invoice. To do this, you must use the Work With Customer Ledger Inquiry form.

▶ To revise recurring invoices

From the Other Invoice Entry Methods menu (G03B111), choose Recurring Invoice Inquiry.

On Work With Recurring Invoices History



1. Click Find to display all recurring invoices or complete any of the following fields to limit the documents displayed:

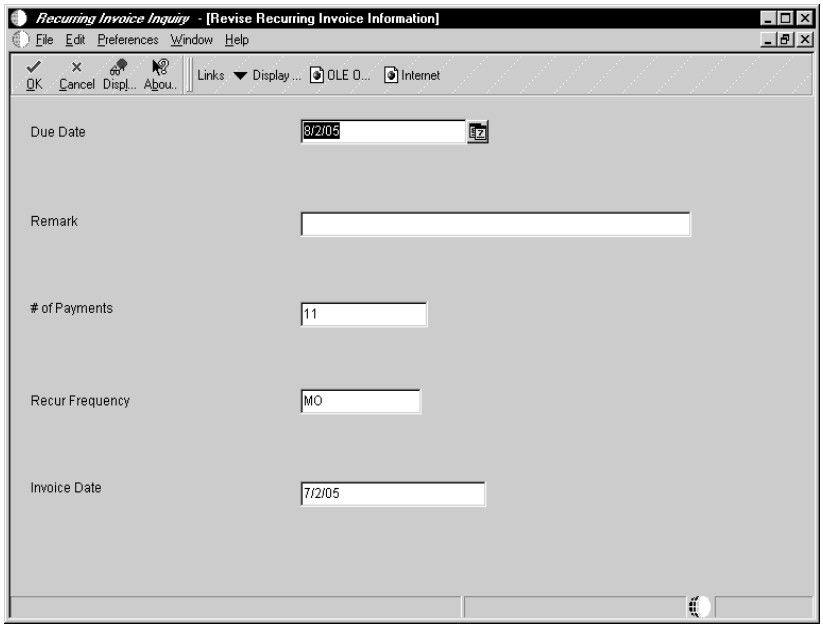
   - Net Due Date
   - Or Recur Frequency

   If an invoice is paid, you can only update the recurring frequency and number of remaining payments on Recurring Invoice Inquiry.

   - Company
   - G/L Offset

   You can also access recurring invoices on the Work with Customer Ledger Inquiry form. To do so, click the Recurring Invoices option.

2. Choose an invoice.
3. From the Row menu, choose Revise Recurring Invoice or click Select.



4. On Revise Recurring Invoice Information, change the necessary information, and click OK.

Canceling Recurring Invoices

You can cancel recurring invoices. After you recycle the invoice, these fields will be blank. Once canceled, you cannot change or reactivate a recurring invoice.

▶ To cancel recurring invoices

From the Other Invoice Entry Methods menu (G03B111), choose Standard Invoice Entry.

On Work With Customer Ledger Inquiry

1. Locate the recurring invoice.
2. In the detail area, clear the following fields:
   - No Pymts
   - Freq
3. Click OK.

Recycling Recurring Invoices

From the Other Invoice Entry Methods menu (G03B111), choose Recycle Recurring Invoices.

After you enter, review, and revise recurring invoices, recycle them to create a new batch of invoices. Recycle Recurring Invoices generates invoices based on the number of payments and recurring frequency you specify when you enter the recurring invoice.

When you recycle an invoice, the system makes a copy of the previous invoice and updates the appropriate fields. It repeats this process every time you recycle the invoice until the number of payments equals one. A customer does not have to pay an existing invoice in order to generate the next cycle of recurring invoices.

This process updates information in the following tables:

- Batch Header (F0011)
- Customer Master (F0301)
- A/R Ledger (F03B11)
- Account Ledger (F0911)

What Happens When You Recycle Recurring Invoices?

When you recycle recurring invoices, the system:

- Removes the recurring frequency and number of payments on either the original invoice or the most recent copy.
- Creates a new invoice and updates the following:
    - Invoice number with a new number
    - Batch number with a new number
    - Number of payments (decreases by one)
    - G/L date and net due date, using the recurring frequency to calculate the next due date
    - Invoice date and number according to the processing options
- Updates the A/R Ledger table for the new invoice.
- Creates an error report, if errors exist. You can view error messages in your workflow message. These errors include:
    - No accounting distribution records created. This occurs when no records are found in the Account Ledger table for the recurring invoice.
    - G/L date for the newly created invoice is for a prior fiscal year (PYEB).
    - G/L date is for a prior month (PBCO) and prior month dates have not been specified in the general accounting constants.
    - G/L date does not fall within a valid fiscal date pattern for the company.

After recycling recurring invoices, you must post them to the general ledger.

See Also

- *Working with Queues* in the *OneWorld Foundation Guide* for information about workflow messages.
- *Posting Invoices* for information about posting invoices to the general ledger.

Before You Begin

- ❑ Set up a separate version for each recurring frequency you use, for example, monthly, quarterly, or annually. Use data selection to select a specific frequency (optional).

- ❑ Set up a next number series for your recurring invoices (optional).

Processing Options for Recycle Recurring Invoices

```
Defaults

1.  Enter a '1' to use today's date as
    the invoice date.  Enter a '2' to
    duplicate the invoice date.  Default
    of blank will increment the invoice
    date.

      Invoice Date Flag                                _____________
```

Entering Speed Invoices

As an alternative to standard invoice entry, you can use the Speed Invoice Entry method to enter high-volume, simple invoices. When you enter speed invoices, you enter invoice and G/L distribution information on one form. Consider using this method to enter invoices that have:

- A single pay item, which includes a single due date and a single tax rate area
- Simple accounting instructions

You cannot change or delete an invoice using speed invoice entry. Instead, use the standard invoice entry method.

As with standard invoices, speed invoice information is stored in the following tables:

- A/R Ledger (F03B11)
- Account Ledger (F0911)
- Batch Header (F0011)

Before You Begin

❑ Set up customer master records. See *Creating Customer Records.*

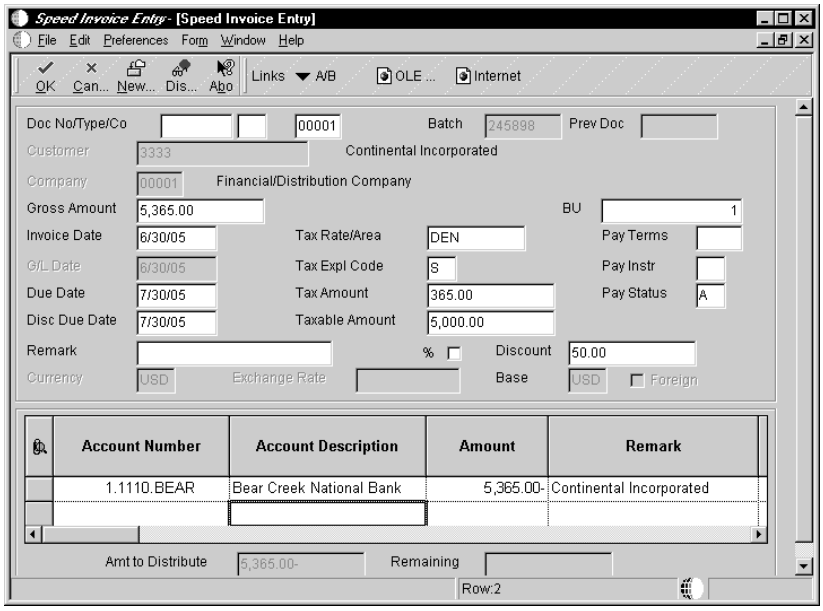
❑ Set the appropriate processing options.

❑ Set up the necessary AAI items (RC and RKD).

To enter speed invoices

From the Customer & Invoice Entry menu (G03B11), choose Speed Invoice Entry.

On Speed Invoice Entry



1. To identify the invoice, complete the following fields:
   - Customer
   - Company
   - Amount – Gross
   - Invoice Date
   - G/L Date
2. Complete the following optional fields:
   - Due Date
   - Disc Due Date
   - Remark
   - Currency
   - Pay Terms
   - Payment Instrument
   - Pay Status

3. To override default and system-calculated information, complete the following fields:
    - Tax Rate/Area
    - Tax Expl Code (Tax Explanation Code)
    - Tax Amount
    - Taxable Amount
4. To enter G/L distribution information, complete the following fields in the detail area, and click OK:
    - Account Number
    - Amount (credit amount)
5. Complete the following optional field:
    - Name – Remark Explanation

See Also

- *Entering Invoices with Discounts*
- *Entering Invoices with Taxes*
- *Entering Basic Journal Entries*

Processing Options for Speed Invoice Entry

Display

1. Enter a ’1’ to enable the following:

   Sales/Use/VAT Tax Processing _____
   Purchase Order Entry _____
   Service/Tax Date Entry _____

Versions

1. Enter the version to be used for Invoice Entry (P03B0011) processing. If left blank, version ZJDE0001 will be used.

   Invoice Entry Version _____

2. Enter the version to be used for Journal Entry (P0900049) processing. If left blank, version ZJDE0001 will be used.

   Journal Entry Version _____

Defaults

1. Specify the default for entry of sales credit amounts. Enter a ’1’ for positive credit amounts. Leave blank for negative credit amounts.

   Credit Amount Option _____

Reviewing and Approving Invoices

After entering invoices, you can verify their accuracy before posting them to the general ledger.

Reviewing and approving invoices consists of:

- ❑ Reviewing invoices
- ❑ Approving invoice batches

Reviewing Invoices

To review invoices before posting, you can display a list of batches based on your user ID, a posting status, or a specific date range. For example, you might want to review all batches with a posting status of pending.

Reviewing invoices consists of:

- Reviewing invoice batches
- Revising invoice information
- Reviewing general ledger information

When you review a list of batches, you can access transaction detail for a specific invoice batch. For example, you can review the number of invoices within a batch and the total gross amount. You can also select a specific invoice for review.

If you use batch control, the system shows the differences between what you expect to enter and what you actually enter. These differences are shown for both the input total and the number of documents.

If you do not use batch control, the system subtracts your actual entries from zero, resulting in negative amounts in the fields that display the differences.

The review program displays and updates information in the following tables:

- Batch Control (F0011)
- A/R Ledger (F03B11)
- Account Ledger (F0911)

Multi-Currency Batch Totals

Batch amounts are not currency-sensitive. For flexibility in data entry, you can enter any number of currencies in the same batch. The debit amounts of the entries are added to obtain the batch total.

If you enter transactions of different currencies into the same batch, the system does not adjust for the decimal notations of the different currencies. As a result, the total would be meaningless. For this reason, many users prefer to enter transactions with each type of currency in separate batches.

To determine the expected input total for a batch with currencies that have different decimal places, add the amounts without using a decimal point.

You enter invoices for 10,535.00 FRF and 16,433,500 BEF in the same batch. The system disregards the decimal point in the French franc amount and calculates a hash total. The total amount entered is 17,487,000 (1053500 plus 16433500).

The system displays decimals in the input totals based on the setting in the data dictionary. Using the same figures:

- If you set the data dictionary to display zero decimals, the system displays 17,487,000.
- If you set the data dictionary to display two decimals, the system displays 174,870.00.

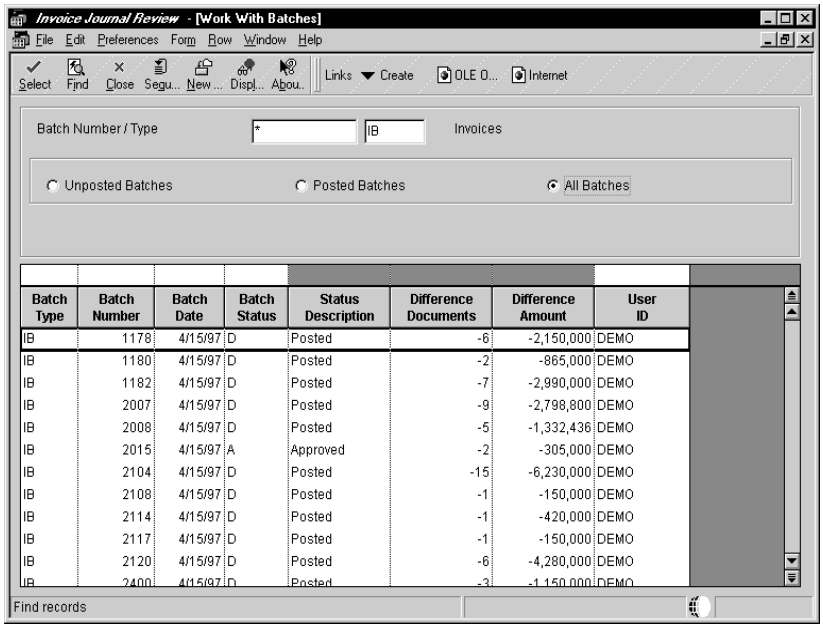
See Also

- *Revising Unposted Invoices*
- *Revising Posted Invoices*
- *Setting Up A/R Constants*
- *Understanding A/R Batch Control*

To review invoice batches

From the Customer & Invoice Entry menu (G03B11), choose Invoice Journal Review.

On Work With Batches



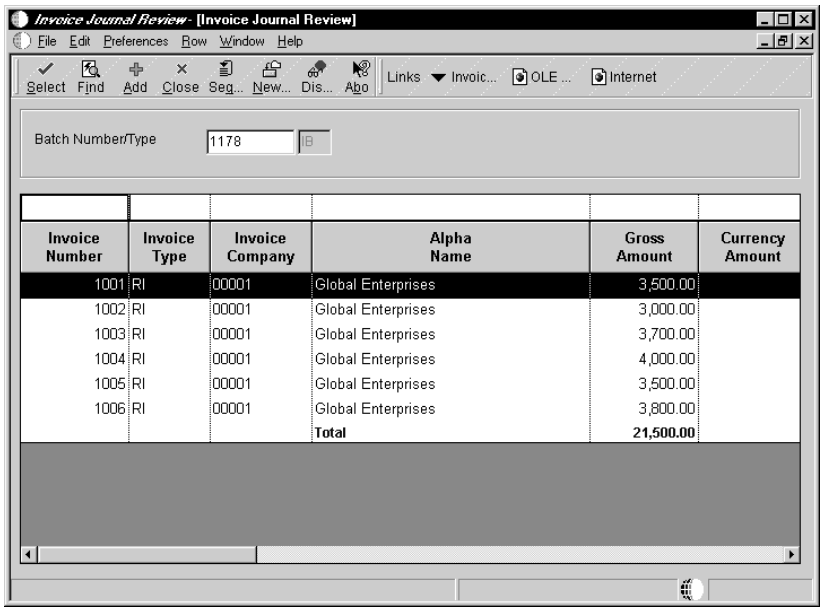
1. Click Find to display all batches for all users, or complete one or both of the following fields to limit the information that displays:
   - User ID
   - Batch Number / Type
2. To review only posted or unposted batches, click one of the following options:
   - Posted Batches
   - Unposted Batches
3. To limit the search further, complete one or both of the following fields:
   - Batch Date
   - Batch Status
4. To review an individual invoice, follow the steps to review and revise invoice information.

To revise invoice information

If you revise a transaction in a posted batch, the system automatically changes the batch status from posted to the default entry status, pending or approved. You must post the batch again. The post only processes the changed transaction.

On Work With Batches

1. Follow the steps to review invoice batches.
2. Choose a batch and click Select.



3. On Invoice Entry Journal Review, choose an invoice to revise or review and click Select.

   The gross amount of the invoice appears on Invoice Entry Journal Review even if part of the invoice has been paid. The batch total includes credit memos.

   You can enter additional invoices into an existing batch. To do so, choose the last blank line on Invoice Entry Journal Review and click Add. The system adds the invoice to the batch when you complete the information on Accounts Receivable Entry.

4. On Standard Invoice Entry, change the information in any field that is not a key field (optional).

▶ To review general ledger information

On Work With Batches

1. Follow the steps to review invoice batches.
2. Choose a batch, and click Select.
3. On Invoice Entry Journal Review, choose an invoice.

   The gross amount of the invoice appears on Invoice Entry Journal Review even if part of the invoice has been paid. The batch total includes credit memos.

4. Verify the following field:
   - J.E Bal (Balanced – Journal Entries)
5. Choose the invoice that you want to review.
6. From the Row menu, choose G/L Distribution.

Approving Invoice Batches

After you enter and review a batch of invoices, you might need to approve it prior to posting. This depends on whether your company requires management approval before posting a batch. Based on your company requirements, the system assigns either a pending or an approved status to the batch.

If you do not activate the Manager Approval of Input option in the A/R Constants, the system automatically assigns an approved status to the invoice batches.

Before You Begin

❑ Activate management approval in the A/R constants before entering invoices, if necessary

▶ To approve invoice batches

From the Customer & Invoice Entry menu (G03B11), choose Invoice Journal Review.

On Work With Batches

1. Follow the steps to review invoice batches.
2. Choose one or more batches.
3. From the Row menu, choose Batch Approval.

4. To change the batch status to approved, click the following option on Batch Approval and click OK:

   - Approved – Batch is ready to post

     To temporarily prevent a batch from posting, change the batch status from approved to pending on Batch Approval.

5. To verify the approval, review the following fields on Work With Batches:

   - Batch Status
   - Status Description

See Also

- *Reviewing Invoices*
- *Setting Up A/R Constants.*

Understanding the Post Process for A/R

After you enter, review, and approve invoices, you post them so the appropriate accounting entries are reflected in your general ledger.

The Post program performs the following tasks during the post process, in this sequence:

- Selects the data to post
- Validates information and processes errors
- Creates automatic offsets
- Posts transactions
- Updates the posted codes and batch status

Selects the Data to Post

The program takes the following actions to select the data for posting:

- Selects all approved batches that match the criteria specified in the data selection from the Batch Control table (F0011)
- Changes the batch status in the Batch Control table to indicate that the selected batches are in use
- Selects the unposted transactions for the selected batches from the Accounts Receivable Ledger table (F03B11)

Validates Information and Processes Errors

After selecting the batches and transactions to post, the program performs numerous edits. These edits validate the information for the job, the batches, and the transactions. The program edits for and verifies such things as:

- The processing option versions and constants are valid.
- Transaction data is valid, such as:
    - The account exists in the Account Master table (F0901) and is a posting account.
    - The business unit exists in the Business Unit Master table (F0006).
    - The G/L date is valid.

- Intercompany setup is correct for intercompany settlements.
- Each batch is in balance.

If the program finds errors, the program:

- Sends workflow messages to the Employee Work Center to the user who ran the Post program. For example, you receive messages for transactions that are in error and batches that do not balance.
- Prints a Post Detail Error report if a batch does not balance.
- Places the entire batch in error if any transactions are in error, which prevents the batch from posting.

For batches with errors, no posting occurs. Only the final step of the process applies (updating the batch status to E).

Creates Automatic Offsets

For batches that do not contain errors, the post process continues. The program creates and posts transactions for automatic offset amounts.

The automatic offset amount is a debit or credit to the A/R trade account and is controlled by the AAI item RC. The program uses the company number and the G/L offset from each invoice to locate AAI item RC. This item contains the offset account to which you are posting. During the post process, the system retrieves the following information for the automatic offset:

- Automatic offset method. This is based on the offset method in A/R Constants.
- Accumulates and posts automatic offset amounts using document type AE (automatic entry). The system uses the company number and the G/L offset from each invoice to locate the AAI item RC. This contains the offset account to which you are posting.
- Document number. This is based on the offset method in A/R constants.
- Account number description. For example:
    - *Accounts Receivable - Trade/Offset by Batch IB* (your batch number)
    - *Accounts Receivable - Trade/Offset by Document RI* (your document number)

- Explanation/Remark. For example, the explanation is either one of the following:
  - *Company Name/Offset "S"*
  - *Offset by document RI/Offset "Y"* (your document number)
  - *Offset by batch IB/Offset "B"* (your batch number)

  If the offset method is S, the remark is the G/L distribution account.

If the offset method is B, the system uses the last day of the period as the G/L date. If the offset method is either S or Y, the system uses the G/L date of the original document.

If the invoice includes taxes, the system generates an automatic offset with the characteristics described above, except that the account description is from the AAI item RT (receivables tax). It records the tax amount in the Sales/Use/VAT Tax table (F0018), based on a processing option.

The program also creates transactions for automatic offsets that are required for intercompany settlements, if applicable.

Posts Transactions

Next, the program posts transactions to the Account Balances table and prints the General Ledger Post report. The program posts to the appropriate ledgers. For example, the program posts:

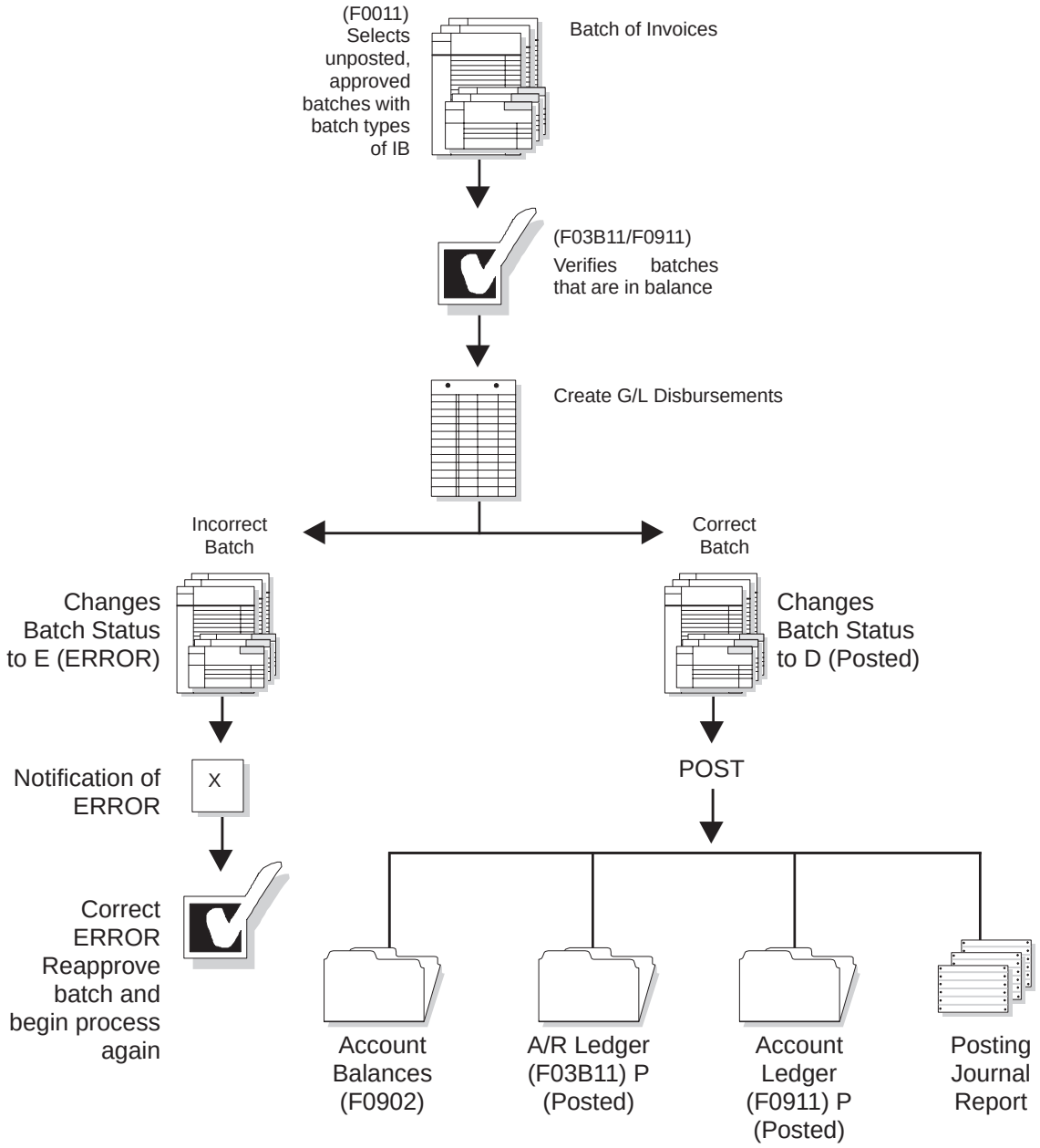
- Domestic amounts to the AA (actual amount) ledger
- Foreign amounts to the CA (currency amount) ledger, if applicable

Updates the Posted Codes and Batch Status

After posting each transaction to the Account Balances table, the program updates the following:

- The posted code for each document to D (posted) in the Accounts Receivable Ledger table (F03B11)
- The G/L posted code for each transaction to P (posted) in the Account Ledger table (F0911)
- The status of each posted batch to D (posted) and each unposted batch to E (error) in the Batch Control table
- The period net posting to include the posted amounts for a particular account in the Account Balances table

The following graphic illustrates the invoice post process.



Posting Invoices

After you enter, review, and approve invoices, post them to the general ledger. Posting invoices consists of:

- ❑ Posting batches of invoices
- ❑ Verifying posted invoices

The Post program performs a number of complex tasks. J. D. Edwards strongly recommends that you do not customize the programming for it.

Before You Begin

- ❑ Verify the offset method in A/R constants

  If you are using multi-currency, the Offset Method field in A/R constants must agree with the Intercompany Settlements field in G/A constants. For example, if the Offset Method field is B (create an offset for each batch), the Intercompany Settlements field must be set to 1 (flex compatible, create intercompany settlements using a hub company), not to 2 (flex compatible, create intercompany settlements without a hub company). If you do not set up these two constants so that they are compatible, the system returns an error.

  See *Intercompany Settlements* in the *General Accounting Guide* for more information about intercompany multi-currency processing

- ❑ Verify that the batch has an approved status
- ❑ Ensure that all post menu selections are routed to the same job queue and that the job queue only allows one job to process at a time

See Also

- ❑ See *Setting Up Batch Approval and Post Security* for information about setting up Secured users and Approved By users for A/R batch security.

Posting Batches of Invoices

When you post invoices, the system creates automatic entries for offsets to the general ledger for the receivables account. The system typically debits an A/R trade account and credits a revenue account.

All J.D. Edwards Post programs post to the general ledger in the same way. There is only one Post program for invoices. The post program for invoices has the data selection for batch type set to IB (invoices). You should not change this.

You can start the Post program from one of two menu selections:

- Post Invoices to G/L
- Invoice Journal Review

The menu selection you choose depends partly on convenience. One allows you to post directly from the menu, the other allows you to post without exiting the review program.

The menu selection to choose might also depend on the method of posting you want to use. The following methods are available from both menu selections:

- Post all approved batches
- Post using manual data selection
- Post out-of-balance batches

Two additional methods are available from the review program only:

- Post using automated data selection
- Post using automated data selection and a subsystem

The following list summarizes the methods available by menu selection and includes the advantages of each method.

Post Invoices to G/L

This menu selection accesses the Work With Batch Versions form.

G/L Post by Version

From the Work With Batch Versions form, you choose and run a version of the post.

Advantage: The program posts all approved batches at one time unless you use data selection to specify a batch, a range of batches, or a list of batches.

Invoice Journal Review

This menu selection accesses the Work With Batches form.

G/L Post by Version

From Work With Batches, you choose G/L Post by Version from the Form menu. You then choose and run a version of the post. This method works the same as starting the post from the Post Invoices to G/L menu selection.

Advantage: The program posts all approved batches at one time unless you use data selection to specify a batch, a range of batches, or a list of batches.

G/L Post by Batch

From Work With Batches, you choose one or more batches and then choose G/L Post by Batch from the Row menu. The program selects the version to run based on the batch type and sends the data selection to a version for you.

Advantage: Data selection occurs automatically.

Subsystem G/L Post

From Work With Batches, you choose one or more batches and then choose Subsystem G/L Post from the Row menu. The program sends the data selection to a subsystem table.

Advantage: Data selection occurs automatically and system resources can be better utilized. For example, the system administrator might hold batches in the subsystem and run them at night when system resources are more readily available.

When you use any method except the Subsystem G/L Post, you choose whether to run the program locally or on the server.

CAUTION: The Post program performs a number of complex tasks. J.D. Edwards strongly recommends that you observe these constraints:

- Do not customize the programming.
- Do not change accounts, AAIs for the Accounts Receivable system, intercompany settlements in the general accounting constants, or processing options for the Post program while the post is running.

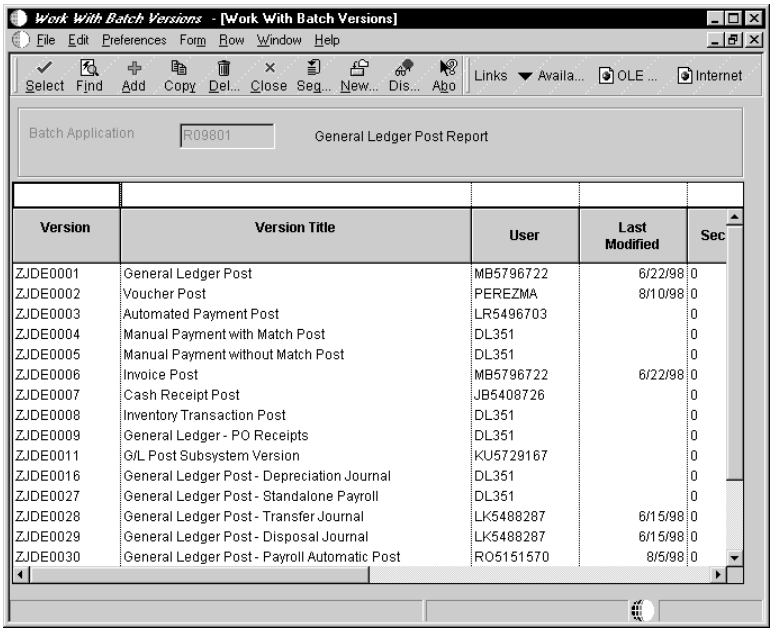
▶ To post all approved batches

From the Customer & Invoice Entry menu (G03B11), choose Post Invoices to G/L to access the Work with Batch Versions form.

The following procedure describes how to post batches of invoices from the Work With Batch Versions form. Alternatively, you can post invoices from the Work With Batches form, which you access from the Invoice Journal Review menu selection.

If you use the alternate currency (XA) ledger, set the Post program to automatically update the ledger and produce a separate Posting Journal report.

On Work With Batch Versions



1. Double-click the version to run, or choose Run Version from the Row menu.
2. On Version Prompting, leave the Data Selection option turned off and click Submit.
3. On Processing Options, click OK.

   After you initially set up the processing options, changes are typically not needed.

4. On Report Output Destination, choose the destination for the General Ledger Post report (on the screen or to a printer), and click OK.
5. As prompted, choose where to run the program (locally or on the server).

   While the post is running, do not change accounts, AAIs, constants, or processing options for the Post program.

When the post is complete, the program displays the report on the screen or sends it to a printer, depending on the destination you chose.

See Also

- ❏ *Submitting a Report* in the *OneWorld Foundation Guide* for more information about data selection
- ❏ *R09801, General Ledger Post* in the *Reports Guide* for a sample report

To post using manual data selection

From the Customer Invoice Entry menu (G03B11), choose Post Invoices to G/L.

Alternatively, choose Invoice Journal Review from the Customer Invoice Entry menu (G03B11). On Work With Batches, choose G/L Post by Version from the Form menu.

When you use either of these menu selections to start the post, you can specify one or more batches for the post using manual data selection.

On Work With Batch Versions

1. Double-click the version to run, or choose Run Version from the Row menu.
2. On Version Prompting, click the Data Selection option and click Submit.
3. On Criteria Design, enter the selection criteria on a blank line.

   Do not delete or type over the existing specifications for the batch status (A) and the batch type (IB).

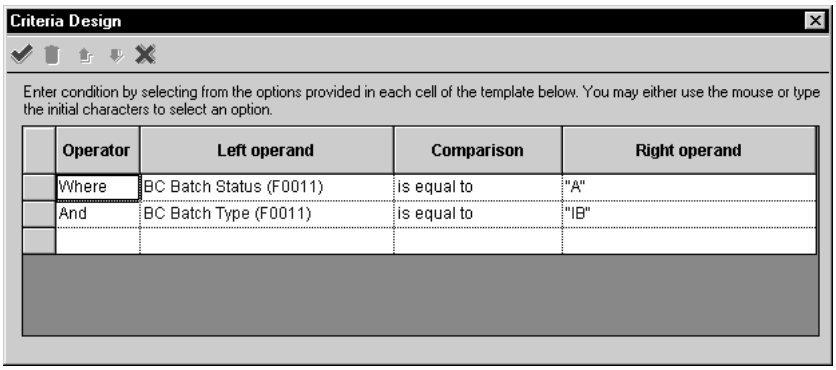
   For example, double-click “And” for the operator, “Batch Number (F0011)” for the left operand, “is equal to” for the comparison, and “Literal” for the right operand, where you can enter the batch number or numbers.

4. If you use Literal for the right operand, enter the value or values on the Single Value form, and click OK.

   For example:

   - To specify a single batch, choose the Single value tab and enter the batch number.
   - To specify a range of batches, choose the Range of values tab and enter the beginning and ending batch numbers.

   The following example shows the criteria required to select batch 3682.



5. On Criteria Design, click OK.

6. On Processing Options, click OK.

   After you initially set up the processing options, changes are typically not needed.

7. On Report Output Destination, choose the destination for the General Ledger Post report (on the screen or to a printer), and click OK.
8. As prompted, choose where to run the program (locally or on the server).

   When the post is complete, the program displays the report on the screen or sends it to a printer, depending on the destination you chose.

See Also

- *Submitting a Report* in the *OneWorld Foundation Guide* for more information about using the Work With Batch Versions form
- *R09801, General Ledger Post* in the *Reports Guide* for a sample report

▶ To post out-of-balance batches

From the Customer & Invoice menu (G03B11), choose Invoice Journal Review.

On Work With Batches

1. Locate and choose the out-of-balance batch to be posted.
2. From the Row menu, choose Revise.
3. On Create/Revise Batch Header, choose Overrides from the Form menu.
4. On Batch Overrides, click the following option:
   - Allow batch to post out of balance
5. Click OK.
6. Change the Intercompany Settlements flag on the G/L Constants form to an *. After the post completes, change the intercompany settlements flag back to its original value.

▶ To post using automated data selection

From the Customer & Invoice menu (G03B11), choose Invoice Journal Review.

Use this procedure to start posting one or more batches immediately without exiting the review form.

If you run locally when you use G/L Post by Batch to post multiple batches, you will not be able to use Work With Batches until posting is complete for all the batches. However, you will be able to use other programs.

On Work With Batches

1. Choose the batch or batches to post.
2. Choose G/L Post by Batch from the Row menu.
3. On Report Output Destination, choose the destination for the General Ledger Post report (on the screen or to a printer) and click OK.

   The program sends the data selection for each highlighted batch to a version. The program selects the version to process based on the batch type and posts the batches consecutively.

   When the post is complete, the program displays the report on the screen or sends it to a printer, depending on the destination you chose.

▶ To post using automated data selection and a subsystem

From the Customer Invoice Entry menu (G03B11), choose Invoice Journal Review.

Use this procedure to post one or more approved batches using a subsystem. Your system administrator must start the subsystem before posting can occur. Posting occurs in a separate area and typically at a later time.

On Work With Batches

1. Choose the batch or batches to post.
2. Choose Subsystem G/L Post from the Row menu.

The program sends the data selection for each highlighted batch to the version ZJDE0011, which is used for all subsystem posting. The program will post the batches consecutively in background on the server. If the subsystem runs constantly, you might not notice any difference between subsystem posting and posting by batch on the

server, except that the program always sends reports to the printer. You cannot choose to see reports on the screen.

Verifying Posted Invoices

After posting your invoices, verify that your batches of invoices posted successfully. If any batches did not post, you must correct all errors and set the batch to approved status before the program will post the batch. The program creates a variety of messages and reports to help you verify the posting information.

Complete the following tasks:

- Review your workflow messages
- Review the General Ledger Post Report
- Review the Post Detail Error Report

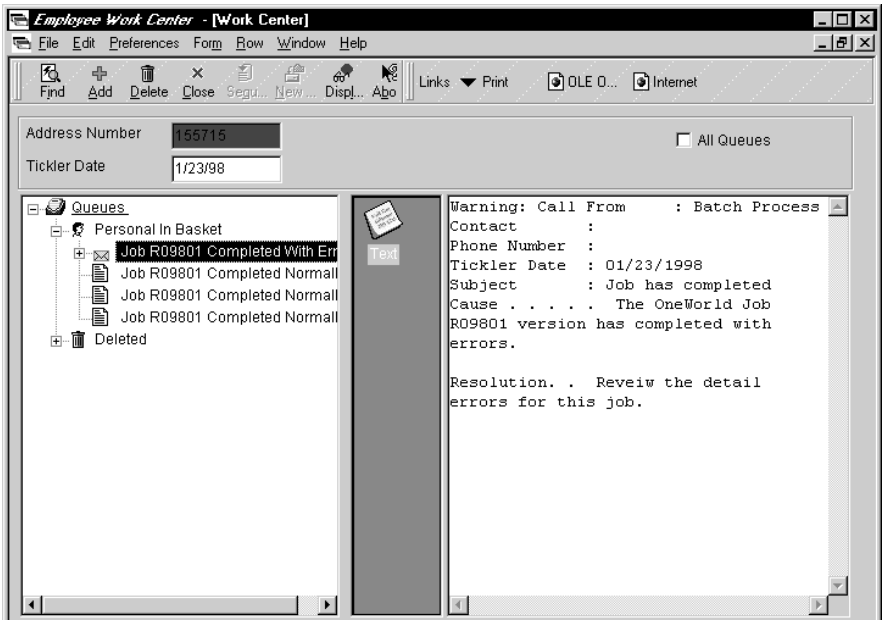
See Also

- *Appendix B - Working with Employee Queue Manager* in the *Enterprise Workflow Management Guide* for information about workflow messages

Reviewing Your Workflow Messages

The program sends workflow messages to the Employee Work Center when there are errors and when the job completes normally. After you run the post program, you should check your electronic mail to determine the status of the job. If the job did not complete normally, review the error messages. Typically, one message notifies you that the job had errors, followed by one or more detailed messages defining the errors.

The following example shows an error notification.



From error messages, you can access the Work With Batches form, which allows you to locate problems and make changes interactively.

Double-click the Work With Batches icon in the right panel to open the Work With Batches form. From there, you can access the General Journal Review and Journal Entry forms. On Journal Entry, you can make corrections as needed.

Reviewing the General Ledger Post Report

After you run the post program, use the General Ledger Post to verify the automatic offsets that the system created. This report lists only those batches that posted successfully.

When a posting journal contains only heading information, this indicates that the Post program could not post any batches and has sent messages to your work queue.

If you enter invoices with multiple currencies, this report lists the amounts in both the CA (currency amounts) ledger and AA (actual amounts) ledger for foreign currency transactions. The CA amounts represent the foreign side of the entry. The AA amounts represent the domestic side of the entry.

Additionally, this report lists the currency code of the CA ledger amount and the domestic currency of the company for the AA ledger amount. Both the CA and the AA ledgers must be in balance. CA totals might not be currency specific.

See Also

- *R09801, General Ledger Post* in the *Reports Guide* for a sample report

Reviewing the Post Detail Error Report

When you set up ledgers, you specify whether a ledger is required to balance. If the Post program finds an out-of-balance condition in a ledger type that is required to balance, the program generates a report. If you determine that an out-of-balance journal entry is in error, correct the error and post the batch again.

If you enter vouchers with multiple currencies, this report includes AA (actual amounts) and CA (currency amounts) ledger information. Both the CA and AA ledgers must be in balance.

In some cases, you might need to post an out-of-balance journal entry. For example:

- A power failure occurred during entry or posting.
- A valid, one-sided journal entry was entered to correct a conversion error that was made during setup.

Related Information

Preventing a batch from posting	To prevent an approved batch from posting, change its status to pending.

Processing Options for Posting Invoices

```
Print

1)  Enter which Account Number to print
    on the report.    '1' = Structured
    Account;    '2' = Short Account ID;
    '3' = Unstructured Account;    ' ' =
    Default Account Format.

      Account Format                                _____________

Versions

1)  Enter a version of the Detailed
    Currency Restatement (R11411) to
    execute.  If left blank, Detailed
    Currency Restatement entries will
    not be created.  (i.e. ZJDE0001)

      Detailed Currency Restatement                 _____________
      Version

2)  Enter a version of the Fixed Asset
    Post (R12800) to execute.  If left
    blank, Fixed Asset Post will not be
    executed.  (i.e. ZJDE0001)

      Fixed Asset Post Version                      _____________

3)  Enter a version of the 52 Period
```

Post (R098011) to execute. If left blank, 52 Period Post will not be executed. (i.e. ZJDE0001)

52 Period Post Version _____

Edits

1) Enter a '1' if you wish to update Account ID, Company, Fiscal Year, Period Number, Century, and Fiscal Quarter in records being posted, prior to editing and posting the records.

Update Transaction _____

Taxes

1) Enter when to update the Tax File (F0018). '1' = V.A.T. or Use Tax only; '2' = for all Tax Amounts; '3' = for all Tax Explanation Codes; ' ' = no update to Tax File (Default).

Update Tax File _____

2) Adjust V.A.T. Account for Discount Taken. The Tax Rules file must be set to Calculate Tax on Gross Amount, including Discount and Calculate Discount on Gross Amount, including Tax. Tax explanation must be a 'V'.

'1' = Update VAT only; '2' = Update VAT, Ext. Price and Taxable _____

3) Adjust V.A.T Account for Receipt Adjustments and Write Offs. Tax explanation must be a 'V'.

'1' = Update VAT only; '2' = Update VAT, Ext. Price and Taxable _____

Process

Enter a '1' if you wish to explode parent item time down to the assembly component level. Component billing rates will be used. (This applies to batch type 'T' only.)

Explode parent item time. _____

What You Should Know About Processing Options

Posting an alternate currency ledger

If you use the alternate currency ledger XA, set the appropriate processing option to update the ledger and produce a separate Posting Journal.

Revising Posted Invoices

After you post an invoice and before it is paid, you can revise it. For example, you might need to add lines to the G/L distribution, or you might need to void an invoice.

When you make certain types of changes, the system changes the batch status on the original batch from posted to unposted. You must post the batch again if you change the following:

- The total gross amount for the invoice
- The number of invoices in a batch
- A journal entry

If you must post the batch again, you might need to approve the batch before you post it. You must do this if the default entry status for the original invoice was pending.

Revising posted invoices consist of:

- ❑ Changing posted invoices
- ❑ Voiding posted invoices

When you change or void a posted invoice, the system maintains an audit trail. It flags the invoice record as changed in the A/R Ledger table (F03B11) and removes the posted code on the invoice. The system updates the Invoice Revisions Audit Trail table (F03B112).

Changing Posted Invoices

You can change various information on posted, unpaid invoices, but you cannot delete them. You cannot change the following key fields:

- Document Number
- Document Type
- Document Company
- Customer
- G/L Date
- Company
- G/L Offset

- Currency Code

The Company and G/L Offset fields are not key fields until an invoice has been posted.

Any change to an invoice on an invoice entry form reopens the batch and requires you to repost it. Consider using Speed Status Change to change information, such as due dates, that does not affect the G/L distribution.

To change the information in these fields, delete and re-enter the invoice.

▶ To change posted invoices

From the Customer & Invoice Entry menu (G03B11), choose Standard Invoice Entry.

On Work With Customer Ledger Inquiry

1. Locate the invoice and click Select.
2. On Standard Invoice Entry, change the information in any field that is not a key field, and click OK.
3. On Invoice Entry – G/L Distribution, complete the following fields on a new grid line to create a balancing entry, if necessary:
    - Account Number
    - Amount (credit amount)
4. Complete the following optional field:
    - Explanation –Remark–

You cannot add taxes to a posted invoice. However, you can change the gross amount of the invoice and enter tax information as an additional pay item.

To change a posted invoice with taxes, enter a new gross amount and remove the tax amount and taxable amount information. The system recalculates the tax information.

If you change a discount field for an invoice, remove the system-calculated information. For example, if you change the Payment Terms field to calculate a new discount, clear the following fields:

- Discount Available
- Discount Due Date
- Net Due Date

If you clear the payment terms but not the other discount fields, the system will not recalculate the discount information.

See Also

- *Revising Unposted Invoices*

Voiding Posted Invoices

To remove a posted invoice from your general ledger, you must void it and then post the batch again. You can void an invoice in the current or future fiscal period. You cannot delete a posted invoice.

To void a paid or partially paid invoice, you must first void the customer's payment.

After you void an invoice, notice that:

- The original gross amount in payment information is zero.
- The posted code is removed (changed from D to blank).
- The payment status code is P (paid).
- A record in the Invoice Revisions table (F03B112) is generated as an audit trail for the change in gross amount.
- The system populates the Revisions Made field with a 1.
- The G/L date does not appear on the new document until you post the invoice. The original document retains the original G/L date.

After you void invoices, you must post the batch again.

▶ To void posted invoices

From the Customer & Invoice Entry menu (G03B11), choose Customer Ledger Inquiry.

On Work With Customer Ledger Inquiry

1. Locate invoices.
2. Choose the invoice that you want to void and click Delete.
3. On Confirm Delete, click OK.
4. On Enter Void Information, complete the following fields and click OK:
   - Void G/L Date
   - Invoice Revision Code
5. On Void Confirmation, click OK to confirm the void.
6. To verify the void, locate the voided invoice on Work With Customer Ledger Inquiry and click Select to access Standard Invoice Entry.

7. To review the amounts that the system reversed in the A/R Ledger, choose Invoice Revisions from the Row menu on Standard Invoice Entry.

   To review the reversing entries that the system creates in the Account Ledger table when you void an invoice, choose G/L Distribution from the Row menu on Standard Invoice Entry.

Field	Explanation
Void G/L Date	A date that identifies the financial period in which the voided transaction is posted. The company constants for General Accounting specifies the date range for each financial period. You can have up to 14 periods. Generally, period 14 is for audit adjustments.
Invoice Revision Code	A code that identifies why an invoice record was adjusted or voided and written to the A/R Adjustment Ledger. This code will also determine how the adjusted record will appear on a statement.

Printing Invoice Journal Information

From the Customer & Invoice Entry menu (G03B11), choose Invoice Journal Report.

Generally, it is easier to review invoice journal information online. However, if there is a balancing problem, you might find the printed invoice journal more useful.

When you print invoice journal information, the system selects transactions from the A/R Ledger (F03B11) and Account Ledger (F0911) tables.

This report lists messages in the blank area next to the far right column. These messages describe:

- Balance discrepancies (if the total gross/discount amount does not equal the G/L distribution)
- Intercompany transactions (if the document contains G/L transactions for more than one company)

Processing Options for Invoice Journal

```
Print Options

Enter the format of the account number
    to print on the Journal:        ’  ’
    = Number entered during input, ’1’ =
    Business Unit, Object, Subsidiary,
    ’2’ = Short Account ID,  ’3’ = Third
    Account Number

      Account Number Format                  _____________
```

Data Selection and Sequence for A/R Invoice Journal Report

The batch number, user ID, and batch date are commonly used data selections.

If your company creates additional versions of this report, you must use the following sequence:

1. User ID (alphabetical order)
2. Batch Date/Number (most recent date first)
3. Invoice Number (ascending order)

See Also

- *Reviewing Invoices*

Working with Customer Ledger Information

To quickly review invoices and receipts or audit a customer's transaction history, use Customer Ledger Inquiry. You can review paid and partially paid invoices, payments made against invoices, or update the pay status of an invoice. If you change or void an invoice you can review the audit trail associated with the invoice revision.

Common tasks for working with customer ledger information are:

- ❑ Reviewing receipt information
- ❑ Reviewing invoice information
- ❑ Updating the status of an invoice
- ❑ Reviewing invoice revisions

Customer ledger information is stored in the following tables:

- A/R Ledger (F03B11)
- Invoice Revision Audit Trail (F03B112)
- Receipt Application Detail (F03B14)

Business Processes

On Work with Customer Ledger Inquiry, you can access numerous types of information about the transaction history of a customer. You can use these exits to review and revise A/R information. What follows are the various forms you can access from the Form and Row exits on Work with Customer Ledger Inquiry.

Form exits

- Work With Customer Master
- Customer Receipts Inquiry
- Work With Recurring Invoices History
- Work With Bank Accounts By Address
- Work With Distribution Lists

Row exits

- Work With Batches
- Who's Who
- Receipt/Draft Details
- Speed Status Change – Detail
- Customer Ledger Detail
- Standard Invoice Entry
- Account Activity Log
- Work With Deductions
- Deduction Entry
- Account Status Summary
- Customer Service Inquiry
- G/L Distribution
- Revise Recurring Invoice Information
- Invoice Revisions
- Media Objects (Attachments)

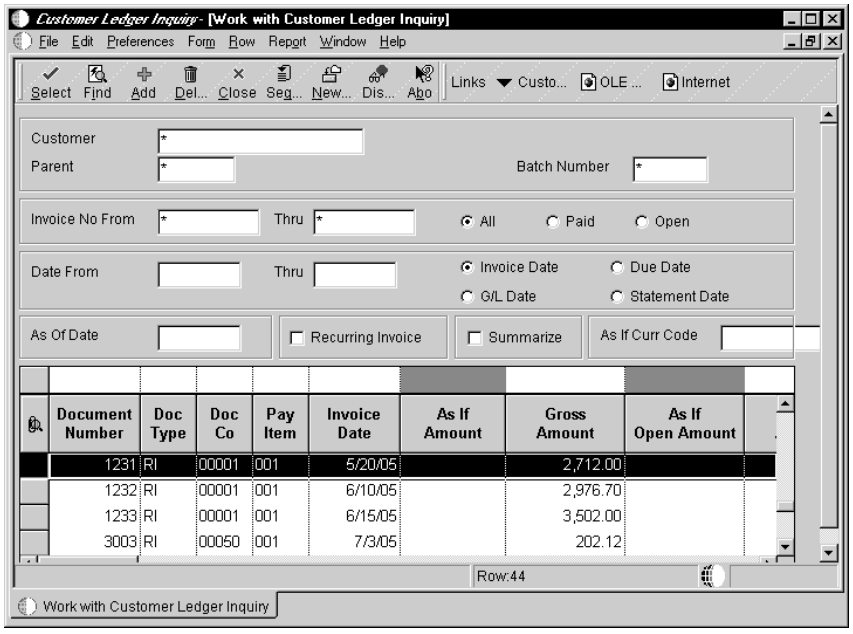
Reviewing Receipt Information

When reviewing paid and partially paid invoices using Customer Ledger Inquiry, you can review the payments made against invoices on the Receipt Details form. This Row exit uses modeless processing, which allows you to review invoice and receipt information simultaneously. You can move through receipt details using Next and Previous buttons on Receipt Details without having to return to Customer Ledger Inquiry.

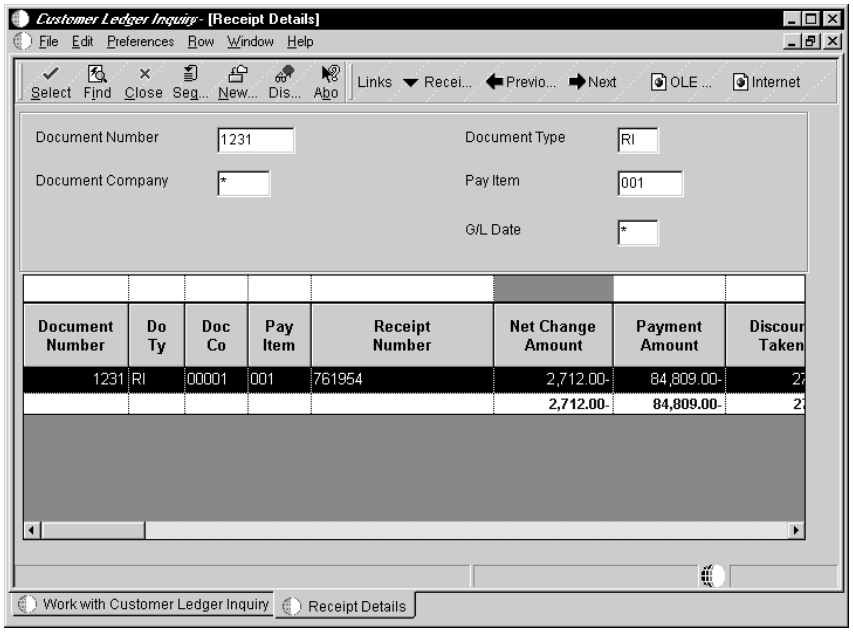
▶ To review receipt information

From the Customer & Invoice Entry menu (G03B11), choose Customer Ledger Inquiry.

On Work With Customer Ledger Inquiry



1. Locate invoices.
2. Choose the invoice you want to review and choose Receipt/Draft Dtls from the Row menu.



3. On Receipt Details, review the payments.

   You can click Next or Previous to review the receipt details of the next or previous document. As needed, you can use the bottom tabs to switch between Receipt Details and Work With Customer Ledger Inquiry.

See Also

- *Working with Modeless Processing* in the *OneWorld Foundation Guide* for more information about modeless processing

Reviewing Invoice Information

When reviewing an unpaid or paid invoice, you can access various information from the customer ledger, such as the original invoice or the G/L distribution for a specific invoice.

Reviewing invoice information consists of:

- Reviewing an individual invoice
- Reviewing an associated journal entry
- Reviewing an invoice in an "as if" currency
- Reviewing customer ledger detail

See Also

- *Locating Invoices*
- *Entering Standard Invoices*

▶ To review an individual invoice

From the Customer & Invoice Entry menu (G03B11), choose Customer Ledger Inquiry.

On Work With Customer Ledger Inquiry

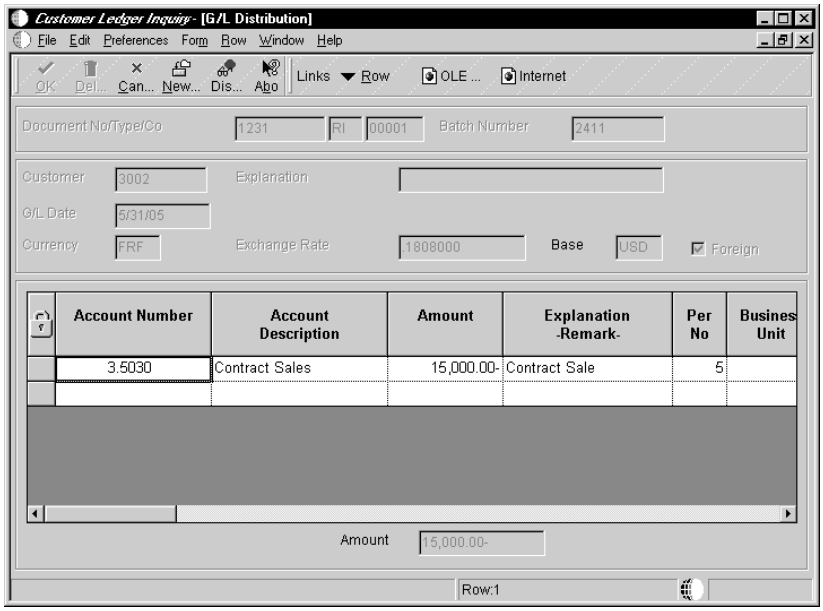
1. Locate invoices.
2. Choose the invoice you want to view, and click Select to access Standard Invoice Entry.

To review an associated journal entry

From the Customer & Invoice Entry menu (G03B11), choose Customer Ledger Inquiry.

On Work With Customer Ledger Inquiry

1. Locate invoices.
2. Choose the appropriate invoice.
3. From the Row menu, choose G/L Distribution.



To review an invoice in an “as if” currency

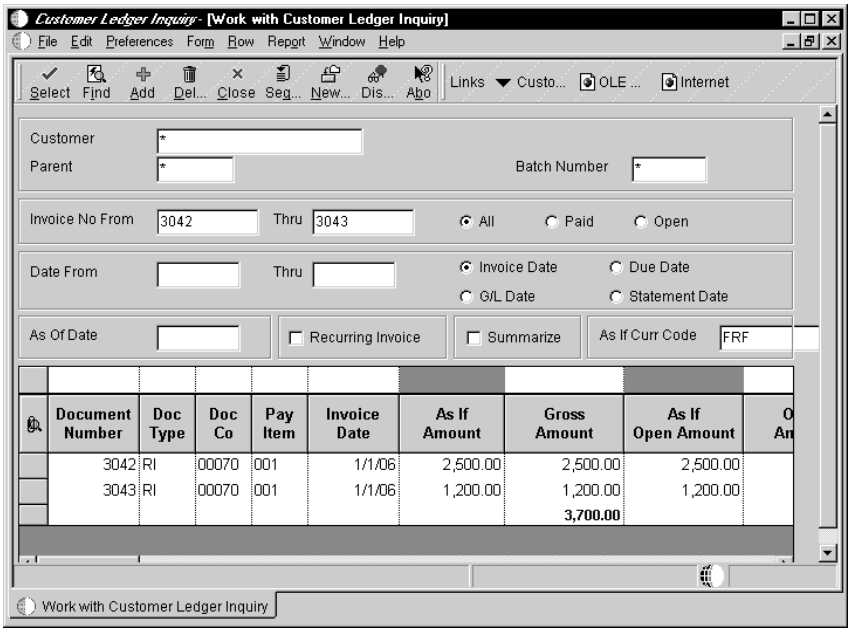
From the Customer Invoice Entry menu (G03B11), choose Customer Ledger Inquiry.

Regardless of whether you enter an invoice in a domestic or foreign currency, you can review amounts as if they were entered in another currency. For example, you can review amounts in the French franc as if they were entered in the euro. Likewise, you can review amounts in the Japanese yen as if they were entered in the U.S. dollar, and so on.

To review amounts in an “as if” currency, you must enter a currency code and effective date in the processing options. This activates the “as if” Currency Code field on the Work with Customer Ledger Inquiry form and retrieves the corresponding exchange rate needed to calculate the “as if” currency amount.

The “as if” currency amounts that you review are not written to a table, but are instead stored in temporary memory. This has no impact on disk space.

On Work with Customer Ledger Inquiry, follow the steps for locating invoices.



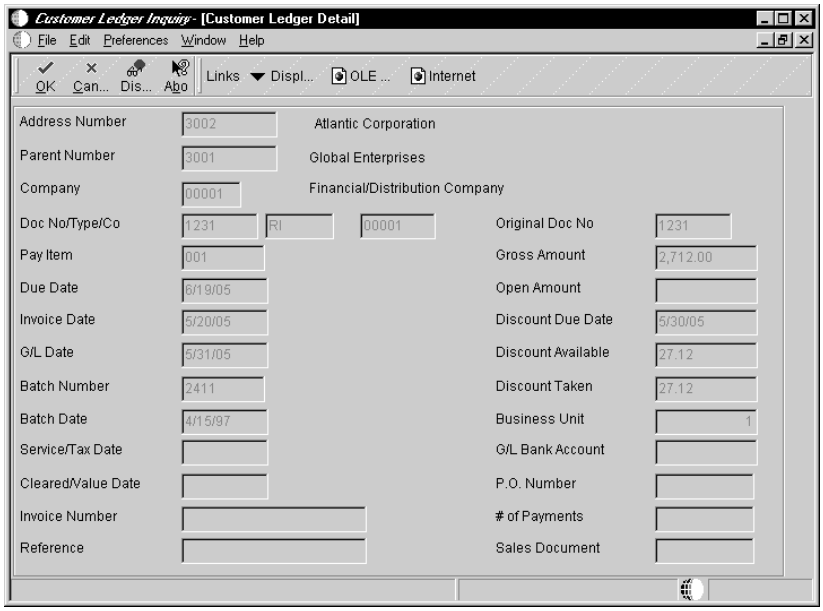
▶ To review customer ledger detail

From the Customer & Invoice Entry menu (G03B11), choose Customer Ledger Inquiry.

When reviewing a transaction, you can view the detail without first locating the individual invoice. For example, you might want to review the invoice associated with a chargeback.

On Work With Customer Ledger Inquiry

1. Locate invoices.
2. Choose the appropriate transaction.
3. From the Row menu, choose Cust Ledger Detail.



Updating the Status of an Invoice

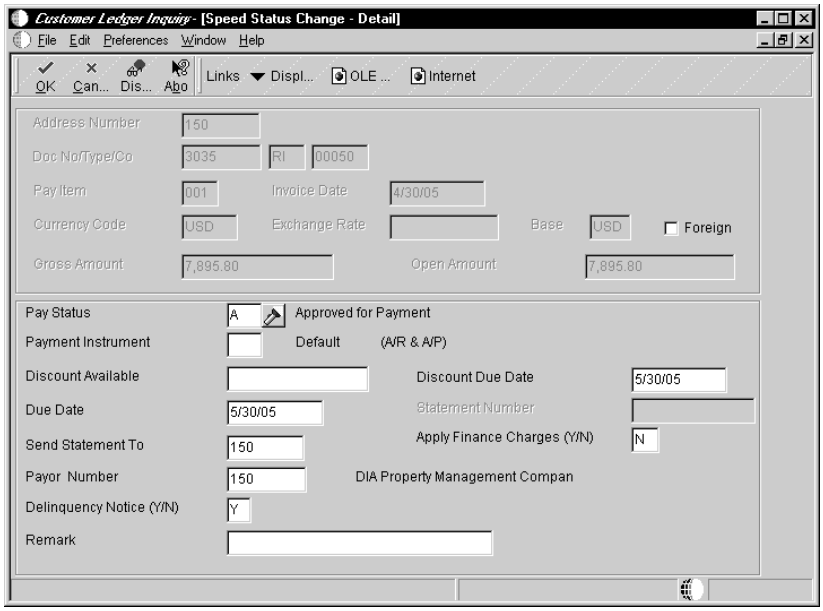
To quickly update the pay status of an invoice, use Customer Ledger Inquiry to access the Speed Status Change - Detail form.

▶ To update the status of an invoice

From the Customer & Invoice Entry menu (G03B11), choose Customer Ledger Inquiry.

On Work With Customer Ledger Inquiry

1. Locate invoices.
2. Choose the invoice you want to update.
3. From the Row menu, choose Speed Status Change.



4. On Speed Status Change – Detail, follow the steps to update an invoice for payment.

See Also

- *Locating Invoices*

Reviewing Invoice Revisions

After you change the gross amount of a posted invoice, or after you void an invoice, you can review the audit trail associated with the invoice revision.

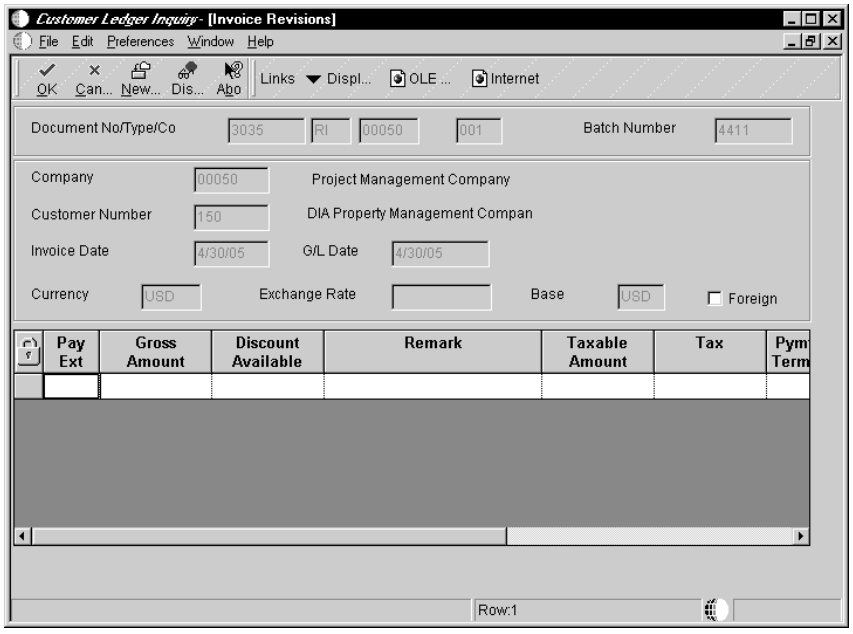
The system marks the Revisions Made field with a 1 when you enter the change, and stores the revision information in the Invoice Revisions Audit Trail table (F03B112).

▶ To review invoice revisions

From the Customer & Invoice Entry menu (G03B11), choose Customer Ledger Inquiry.

On Work With Customer Ledger Inquiry

1. Locate invoices.
2. Choose the invoice you want to review.
3. From the Row menu, choose Revisions Audit.



4. On Invoice Revisions, review the invoice revisions and click Cancel.

Processing Options for Customer Ledger Inquiry

```
Display Field
1.  Enter a '1' to display the Purchase
    Order fields.
      1 = Display Purchase Order Fields
Defaults
2.  Select the default for the
    Service/Tax date.
      1 = Invoice Date         blank =
      GL Date
3.  Enter the default for the Pay Status
    Code.
      Default Pay Status Code value
4.  Enter the default document types for
    the following types of invoices.
      Standard Invoice       (blank=RI)
      Credit Memo
      (blank=RM)
Date Edits
5.  Enter a '1' to allow for the
    following date edits.
      Invoice Date > Todays Date
      Invoice Date > GL Date
Currency
6.  Enter a '1' to allow for Value Added
    Tax processing with currency.
      1 = Value Added Tax Processing
7.  Enter the date used to retrieve the
    exchange rate value.
      1 = GL Date            blank =
      Invoice Date
8.  Enter a '1' to edit the exchange
    rate effective date period.
      1 = Edit Effective Date Period
9.  Enter the exchange rate tolerance
    limit.
      Exchange Rate limit
```

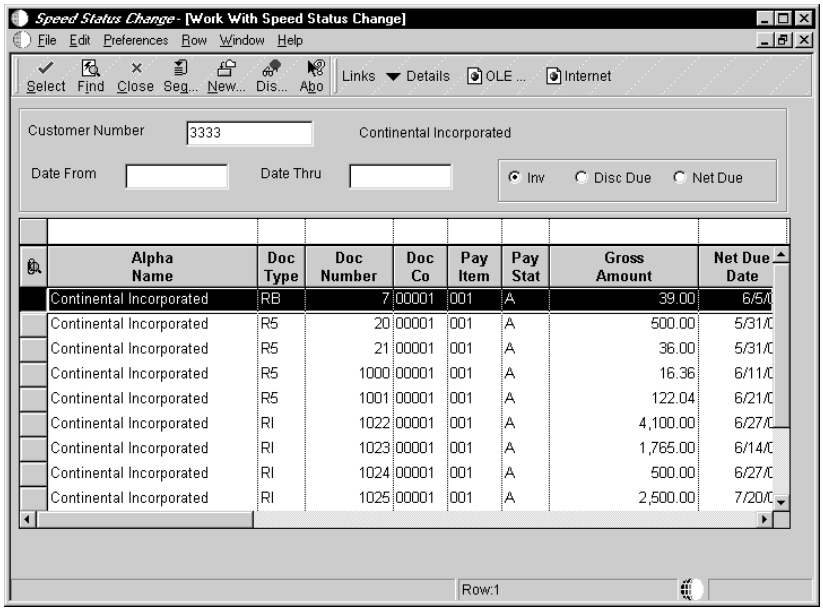
Working with Speed Status Change

After your invoices have been approved for payment, you can use Speed Status Change to quickly update invoices for payment, or update collection information. For example, you can change the pay status and due dates of your open A/R invoices individually, or a group of invoices globally.

You can:

- Locate open invoices
- Update an individual invoice
- Update a group of invoices

When you update invoices for payment, the system updates the A/R Ledger table (F03B11).



To locate open invoices

From the Manual Receipts Processing menu (G03B12), choose Speed Status Change.

Before you update invoices for payment, you must display them. You can display invoices by customer and date.

On Work With Speed Status Change

1. Click Find to locate all open invoices, or complete the following fields to limit the information that the system displays:
   - Customer Number
   - Date From
   - Date Thru
2. To limit your search by date, complete any of the following options:
   - Inv
   - Disc Due
   - Net Due

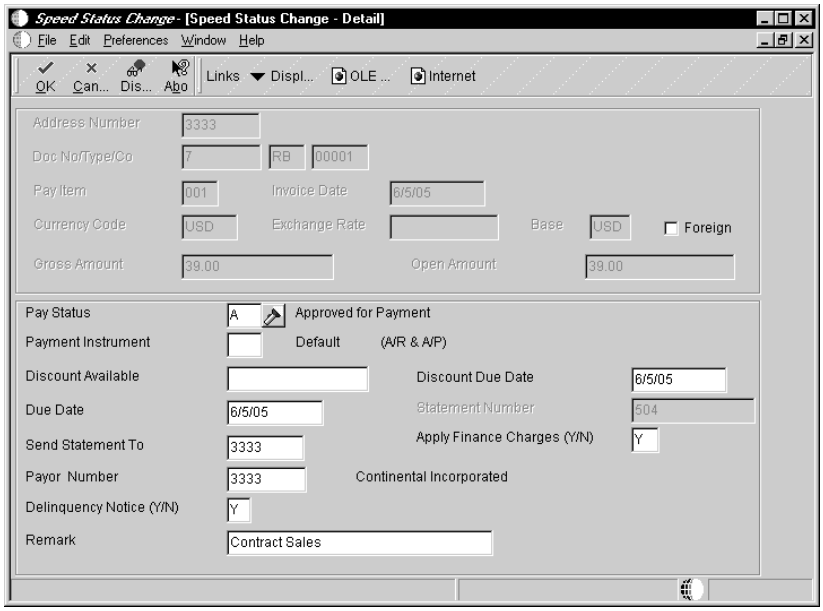
To update an individual invoice

From the Manual Receipts Processing menu (G03B12), choose Speed Status Change.

You can determine whether an invoice should be available for delinquency notification and fees. For example, you can prevent certain invoices from having delinquency fees generated for them, or invoices from appearing on a delinquency notice. You can change the pay status, discount amounts, and due dates without having to access each invoice through Standard Invoice Entry.

On Work With Speed Status Change

1. Locate open invoices.
2. Choose the invoice(s) you want to update. If you select more than one invoice, the system cycles through the invoices and displays them one at a time for updating on Speed Status Change – Detail.
3. From the Row menu, choose Details.



4. On Speed Status Change – Detail, change the information in any of the following fields, and click OK:

   - Pay Status
   - Payment Instrument
   - Discount Available
   - Discount Due Date
   - Due Date
   - Statement Number
   - Send Statement To
   - Apply Finance Charges (Y/N)
   - Payor Number
   - Delinquency Notice (Y/N)
   - Remark

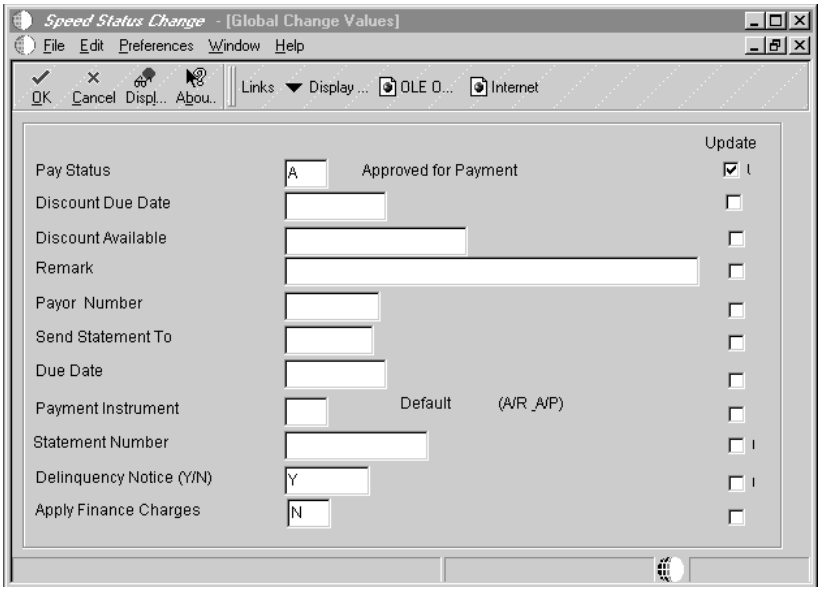
To update a group of invoices

From the Manual Receipts Processing menu (G03B12), choose Speed Status Change.

You can quickly change payment information for multiple invoices at one time. For example, you might want to extend the discount period for a preferred customer. The most efficient way to do this is to update the discount due date on all of the invoices for the customer globally.

On Work With Speed Status Change

1. Locate open invoices.
2. Choose the invoices you want to update.
3. From the Row menu, choose Global.



4. On Global Change Values, complete any of the following fields:
   - Pay Status
   - Discount Due Date
   - Discount Available
   - Remark
   - Payor Number
   - Send Statement To
   - Due Date
   - Payment Instrument

- Statement Number
- Delinquency Notice (Y/N)
- Apply Finance Charges

5. To update information for a group of invoices, click the Update option next to the appropriate field.
6. Click OK.

Processing Options for A/R Speed Status Update

```
Controls

Enter a "1" to allow updates to be made
    to the Statement Number. If left
    blank you will not be able to update
    the Statement Number.
```

Manual Receipts Processing

One of the most important steps in the accounts receivable process is to quickly enter payments received from your customers in order to recognize your current cash position. The Accounts Receivable system provides the flexibility you need to enter and maintain various types of receipts.

Manual receipts processing consists of:

- ❑ Working with standard receipts
- ❑ Creating stand-alone records
- ❑ Working with speed receipts
- ❑ Approving and posting receipts
- ❑ Revising receipts
- ❑ Printing receipt information

What Are the Receipts Entry Methods?

Depending on the type of receipt, you can use either of the following methods to enter manual receipts:

Standard Receipts Entry

Use this method to display open activity for a customer. You can pre-load all open items, select various open items in a customer's account, or enter remittance information for receipt application. This method of receipts entry gives you the most flexibility and options when applying receipts.

With standard receipts entry, you can apply receipts in a domestic, foreign, or alternate (third) currency.

Speed Receipts Entry

Use this method to quickly enter high-volume receipts with minimum information. This method of receipts entry gives you less flexibility than standard receipts entry. However, it provides a faster way of entering simple receipts or those receipts for which the invoice matching happens at a later time.

Which Method Should You Use to Enter Receipts?

To help determine which method you should use to enter receipts, consider the following advantages and limitations of standard and speed receipts entry:

Standard receipts entry advantages

You can:

- Select and load open items for a customer
- Enter information directly from a customer's remittance slip
- Apply receipts to invoices that include discounts or write-offs
- Create chargebacks for discount amounts
- Create stand-alone chargebacks, write-offs and deductions
- Enter unapplied receipts
- Apply a partial unapplied amount
- Enter a deduction for an amount associated with a partial payment
- Apply receipts that are logged through Speed Receipts Entry
- View the results of receipts entry
- Locate and modify receipts
- Delete unposted receipts
- Void posted receipts
- Void or delete individual pay items
- Designate receipts as non–sufficient funds (NSF)
- Convert logged receipts to unapplied receipts
- Enter general ledger (G) type receipts
- Distribute a general ledger (G) type receipt among multiple G/L accounts
- Apply receipts in an alternate currency

Standard receipts entry limitations

You cannot:

- Enter receipts as quickly because you use multiple forms to access open items and enter receipt information
- Enter logged receipts

Speed receipts entry advantages

You can:

- Use one form to enter multiple receipts
- Use one row in the detail area of the form to represent a receipt
- Enter logged receipts
- Enter unapplied receipts
- Enter balance forward receipts
- Distribute a general ledger (G) type receipt among multiple G/L accounts
- Remove a receipt from the detail area before clicking OK

Speed receipts entry limitations

You cannot:

- Create chargebacks, write-offs, or deductions
- Pre-load open items
- Spread receipts among multiple accounts
- Locate or modify receipts
- Delete or void receipts
- Designate receipts as NSF
- View the results of receipts application

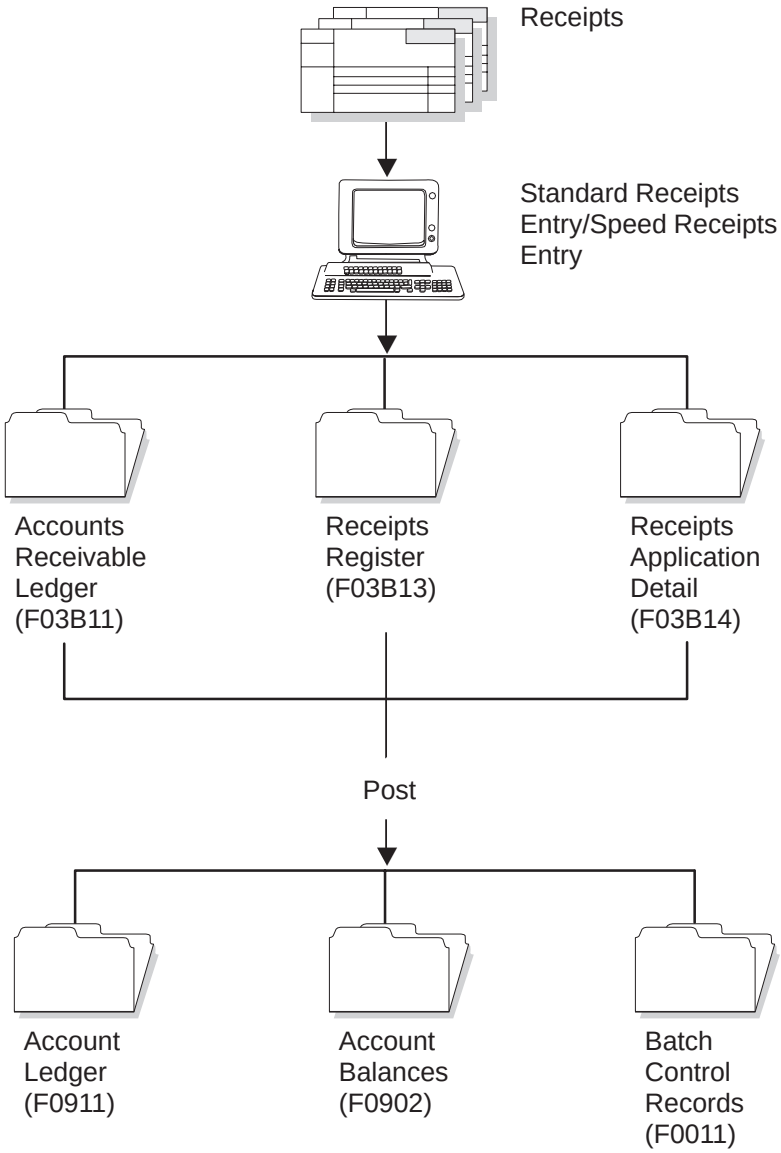
What Are the Steps for Processing Manual Receipts?

You use the standard J.D. Edwards three-tier processing steps to manage manual receipts. They are:

1. Enter
2. Review
3. Post

Manual Receipts Processing

The following graphic illustrates the receipts entry process:



What Does the System Require to Process Manual Receipts?

The system requires certain information to process receipts and apply them to the open items in a customer's account.

Concepts that you should be familiar with when you process manual receipts include:

- Dates (receipt dates and G/L dates)
- Invoice document types
- Receipt document types
- Type input codes

Dates

The system uses both of the following dates to process receipts:

Receipt date	You enter this date on the Receipts Entry form. This is the date shown on the customer's receipt or item.
G/L Date	You enter this date on Receipts Entry. This is used for exchange rate calculations and the post.

Invoice Document Types

When you display open items for a customer, each pay item consists of an invoice document type. Invoice document types can exist by themselves. You must attach an associated receipt document to an invoice document. All invoice documents:

- Represent the initial transaction
- Stand alone in the system
- Are soft-coded

Common invoice document types include:

RI (Regular Invoice)	This is an invoice that you create using either standard invoice entry or speed invoice entry.
RR (Recurring Invoice)	This is a recurring invoice that you create using standard invoice entry and indicating the frequency and number of payments.

RB (Chargeback Invoice)	This is an invoice generated at the time of receipts entry for a customer's short payment. The system generates this invoice to charge back the customer for the original amount left unpaid.
RM (Credit Memo)	This is a credit invoice to the customer.
R5 (Deduction)	This is an invoice that the system generates for amounts in dispute and have yet to be researched.
R1 (Draft)	This is a promise to pay a debt. This document can be a paper record or an electronic record. A draft includes the amount to be paid, the due date, banking information, and, possibly, information about underlying liabilities.
RE (Change to invoice)	The system creates an audit trail when you change the amount of a posted invoice or when you void an invoice.

Receipt Document Types

After you enter receipts, write-offs, and so on, the system assigns an associated receipt document type to each invoice transaction based on the payment detail association. The document types are located in the F03B14 table.

Common receipt document types include:

RU (Unapplied Receipt)	This is a receipt that you do not match to a specific invoice. The system applies this receipt to the customer's overall account to reduce the open balance.
RC (Receipt)	The system creates this document for a payment when you enter a receipt.
RV (NSF non-sufficient funds receipt)	The system creates this document when a bank cannot cover a customer's payment.
RO (Void receipt)	The system creates this document when you reverse or void a receipt.
RF (Delinquency Fee)	The system creates this document for the total amount of all fees generated for all eligible invoices for the customer.

Type Input Codes for Standard Receipts Entry (TI)

When applying receipts to invoices, you can use type input (TI) codes to automatically calculate amounts to apply for payments, discounts, write-offs, chargebacks, and deductions.

The following lists the types of input codes for standard receipts entry and how you can use them to automatically calculate any necessary amounts.

10 – Simple Invoice Match

Calculations:

- Payment amount = current open amount – discount available
- Discount taken = discount available
- Write-off = optional
- Chargeback = optional
- Deduction = optional

11 – Invoice Match with Automatic Chargeback for Discount Amount

Calculations:

- Payment amount = current open amount – discount available
- Discount taken = optional
- Write-off = optional
- Chargeback = discount available
- Deduction = optional

15 – Invoice Match with Automatic Write-off

Calculations:

- Amount applied = current amount – discount available
- Discount taken = discount available
- Write-off = current open amount – amount applied, discount taken, chargeback amount, and deduction amount
- Chargeback = optional
- Deduction = optional

16 – Invoice Match with Automatic Chargeback

Calculations:

- Amount applied = current open amount – discount available
- Discount taken = discount available
- Write-off = optional
- Chargeback = current open amount – amount applied, discount taken, write-off, and deduction amount
- Deduction = optional

17 – Invoice Match with Automatic Deduction

Calculations:

- Amount applied = current open amount – discount available
- Discount taken = discount available
- Write-off = optional
- Chargeback = optional
- Deduction = current open amount – amount applied, discount taken, write-off, and chargeback

Example: Using Type Input Codes to Enter Receipts

The following examples illustrate how you can use type input codes to enter receipts. For each example, the outstanding invoice amount is 1000.00, and the payment terms are 1/10, net 30.

Simple Invoice Match (Type Input 10)

You receive 990.00 for invoice 123 within the discount period.

TI Code	Amount Applied	Discount	Write-Off	Chargeback	Gross Amount	Document Number	Pay Item	Document Type
10	990.00	**10.00**			1000.00	123	001	RI

By using type input 10, the system applies 990.00 and allows the discount of 10.00.

Invoice Match with Automatic Chargeback for Discount Amount (Type Input 11)

You receive 990.00 for invoice 123 after the discount period has expired.

TI Code	Amount Applied	Discount	Write-Off	Chargeback	Gross Amount	Document Number	Pay Item	Document Type
11	990.00			**10.00**	1000.00	123	001	RI

By using type input 11, the system applies the 990.00 and creates a chargeback for 10.00.

Invoice Match with Write-Off (Type Input 15)

You receive 970.00 for invoice 123 within the discount period. You decide to create a write-off for the 20.00 instead of creating a chargeback invoice.

TI Code	Amount Applied	Discount	Write-Off	Chargeback	Gross Amount	Document Number	Pay Item	Document Type
15	970.00	10.00	**20.00**		1000.00	123	001	RI

By using type input 15, the system applies the 970.00, allows 10.00 for the discount, and creates a write-off for 20.00.

Invoice Match with Chargeback (Type Input 16)

You receive 600.00 for invoice 123 within the discount period.

TI Code	Amount Applied	Discount	Write-Off	Chargeback	Gross Amount	Document Number	Pay Item	Document Type
16	600.00	10.00		**390.00**	1000.00	123	001	RI

By using type input 16, the system applies the 600.00, allows 10.00 for the discount, and creates a chargeback for 390.00.

Invoice Match with Deduction (Type Input 17)

You receive 850.00 for invoice 123 within the discount period. You decide to create a deduction for the remaining amount of 140.00, which you will research and resolve at a later time.

TI Code	Amount Applied	Discount	Write-Off	Chargeback	Deduction	Gross Amount	Document number	Document Type
17	850.00	10.00			140.00	1000.00	128	RI

By using type input 17, the system applies the 850.00, allows the discount of 10.00, and creates a deduction for 140.00.

Working with Standard Receipts

Standard receipts provide the most features and flexibility when processing manual receipts from your customers. To add, change, delete, void a receipt, or designate a receipt as having non-sufficient funds (NSF), use Standard Receipts Entry.

Working with standard receipts consists of:

- ❑ Entering invoice match receipts
- ❑ Entering unapplied receipts
- ❑ Applying unapplied receipts to invoices
- ❑ Entering receipts with automatic write-offs (TI code 10)
- ❑ Entering receipts with manual write-offs (TI code 15)
- ❑ Entering receipts with deductions (TI code 17)
- ❑ Applying receipts to invoices using multiple input methods

TI refers to the type input code used by Manual Receipts Entry.

Receipt information is stored in the following tables:

- A/R Ledger (F03B11)
- Receipts Register (F03B13)
- Receipt Application Detail (F03B14)

Before You Begin

- ❑ Set up the appropriate AAIs for receipts processing and, if applicable, alternate currency receipts processing.

See Also

- *Understanding AAIs for A/R*
- *Processing Options for Standard Receipts Entry*
- *Type Input Codes for Standard Receipts Entry* in the Manual Receipts Processing overview

Entering Invoice Match Receipts

When you receive payment from a customer, you can quickly match the receipt to an invoice or group of invoices. Matching receipts to open invoices is the most common method of applying receipts.

Entering invoice match receipts consists of:

- ❑ Displaying open items
- ❑ Entering remittance information
- ❑ Entering basic receipts (TI code 10)
- ❑ Entering alternate currency receipts
- ❑ Reviewing the results of receipts entry
- ❑ Entering receipts with earned discounts (TI code 10)
- ❑ Entering receipts with unearned discounts (TI code 10)
- ❑ Creating chargebacks for discounts (TI code 11)
- ❑ Creating chargeback invoices (TI code 16)

TI refers to the type input code used in Manual Receipts Entry.

Displaying Open Items

Before entering a receipt, you might need to display the open items in a customer's account. You use the information that the system displays to apply receipts accordingly.

When displaying open items, you can:

- Load all open items for a customer
- Select specific open items for a customer

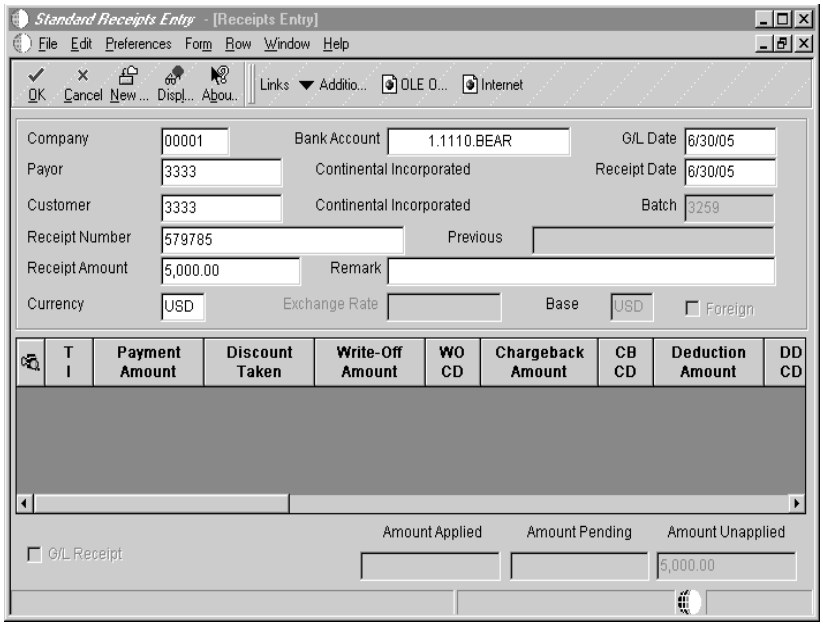
▶ To load all open items for a customer

From the Manual Receipts Processing menu (G03B12), choose Standard Receipts Entry.

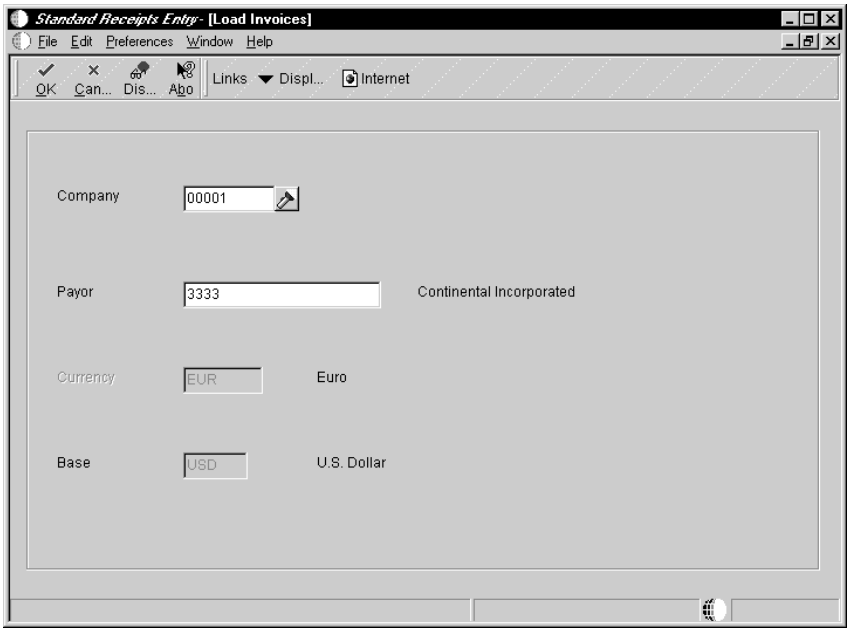
When entering standard receipts, you can load all of the open items in a customer's account for receipt application.

On Customer Receipts Inquiry

1. Click Add to access Receipts Entry.



2. On Receipts Entry, complete the following fields in the header area:
   - Company
   - G/L Date
   - Payor
   - Customer
3. Complete the following optional fields:
   - Bank Account
   - Receipt Date
   - Receipt Number
   - Receipt Amount
   - Currency
   - Remark
   - Exchange Rate
4. From the Form menu, choose Load.



5. On Load Invoices, complete any of the following fields if necessary, and click OK:

   - Company
   - Payor

   If you use the Currency field on Load Invoices, the system loads only receipts with the currency you specify. The currency code can be the base currency, the invoice currency, or the transaction currency. To load invoices regardless of currency, enter an asterisk (*) into the Currency field. If you leave this field blank, the system uses the default currency code associated with the company you entered in the receipt header.

   The system loads all open items in the detail area of Receipts Entry.

Field	Explanation
Currency	A code that indicates the currency of a customer's or a supplier's transactions. . . . . . *Form-specific information* . . . . . The currency of the receipt to be applied against invoices. The system displays invoice transaction amounts in the currency you enter, regardless of the currency of the invoice. If the currency is an alternate currency, the system displays the invoice transaction amounts based on the last valid exchange rate from the Currency Exchange Rates table (F0015).

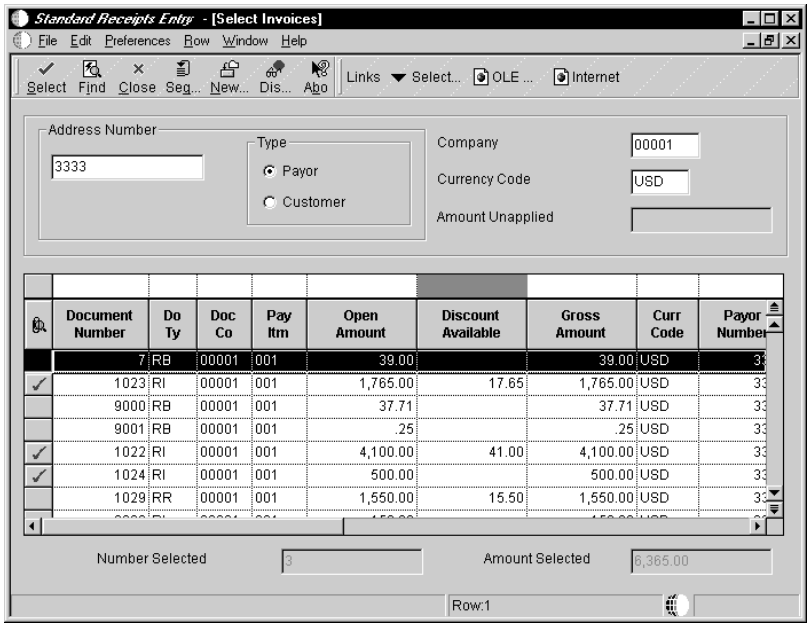
▶ To select specific open items for a customer

From the Manual Receipts Processing menu (G03B12), choose Standard Receipts Entry.

In addition to loading all open items for a customer, you can locate specific invoices from customers' accounts for receipt application. For example, you might want to select those invoices that are due on a specific date. The system loads the open items you choose on the Receipts Entry form.

On Customer Receipts Inquiry

1. Click Add to access Receipts Entry.
2. On Receipts Entry, complete the following fields in the header area:
   - Company
   - G/L Date
   - Payor
   - Customer
3. Complete the following optional fields:
   - Bank Account
   - Receipt Date
   - Receipt Number
   - Receipt Amount
   - Currency
   - Remark
   - Exchange Rate
4. From the Form menu, choose Select.



5. On Select Invoices, complete the following optional fields:

   - Address Number
   - Type
   - Company
   - Currency Code

     To locate invoices entered in a specific currency, complete the Currency Code field or enter an asterisk (*) in the field to load invoices for all currencies.

6. Click Find to load the open items that meet your search criteria. Alternatively, you can use the QBE line to locate invoices.
7. Choose the invoice or group of invoices that you want to display on Receipts Entry and click Select.

   The system marks the invoices that you select. To remove the selection, choose the invoice and click Select again. You can select invoices from multiple customers. The system keeps track of the number of invoices you select and the total amount of the selected invoices.

8. To load the selected invoices in the detail area of Receipts Entry, click Close.

Entering Remittance Information

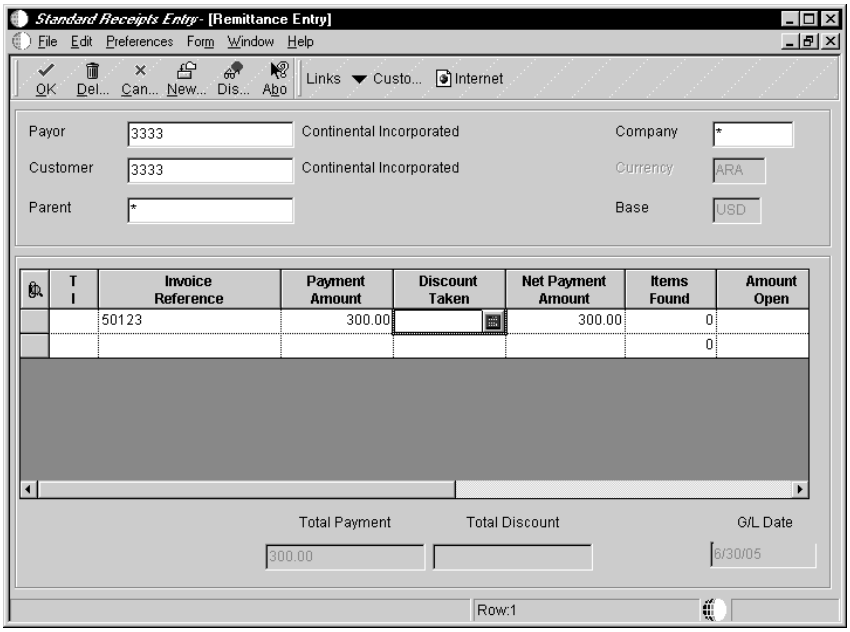
When you need a fast way to enter numerous open invoices in a customer's account for receipt application, use Remittance Entry. This method enables you to enter high-volume amounts of information. For example, you can quickly enter the details of a customer's remittance, such as an invoice number, a statement number, a sales order number, or a reference number assigned by the customer. The system uses the information that you enter, in conjunction with the processing option settings, to locate the associated invoices.

▶ To enter remittance information

From the Manual Receipts Processing menu (G03B12), choose Standard Receipts Entry.

On Customer Receipts Inquiry

1. Click Add to access Receipts Entry.
2. On Receipts Entry, complete the following fields in the header area:
   - Company
   - G/L Date
   - Payor
   - Customer
3. Complete the following optional fields:
   - Bank Account
   - Receipt Date
   - Receipt Number
   - Receipt Amount
   - Currency
   - Remark
   - Exchange Rate
4. On Receipts Entry, choose Remittance Entry from the Form menu.



5. On Remittance Entry, complete the following optional fields:
   - Payor
   - Customer
   - Parent
   - Company
   - Currency
6. Complete the following field for each item on the customer's remittance:
   - Invoice Reference

     You should enter either the invoice number, statement number, sales order number, or a customer reference number into the Invoice Reference field. The order of the search is determined by the Match Priority processing option.

7. In the detail area, complete the following optional fields:
   - Payment Amount
   - Discount Taken
   - Document Type
   - Doc Co (Document Company)
   - Pay Item
   - Override Type
8. Click OK.

Field	Explanation
Invoice Reference	A generic field used in the cash receipt process to match receipts against invoices. This field can contain an invoice number, sales order number, statement number, or customer reference number. The system uses this field in conjunction with the Match Priority processing options or the Override Type field to determine which of the four options the value represents. The system searches the Customer Ledger table (F03B11) for an invoice based on the reference you enter, and matches it against the receipt.
Discount Taken	In Accounts Receivable, this is the amount the customer account is discounted when you apply a receipt to an open invoice. In Accounts Payable, this is the amount of discount you take when you issue a payment. The discount taken does not have to be the same as the discount available.
Doc Type	A user defined code (00/DT) that identifies the origin and purpose of the transaction. J.D. Edwards reserves several prefixes for document types, such as vouchers, invoices, receipts, and timesheets. The reserved document type prefixes for codes are: P Accounts payable documents R Accounts receivable documents T Time and Pay documents I Inventory conversion issues O Ordering document types The system creates offsetting entries as appropriate for these document types when you post batches.
Doc Co	A number that, with the document number, document type and G/L date, uniquely identifies an original document, such as invoice, voucher, or journal entry. If you use the Next Numbers by Company/Fiscal Year feature, the Automatic Next Numbers program (X0010) uses the document company to retrieve the correct next number for that company. If two or more original documents have the same document number and document type, you can use the document company to locate the desired document.
Pay Item	A number that identifies the pay item for a voucher or an invoice. The system assigns the pay item number. If the voucher or invoice has multiple pay items, the numbers are sequential.

Field	Explanation
Override	A number the system uses to identify which matching process to run. If you leave the field blank, the matching process runs matches as you specified in the processing options for Standard Receipts Entry. The number of the matches that are successful will be displayed. This field also allows you to change the definition of the invoice reference field at the time you enter the receipt. For example, if you have the field defined to use the invoice number, but you receive payment by the statement number, you can enter the statement number into the invoice reference field and enter 4 in the Override Type field. This action allows the Invoice Reference field to accept a statement number.

See Also

- *Displaying Open Items*

Entering Basic Receipts (TI Code 10)

You enter receipts in batches, just as you enter invoices in batches. To make your bank reconciliation process easier, you might want to group the different types of receipts into different batches.

▶ To enter basic receipts

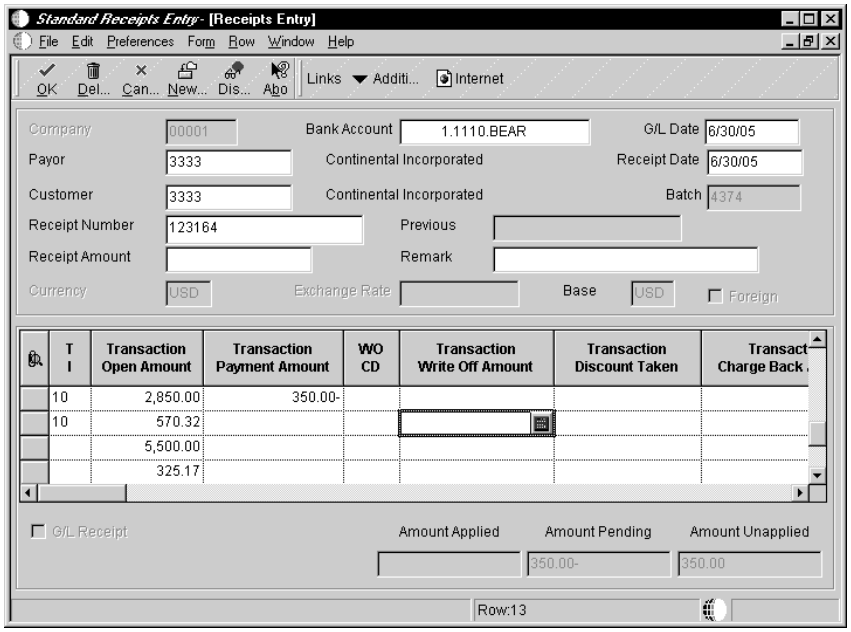
From the Manual Receipts Processing menu (G03B12), choose Standard Receipts Entry.

On Customer Receipts Inquiry

1. Click Add to access Receipts Entry.
2. On Receipts Entry, complete the following fields in the header area:
   - Company
   - G/L Date
   - Payor
   - Customer
3. Complete the following optional fields:
   - Bank Account
   - Receipt Date
   - Receipt Number

- Receipt Amount
- Currency
- Remark
- Exchange Rate

4. Display the open items for the customer, using Load, Select, or Remittance Entry.



5. On Receipts Entry, in the detail area, enter 10 in the following field next to the appropriate invoice:

   - T I (Type Input)

6. To override default information, complete any of the following fields:

   - Payment Amount

     The system calculates and displays the amount applied if you do not apply the full amount of the receipt.

   - Remark

7. To create the receipt record, click OK.

   After you enter a standard receipt and click OK, the system displays the previous receipt number in the header area of Receipts Entry. You must, however, use the Customer Receipts Inquiry form to locate and access the receipt.

8. To return to the Customer Receipts Inquiry form, click Cancel.

After you enter a receipt, you can attach text, an OLE object, or an image, such as a scanned receipt. For example, you might attach an internal comment or memo regarding a receipt revision or void. To do so, choose the receipt on Customer Receipt Inquiry. Then, choose Attachments from the Row menu.

If you complete the header section click OK without selecting invoices to pay, the system creates unapplied cash.

Field	Explanation
Payor	A user defined name or number that is unique to the address book number. You can use this field to enter and locate information. You can use it to cross-reference the supplier to a Dun & Bradstreet number, a lease number, or other reference.
Receipt Number	This field is the check number as entered by the user in cash receipts.
Receipt Amount	The actual amount of the receipt or payment.
T I	A code that specifies how the system processes a transaction during receipts entry. The system will not process transactions with a blank or invalid type input.
Payment Amount	In A/P, this is the actual amount of the payment. In A/R, this is the actual amount of the receipt. This amount must balance to the total amount applied to the open pay items or invoice.

See Also

- *Displaying Open Items*
- *Entering Remittance Information*
- *Adding Attachments to Invoices*

Entering Alternate Currency Receipts

You can pay invoices in the domestic, foreign, or an alternate (third) currency. The ability to enter a receipt in an alternate currency is controlled by a processing option in the Standard Receipts Entry program. You determine whether to allow payments to be made in an alternate currency. If company policy does not allow alternate currency receipts, the processing option makes it possible to prevent one from being entered.

To enter alternate currency receipts, the system must first convert invoice amounts to an alternate currency and then apply the receipt. To convert the invoice amounts, the system uses the exchange rate between the alternate currency and the invoice currency. The exchange rate is retrieved from the Currency Exchange Rates table (F0015), based on the G/L date.

You cannot enter alternate currency receipts using batch cash receipts, electronic data interchange (EDI) transactions, or drafts.

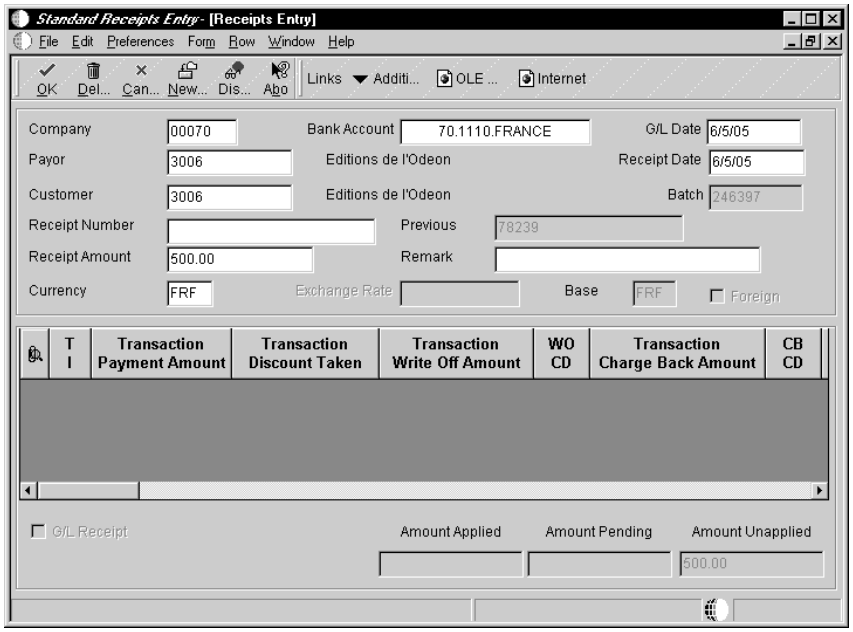
To enter alternate currency receipts

From the Manual Receipts Processing menu (G03B12), choose Standard Receipts Entry.

On Receipts Entry

1. In the Currency field in the header area, enter the currency code of the alternate currency (this is the currency of the receipt).

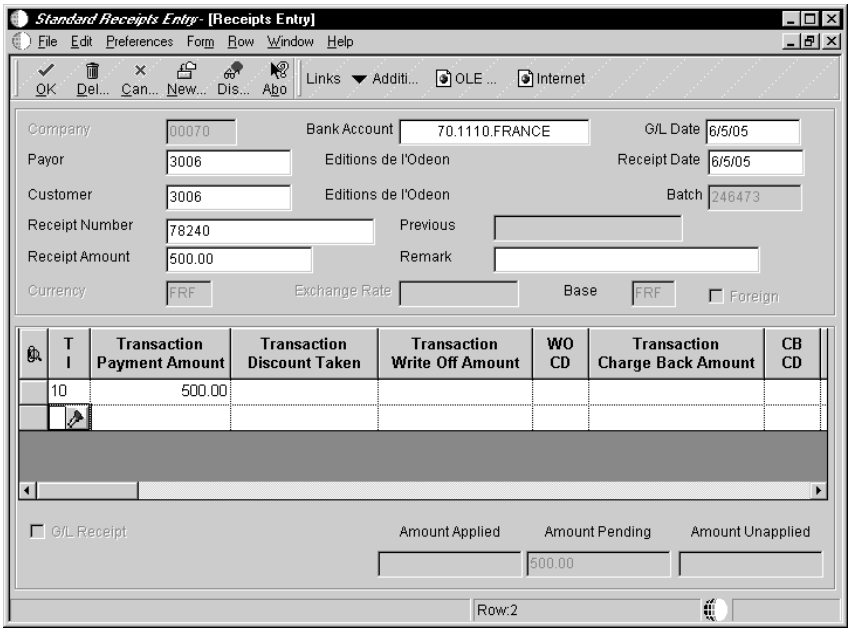
   The Currency field designates the alternate currency in which the system will convert open invoice amounts.



   Spot rates, which are entered in the Exchange Rate field, are not allowed on transactions between two EMU member currencies because of the irrevocably fixed euro rate. See *Triangulation and Spot Rates* in the *Euro Implementation Guide* for more information.

2. Display the open items for the customer using Load or Select.
3. On the Load or Select Invoices form, change the currency code from the alternate currency to the invoice currency or *.

   You must change the currency code to display invoices that were entered in a currency other than the alternate currency.



Reviewing the Results of Receipts Entry

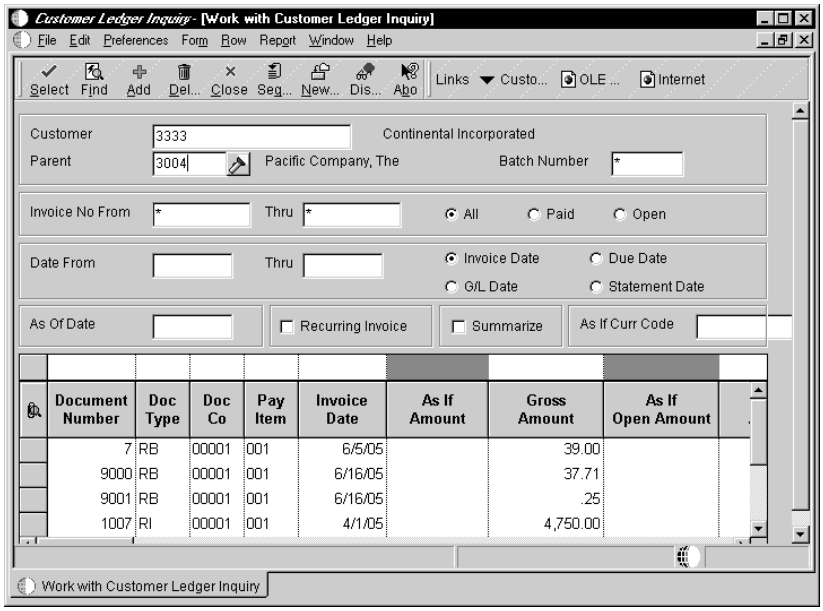
After you enter a receipt, you might want to verify that you applied it correctly or view the current open amount for the customer. To do so, review the results of receipts entry. This provides a quick way of reviewing the current transaction history of a customer.

▶ To review the results of receipts entry

From the Manual Receipts Processing menu (G03B12), choose Standard Receipts Entry.

On Customer Receipts Inquiry or Standard Receipts Entry

1. From the Form menu, choose Customer Ledger.



2. On Work With Customer Ledger Inquiry, complete any of the following fields to limit the information that the system displays:
   - Customer
   - Parent
   - Batch Number
   - Invoice No From
   - Thru
   - Date From
   - Invoice Date
   - G/L Date
   - Due Date
   - Statement Date
3. To view only paid items, click the following option:
   - Paid
4. Choose the item that you want to review.
5. To review receipt information, choose Receipt/Draft Details from the Row menu.

Entering Receipts with Earned Discounts (TI Code 10)

When you apply a receipt to an invoice or group of invoices, you can choose to allow the discount. The system creates one matching document for each original document to which you apply the receipt.

When you post the receipt, the system uses AAI item RKD to distribute the amount of the discount to the appropriate account.

You can set a processing option to allow the discount taken amount to be more than the discount available. For example, you might issue a credit to a customer in the form of a discount amount for a disputed item. In most cases, however, you should not change the processing option.

▶ To enter receipts with discounts (TI code 10)

From the Manual Receipts Processing menu (G03B12), choose Standard Receipts Entry.

On Customer Receipts Inquiry

1. Click Add to access Receipts Entry.
2. Complete the following fields in the header area:
   - Company
   - G/L Date
   - Payor
   - Customer
3. Complete the following optional fields:
   - Bank Account
   - Receipt Date
   - Receipt Number
   - Receipt Amount
   - Currency
   - Remark
   - Exchange Rate
4. Display the open items for the customer, using Load, Select, or Remittance Entry.
5. In the detail area, enter 10 in the following field next to the appropriate invoice:
   - T I (Type Input)

6. To override default information, complete the following fields:
    - Payment Amount
    - Discount Taken
7. To create the receipt record, click OK.
8. Follow the steps to view the results of receipts entry (optional).

See Also

- *Displaying Open Items*
- *Reviewing the Results of Receipts Entry*

Entering Receipts with Unearned Discounts (TI Code 10)

When applying a receipt to an invoice, you can choose not to allow the discount. For example, you might not allow the discount if you receive a customer's payment after the discount due date specified on the invoice.

If you do not allow the discount, the system leaves the original invoice open in the amount of the desired discount.

Before You Begin

❑ Ensure that your automatic write–off amounts in the processing options are set appropriately so that the system leaves the discount amount open on the invoice. Otherwise, the system will automatically write-off the amount of the discount. For example, you might want to set the auto write-off processing option as follows:

- Maximum underpayment write-off amount = 5.00
- Maximum overpayment write-off amount = –5.00

▶ To enter receipts with unearned discounts (TI code 10)

From the Manual Receipts Processing menu (G03B12), choose Standard Receipts Entry.

On Customer Receipts Inquiry

1. Click Add to access Receipts Entry.
2. Complete the following fields in the header area:
    - Company
    - G/L Date

- Payor
- Customer

3. Complete the following optional fields:
   - Bank Account
   - Receipt Date
   - Receipt Number
   - Receipt Amount
   - Currency
   - Remark
   - Exchange Rate
4. Display the open items for the customer, using Load, Select, or Remittance Entry.
5. In the detail area, enter 10 in the following field next to the appropriate invoice:
   - T I (Type Input)
6. To override default information, complete the following field:
   - Payment Amount
7. Remove the amount or specify 0 (zero) in the following field:
   - Discount Taken
8. To create the receipt record, click OK.
9. Follow the steps to view the results of receipts entry (optional).

See Also

- *Displaying Open Items*
- *Reviewing the Results of Receipts Entry*

Creating Chargebacks for Discounts (TI Code 11)

When applying a receipt to an invoice, you might need to create a chargeback for the discount amount. For example, a customer might issue payment for an invoice, less the discount, even though the terms of the discount have expired.

When you create a chargeback for the discount amount (type input code 11), the system creates two documents:

- RB (chargeback invoice). This is the original document that takes the place of a specific invoice or several invoices. The chargeback invoice contains the amount of the disputed amount to be charged-back to the customer. The system creates an audit trail to the original invoice and always contains a debit amount. You can print this invoice and send it to the customer.
- RC (receipt). This document closes out the old invoice and creates a cross-reference to the chargeback invoice.

▶ To create chargebacks for discounts (TI code 11)

From the Manual Receipts Processing menu (G03B12), choose Standard Receipts Entry.

On Customer Receipts Inquiry

1. Click Add to access Receipts Entry.
2. Complete the following fields in the header area:
    - Company
    - G/L Date
    - Payor
    - Customer
3. Complete the following optional fields:
    - Bank Account
    - Receipt Date
    - Receipt Number
    - Receipt Amount
    - Currency
    - Remark
    - Exchange Rate
4. Display the open items for the customer, using Load, Select, or Remittance Entry.

5. In the detail area, enter 11 in the following field next to the appropriate invoice:
   - T I (Type Input)
6. Override the information in the following field:
   - Payment Amount
7. Complete the following field:
   - CB CD (Chargeback Reason Code)
8. To create the receipt record, click OK.
9. Review the results of receipts entry (optional).

See Also

- *Displaying Open Items*
- *Reviewing the Results of Receipts Entry*

Creating Chargeback Invoices (TI Code 16)

When you enter a partial payment for an invoice, you can create a chargeback invoice for the difference. For example, you might receive payment from a customer for only the merchandise ordered, less shipping costs. In this case, the customer disputes the shipping costs because the terms were not previously agreed upon.

When creating chargeback invoices (type input code 16), the system creates two documents:

- RB (chargeback invoice). This is the original document that takes the place of a specific invoice or several invoices. The chargeback invoice contains the amount of the disputed amount to be charged-back to the customer. The system creates an audit trail to the original invoice and always contains a debit amount. You can print this invoice and send it to the customer.
- RC (receipt). This document closes out the old invoice and creates a cross-reference to the chargeback invoice.

Depending on how you set the processing options, the system uses the following default information when you create a chargeback:

- Payment status
- Chargeback reason code, such as disputed amount
- Original invoice date or receipt G/L date

▶ To create chargeback invoices (TI code 16)

From the Manual Receipts Processing menu (G03B12), choose Standard Receipts Entry.

On Customer Receipts Inquiry

1. To access Receipts Entry, click Add.
2. Complete the following fields in the header area:
   - Company
   - G/L Date
   - Payor
   - Customer
3. Complete the following optional fields:
   - Bank Account
   - Receipt Date
   - Receipt Number
   - Receipt Amount
   - Currency
   - Remark
   - Exchange Rate
4. Display the open items for the customer, using Load, Select, or Remittance Entry.
5. In the detail area, enter 16 in the following field next to the appropriate invoice:
   - T I (Type Input)
6. Override the information in the following field, if necessary:
   - Payment Amount
7. Change the default information in the following field (optional).
   - CB CD (Chargeback Reason Code)
8. To create the receipt record, click OK.

   The system creates the amount of the chargeback.

9. Review the results of receipts entry (optional).

See Also

- *Displaying Open Items*

- *Reviewing the Results of Receipts Entry*

Entering Unapplied Receipts

You can apply a receipt to a customer's account without applying it to a specific invoice or group of invoices. To do so, enter an unapplied receipt. For example, you might want to include the receipt in your daily bank deposit and apply it later to the appropriate invoices.

This type of receipt enables you to immediately enter the money you receive in the system. This is fundamental in determining your current cash position.

When you enter an unapplied receipt, the system creates an RU (unapplied receipt) document. This document:

- Establishes an audit trail to the receipt number
- Contains a credit amount
- Contains a posting status of D (posted) on the RU invoice. The posted code for the RC receipt remains blank and available for posting

The unapplied receipt remains open until you apply it to the appropriate invoices.

▶ To enter unapplied receipts

From the Manual Receipts Processing menu (G03B12), choose Standard Receipts Entry.

On Customer Receipts Inquiry

1. Click Add to access Receipts Entry.
2. On Receipts Entry, complete the following fields:
    - Company
    - G/L Date
    - Payor
    - Customer
3. Complete the following optional fields:
    - Bank Account
    - Receipt Date
    - Receipt Number
    - Receipt Amount

- Currency
- Remark
- Exchange Rate

4. Click OK.

Applying Unapplied Receipts to Invoices

After entering an unapplied receipt, you can later apply it to the appropriate invoice or group of invoices. When you fully apply an unapplied receipt to invoices, the system closes the RU (unapplied) document and creates an RC (receipt) document for the amount applied.

If you apply an unapplied receipt to invoices before it is posted, the system deletes the RU record from the Receipts Register table.

▶ To apply unapplied receipts to invoices

From the Manual Receipts Processing menu (G03B12), choose Standard Receipts Entry.

On Customer Receipts Inquiry

1. To display unapplied receipts, click the following option:
   - Unapplied
2. To display the unapplied receipt, choose the appropriate receipt and click Select.
3. On Receipts Entry, display open items for the customer.
4. In the detail area, enter 10 in the following field next to the appropriate invoice:
   - T I (Type Input)
5. To override default information, complete any of the following fields:
   - Payment Amount
   - Discount Taken
   - Remark
   - Write–Off Amount
   - Chargeback Amount
   - Deduction Amount
6. To create the receipt record, click OK.

You can also use the Speed Receipts Entry method to enter unapplied receipts. It provides a faster way to enter one or more unapplied receipts with one line of

information. However, you cannot use this method to change or delete an unapplied receipt. To do so, you must use the standard receipts entry method.

See Also

- *Working with Speed Receipts.*

Entering Receipts with Automatic Write-Offs (TI Code 10)

If you receive a small overpayment or a payment that does not pay the full amount of an invoice, you can automatically write-off the difference. When you write-off the difference, the system closes the invoice. You establish the maximum amount for an automatic write-off for over and under payments in the processing options for automatic write-offs. You determine the reason code and to which account the system posts the write-off. If you do not want to use the automatic write-off feature, do not complete the processing option for automatic write-offs.

The system creates a write-off when the difference between the receipt amount and the open amount on the invoice falls within the limit you establish in the processing option for automatic write-offs. The system does not create an automatic write-off when you enter an amount in the Transaction Write-Off Amount field and use a type input code 15. In this example, the system disregards the automatic write-off feature and allows a manual write-off. When the system enters an automatic write-off in this field, you will not see the amount displayed until you inquire on the receipt.

Example: Automatic Write-Off

If you establish the maximum write-off amount as 10.00, the invoice open amount is 500.00, and you enter a receipt for 490.00, the system automatically writes off 10.00. The system uses the account associated with the reason code for the automatic write-off during the post process. In this example, if you enter 10.00 into the Transaction Write-Off field during receipts entry, the system uses the manual write-off limits to validate the write-off, and uses the account associated with the reason code for manual write-offs.

▶ To enter receipts with automatic write-offs (TI code 10)

From the Manual Receipts Processing menu (G03B12), choose Standard Receipts Entry.

On Customer Receipts Inquiry

1. Click Add to access Receipts Entry.

2. Complete the following fields in the header area:
    - Company
    - G/L Date
    - Payor
    - Customer
3. Complete the following optional fields:
    - Bank Account
    - Receipt Date
    - Receipt Number
    - Receipt Amount
    - Currency
    - Remark
    - Exchange Rate
4. Display the open items for the customer, using Load, Select, or Remittance Entry.
5. In the detail area, enter 10 in the following field next to the appropriate invoice:
    - T I (Type Input)
6. To create the receipt record, click OK.
7. Follow the steps to view the results of receipts entry (optional).

See Also

- *Displaying Open Items*
- *Reviewing the Results of Receipts Entry*

Entering Receipts with Manual Write-Offs (TI Code 15)

When you enter an invoice match receipt and a small balance remains on the invoice, you can write it off to close the invoice (type input code 15). For example, you might receive a customer's payment that is slightly less than the invoice amount. Instead of creating a chargeback invoice for the difference, or leaving the amount open, you might find it in the best interest of your relationship with the customer to write off the minor amount.

You specify the amount for manual write-offs in the Standard Receipts processing options. You must enter a reason for the write-off. This determines which G/L account the system debits when you post the receipt. You set up the reason codes in the AAIs. For example, you can set up AAI item RAxx (where xx is the 2-character code) to associate the reason codes to the G/L accounts.

You might set up:

- BD (bad debt)
- MW (minor amount write-off)
- DC (damage credit adjustment)
- TF (tax freight/adjustment)

You must specify in the Standard Receipts Entry processing options the maximum amount that the system allows for manual write-offs and the reason codes associated with the write-offs. Write-offs do not generate gains and losses.

▶ To enter receipts with write-offs (TI code 15)

From the Manual Receipts Processing menu (G03B12), choose Standard Receipts Entry.

On Customer Receipts Inquiry

1. Click Add to access Receipts Entry.
2. Complete the following fields in the header area:
    - Company
    - G/L Date
    - Payor
    - Customer
3. Complete the following optional fields:
    - Bank Account
    - Receipt Date

- Receipt Number
- Receipt Amount
- Currency
- Remark
- Exchange Rate

4. Display the open items for the customer, using Load, Select, or Remittance Entry.
5. In the detail area, enter 15 in the following field next to the appropriate invoice:
   - T I (Type Input)
6. To override default information, complete the following fields:
   - Payment Amount
   - WO CD (Write-off Reason Code)
   - Write–Off Amount
7. To create the receipt record, click OK.
8. Review the results of receipts entry (optional).

Field	Explanation
WO CD	A code that identifies the reason for a write-off applied to the invoice during receipts entry. Typical reason codes are: BD Bad debt DC Damaged goods MW Minor amount write–off TF Tax or freight dispute You also define these codes in the Automatic Accounting Instructions so the system can make the adjusting entries in the general ledger.
Write–Off Amount	The amount of the write-off when you apply a receipt to an invoice.

See Also

- *Displaying Open Items*
- *Reviewing the Results of Receipts Entry*

Entering Receipts with Deductions (TI Code 17)

Entering receipts with deductions (type input code 17) provides a method for dealing with short payments. You can enter cash immediately while another person researches and resolves the short payment. Some common reasons that a customer might take a deduction are:

- Damaged or defective merchandise
- Discount problems
- Billing errors
- Shortages in the shipment of merchandise

You can enter a receipt and have the system automatically create a deduction for the amount that is not included in the customer's payment. You must enter a reason for the deduction.

When you enter receipts with deductions, the system:

- Closes the associated invoice or group of invoices.
- Creates deduction records (R5) in the Customer Ledger table (F03B11). After you post the deduction, the system creates records in the Deduction Management (F03B40) table. The deduction record enables you to research and resolve the reason for the deduction at a later time.
- Establishes an audit trail to the receipt that created the deduction.

▶ To enter receipts with deductions (TI code 17)

From the Manual Receipts Processing menu (G03B12), choose Standard Receipts Entry.

After you enter a receipt with a deduction and after it is posted, you cannot use Standard Receipts Entry to change the receipt's detail, such as the deduction amount and deduction reason. To do this, you must use the Work With Deductions form.

You can, however, do the following on Customer Receipts Inquiry:

- Delete an unposted receipt and re-enter it on Receipts Entry
- Void a posted receipt

On Customer Receipts Inquiry

1. Click Add to access Receipts Entry.

2. Complete the following fields in the header area:
    - Company
    - G/L Date
    - Payor
    - Customer
3. Complete the following optional fields:
    - Bank Account
    - Receipt Date
    - Receipt Number
    - Receipt Amount
    - Currency
    - Remark
    - Exchange Rate
4. Display the open items for the customer, using Load, Select, or Remittance Entry.
5. In the detail area, enter 17 in the following area next to the appropriate invoice:
    - T I (Type Input)
6. Complete the following fields:
    - Payment Amount
    - DD CD (Deduction Code)
7. To create the receipt record, click OK.
8. Review the results of receipts entry (optional).

Field	Explanation
Deduction Amount	The amount of the deduction. This amount needs to be associated with an invoice and can be less than the open amount.
DD CD	A code that identifies the reason for a deduction that the system applies to the invoice during receipts entry. The deduction reason code is associated with the UDC table 03B/CR. Typical reason codes are: DG Damaged Goods SS Short Shipment UD Undefined Deduction

See Also

- *Displaying Open Items*

- *Reviewing the Results of Receipts Entry*
- *Working with Deductions*
- *Researching and Resolving Deductions*
- *Revising Receipts*

Applying Receipts to Invoices Using Multiple Input Methods

You can enter a receipt and apply it simultaneously to a group of invoices that require individual treatment. For example, if you have three invoices, you might allow the discount on one invoice, chargeback the discount amount on another invoice, and create a write-off for the shipping cost on the last invoice.

When you apply a receipt to invoices using multiple input methods, you can use the type input codes in any combination to address each invoice individually.

▶ To apply receipts to invoices using multiple input methods

From the Manual Receipts Processing menu (G03B12), choose Standard Receipts Entry.

On Customer Receipt Inquiry

1. Click Add to access Receipts Entry.
2. Complete the following fields in the header area:
    - Company
    - G/L Date
    - Payor
    - Customer
3. Complete the following optional fields:
    - Bank Account
    - Receipt Date
    - Receipt Number
    - Receipt Amount
    - Currency
    - Remark
    - Exchange Rate
4. Display the open items for the customer, using Load, Select, or Remittance Entry.

5. In the detail area, enter the appropriate code in the following field next to each invoice:
   - T I (Type Input)
6. Override default information or complete any of the following fields for each invoice:
   - Payment Amount
   - Discount Taken
   - WO CD (Write-off Reason Code)
   - Write–Off Amount
   - CB CD (Chargeback Reason Code)
   - Chargeback Amount
   - DD CD (Deduction Reason Code)
   - Deduction Amount
7. To create the receipt record, click OK.
8. Review the results of receipts entry (optional).

Field	Explanation
CB CD	A code that identifies the reason for a chargeback applied to the invoice during receipt entry. Typical reason codes are: DA Disputed amounts DD Unearned (disallowed) discount amount

See Also

- *Displaying Open Items*
- *Reviewing the Results of Receipts Entry*

Creating Stand-Alone Records

Stand-alone records are write-offs, chargebacks, and deductions that are not associated with any known invoice. You create stand-alone records when the customer sends a payment for several invoices, but the payment amount does not equal the total amount of the invoices. Also, you use stand-alone records if unapplied cash is being spread against several invoices and there is a small difference between the totals.

In these scenarios the system is matching invoices, but the shortage is recorded without specifying a particular invoice. J.D. Edwards recommends that you use stand-alone records in conjunction with invoice match, whenever possible.

Type Input Codes for Stand-Alone Transactions

In addition to the type input codes that you use to automatically calculate amounts associated with a receipt, you use the following type input codes to create stand-alone transactions in Standard Receipts Entry:

25 (Stand-alone write-off)	Use this code to create a write-off for a disputed amount (such as tax on a freight charge) that is not associated with a specific invoice, and is not necessarily associated with a receipt. The system reduces this amount from the customer's open balance.
26 (Stand-alone chargeback)	Use this code to create a chargeback invoice for an unpaid amount that is not associated with a specific invoice, and is not associated with a receipt.
27 (Stand-alone deduction)	Use this code to create a deduction for an amount that is not associated with an invoice, and is not associated with a receipt.

Creating stand-alone records consists of the following tasks:

- ❑ Creating stand-alone write-offs
- ❑ Creating stand-alone chargebacks
- ❑ Creating stand-alone deductions

Before You Begin

❑ Ensure that you set the maximum amount in the Manual Write-Off processing option high enough so that the system will accept the stand-alone entry.

❑ Set up the appropriate expense account AAI (RAxx) for the Write-Off Reason Code

Creating Stand-Alone Write-Offs

A stand-alone write-off is a write-off for an amount not associated with any known invoice. For example, when you receive cash for multiple invoices and the customer has not indicated which invoice should receive the short payment, you can write-off this amount using a stand-alone entry.

When you create a stand-alone write-off (type input code 25), the system reduces the customer's open balance by the amount of the write-off.

When creating stand-alone write-offs, you can do the following:

- Create stand-alone write-offs with invoice match
- Create stand-alone write-offs without invoice match

▶ To create stand-alone write-offs with invoice match

From the Manual Receipts Processing menu (G03B12), choose Standard Receipts Entry.

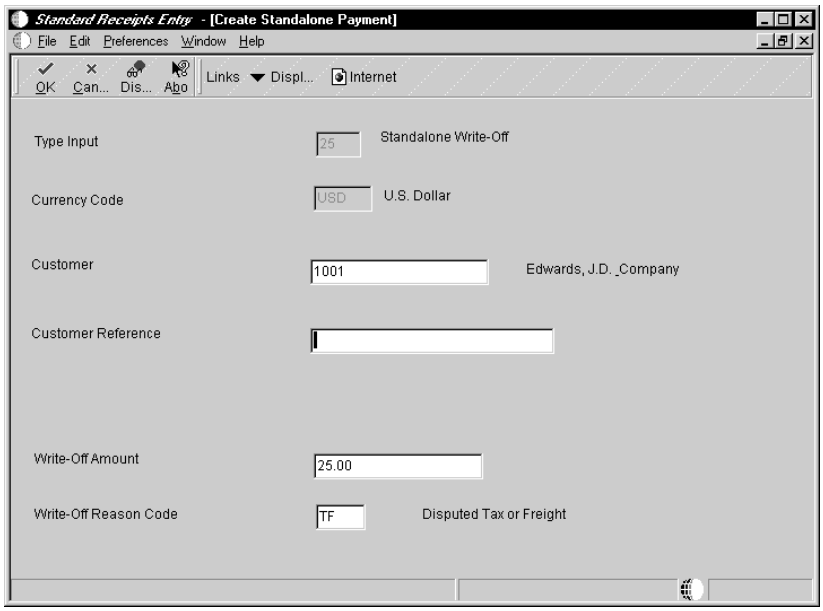
On Customer Receipts Inquiry

1. Click Add to access Receipts Entry.
2. On Receipts Entry, complete the following fields in the header area:
   - Company
   - G/L Date
   - Payor
   - Customer
3. Complete the following optional fields, if necessary:
   - Bank Account
   - Receipt Date
   - Receipt Number

- Receipt Amount
- Currency
- Remark
- Exchange Rate

4. Choose Load, Select, or Remittance Entry from the Form menu to display the appropriate open items.
5. On Receipts Entry, complete the following field:
   - T I (Type Input Code)

     In the detail area, enter 10 in the Type Input Code field next to the invoices that the receipt is paying.
6. From the Form menu, choose Stand-Alone, then choose Write-Off.



7. On Create Stand-Alone Payment**,** complete the following fields, and click OK:
   - Write–Off Amount
   - Write–Off Reason Code
   - Customer
   - Customer Reference

   You must enter a reason for the write-off. This determines which expense account the system debits when you post the transaction.

On a new detail line, the system creates a negative payment amount for the amount of the stand-alone write-off and assigns it a type input code of 25. The system also shows the associated write-off reason code.

8. Click OK to create the write-off record.

Field	Explanation
Write–Off Amount	The amount of the write-off when you apply a receipt to an invoice.
Write–Off Reason Code	A code that identifies the reason for a write-off applied to the invoice during receipts entry. Typical reason codes are: BD Bad debt DC Damaged goods MW Minor amount write–off TF Tax or freight dispute You also define these codes in the Automatic Accounting Instructions so the system can make the adjusting entries in the general ledger.
Customer Reference	An alphanumeric value used as a cross-reference or secondary reference number. Typically, this is the customer number, supplier number, or job number.

▶ To create stand-alone write-offs without invoice match

From the Manual Receipts Processing menu (G03B12), choose Standard Receipts Entry.

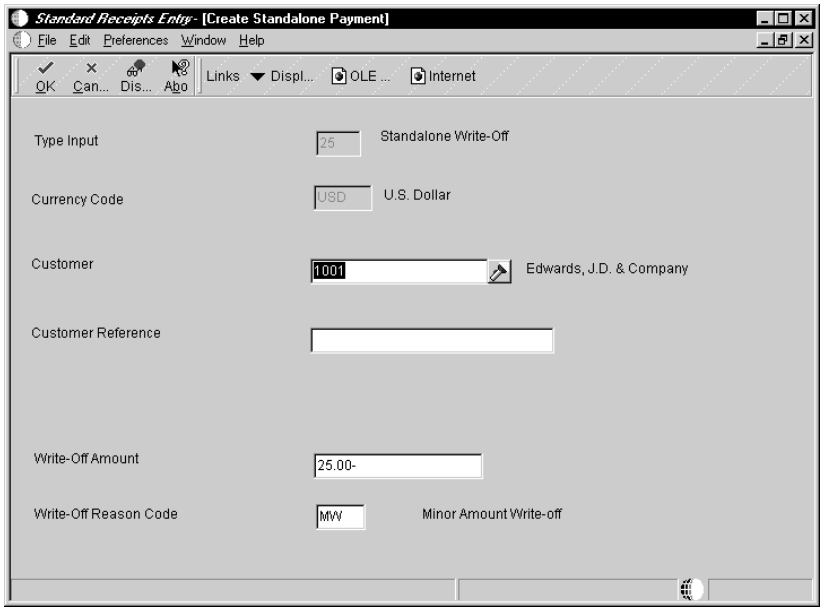
You might decide to allow the system to create stand-alone write-offs without an associated invoice match. For example, you would do this if you want to write-off a small overpayment.

On Customer Receipts Inquiry

1. Click Add to access Receipts Entry.
2. On Receipts Entry, complete the following fields in the header area:
   - Company
   - G/L Date
   - Payor
   - Customer
3. Complete the following optional fields, if necessary:
   - Bank Account
   - Receipt Date

- Receipt Number
- Receipt Amount
- Currency
- Remark

4. From the Form menu, choose Stand-Alone, then choose Write-Off.



5. On Create Stand-Alone Payment**,** complete the following fields:

   - Write–Off Amount

     Enter the Write-off Amount as a credit.

   - Write–Off Reason Code

6. Click OK.

   The system creates a new detail line with the type input code of 25, adds the amount into the Payment Amount and Write-Off Amount fields, and adds the write-off reason code.

7. Click OK to create the write-off record.

Creating Stand-Alone Chargebacks

When an amount in dispute is not associated with a specific invoice receipt, you can create a stand-alone chargeback for the amount. A stand-alone chargeback enables you to re-invoice the customer for the amount that is in dispute. Typically, you enter stand-alone chargebacks when the cash received does not total the invoices being paid, and you want to charge back the difference to the customer.

You can also use stand-alone chargebacks to spread unapplied cash among multiple customer accounts. For example, if you receive cash from payor 1001, you can create credit chargebacks and apply them to customers 1002 and 1003 to reduce their total account balance. This process simulates the creation of unapplied cash.

When you create a stand-alone chargeback (type input code of 26), the system creates an original document (RB) that contains the following amounts:

- The disputed amount to be charged back to the customer
- A debit amount

When creating stand-alone chargebacks, you can do the following:

- Create a stand-alone chargeback with invoice match
- Create a stand-alone chargeback without invoice match

▶ To create a stand-alone chargeback with invoice match

From the Manual Receipts Processing menu (G03B12), choose Standard Receipts Entry.

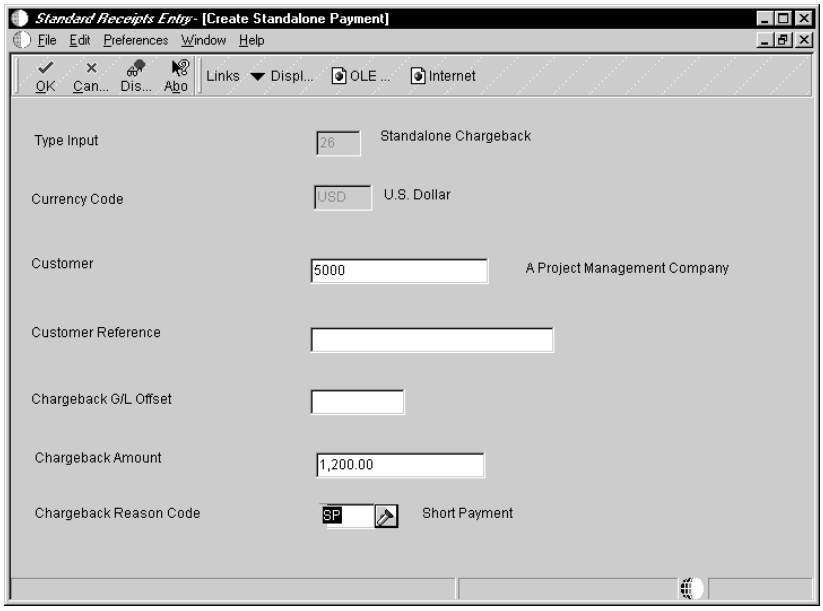
On Customer Receipts Inquiry

1. Click Add to access Receipts Entry.
2. On Receipts Entry, complete the following fields in the header area:
    - Company
    - G/L Date
    - Payor
    - Customer
3. Complete the following optional fields, if necessary:
    - Bank Account
    - Receipt Date
    - Receipt Number
    - Receipt Amount

- Currency
- Remark

4. Choose Load or Select from the Row menu to display the appropriate open items.
5. On Receipts Entry, complete following field:
   - T I (Type Input Code)

     Enter 10 in the Type Input Code field next to the invoices that the receipt is paying.
6. From the Form menu, choose Stand-Alone, then choose Chargeback.



7. On Create Stand-Alone Payment**,** complete the following fields, and click OK:
   - Customer
   - Customer Reference
   - Chargeback G/L Offset
   - Chargeback Amount
   - Chargeback Reason Code

   On a new detail line, the system creates a negative payment amount for the stand-alone chargeback, and assigns it a type input code of 26. The system also shows the associated chargeback amount and reason code.

8. To create the chargeback record, click OK.

   The chargeback creates a posted RB invoice record in the A/R Ledger table (F03B11) and a matching RC document in the Receipts Register (F03B13) and Receipts Application Detail (F03B14) tables. You must post this receipt in order to update the bank account balance for the amount that the system applied.

Field	Explanation
Chargeback G/L Offset	The table of Automatic Accounting Instruction accounts that allows you to predefine classes of automatic offset accounts for Accounts Receivable chargebacks. G/L offset might be assigned as follows: • blank or 1210 - Trade Accounts Receivable If you leave this field blank during receipt entry, the system will use the default from the invoice that is being used for the chargeback.
Chargeback Amount	An amount in which to apply a payment and create a new invoice (document type RB) in the A/R Ledger.
Chargeback Reason Code	A code that identifies the reason for a chargeback applied to the invoice during receipt entry. Typical reason codes are: DA Disputed amounts DD Unearned (disallowed) discount amount

▶ To create a stand-alone chargeback without invoice match

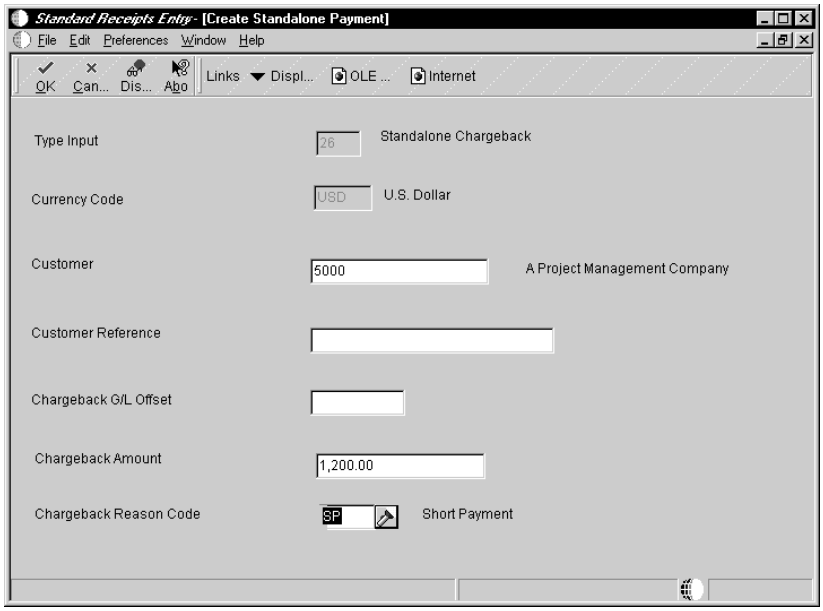
From the Manual Receipts Processing menu (G03B12), choose Standard Receipts Entry.

On Customer Receipts Inquiry

1. Click Add to access Receipts Entry.
2. On Receipts Entry, complete the following fields in the header area:
   - Company
   - G/L Date
   - Payor
   - Customer
3. Complete the following optional fields, if necessary:
   - Bank Account
   - Receipt Date
   - Receipt Number

- Receipt Amount
- Currency
- Remark

4. From the Form menu, choose Stand-Alone, then choose Chargeback.



5. On Create Stand-Alone Payment**,** complete the following fields, and click OK:

   - Customer
   - Customer Reference
   - Chargeback G/L Offset
   - Chargeback Amount (credit)
   - Chargeback Reason Code

   Repeat this step until the receipt amount is zero.

   On a new detail line, the system creates a positive payment amount for the stand-alone chargeback, and assigns it a type input code of 26. The system also shows the associated chargeback amount and reason code.

6. On Receipts Entry, complete the following field:

   - Customer Number

     You complete the Customer Number field to manually override the customer number with the appropriate values. Because the system has completely charged back the cash, an unapplied cash record (RU) is not generated for the payor.

The system creates credit (RB) records in the A/R Ledger table (F03B11) for the appropriate customers, which you can locate and spread against invoices at a later time.

7. To create the chargeback record, click OK.

   The chargeback creates a posted RB invoice record in the A/R Ledger table (F03B11) and a matching RC document in the Receipts Register (F03B13) and Receipts Application Detail (F03B14) tables. You must post this receipt in order to update the bank account balance for the amount that the system applied.

Creating Stand-Alone Deductions

In addition to creating a stand-alone chargeback and a stand-alone write-off, you can create a stand-alone deduction for a disputed amount that is not associated with a specific invoice. In this case, you can enter the deduction into the Accounts Receivable system to research and resolve later.

After creating the deduction, you can use the Deduction Activity Entry form to:

- Research the reason for the deduction.
- Resolve the issue associated with the deduction. For example, you might validate the reason for the deduction and write-off the amount from the customer's account balance.

When creating stand-alone deductions, you can do the following:

- Create a stand-alone deduction with invoice match
- Create a stand-alone deduction without invoice match

When you create a stand-alone deduction (type input code 27), the system creates a deduction invoice record (R5) in the A/R Ledger table (F03B11). This record is generated with a posted code of D. You still must post the matching RC receipt document. When you post the deduction receipt, the system creates a record in the A/R Deduction Management table (F03B40) for future resolution.

▶ To create stand-alone deductions with invoice match

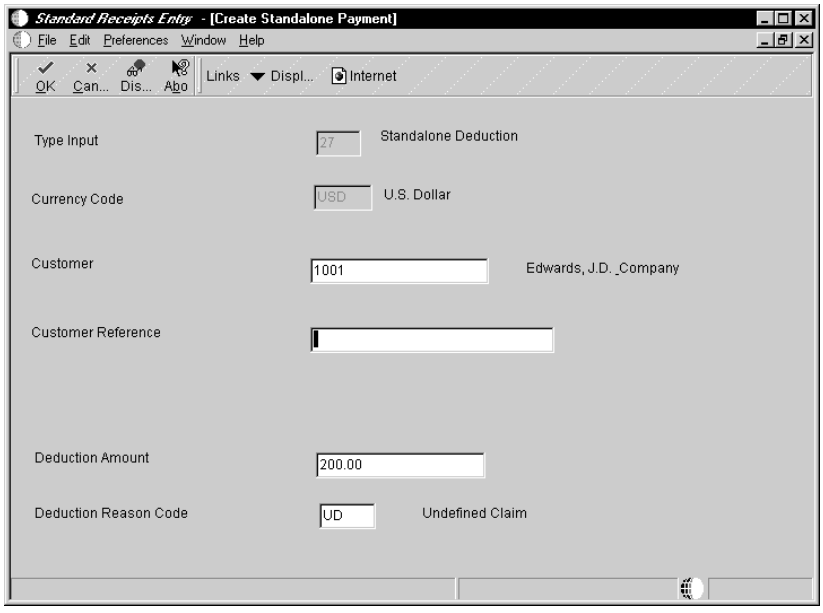
From the Manual Receipts Processing menu (G03B12), choose Standard Receipts Entry.

On Customer Receipts Inquiry

1. Click Add to access Receipts Entry.

2. On Receipts Entry, complete the following fields in the header area:
   - Company
   - G/L Date
   - Payor
   - Customer
3. Complete the following optional fields, if necessary:
   - Bank Account
   - Receipt Date
   - Receipt Number
   - Receipt Amount
   - Currency
   - Remark
4. Choose Load, Select, or Remittance Entry from the Row menu to display the customer's open items.
5. On Receipts Entry, complete the following field:
   - T I (Type Input Code)

     Enter 10 into the Type Input Code field next to the invoices that the receipt is paying.
6. From the Form menu, choose Stand-Alone, then choose Deduction.



7. On Create Stand-Alone Payment, complete the following fields, and click OK:

- Customer
- Customer Reference
- Deduction Amount
- Deduction Reason Code

On a new detail line, the system creates a negative payment amount for the stand-alone deduction, and assigns it a type input code of 27. The system also shows the associated deduction amount and reason code.

8. To create the deduction record, click OK.

Field	Explanation
Deduction Amount	The amount of the deduction. This amount needs to be associated with an invoice and can be less than the open amount.
Deduction Reason Code	A code that identifies the reason for a deduction that the system applies to the invoice during receipts entry. The deduction reason code is associated with the UDC table 03B/CR. Typical reason codes are: DG Damaged Goods SS Short Shipment UD Undefined Deduction

See Also

- *Working with Deductions*

▶ To create stand-alone deductions without invoice match

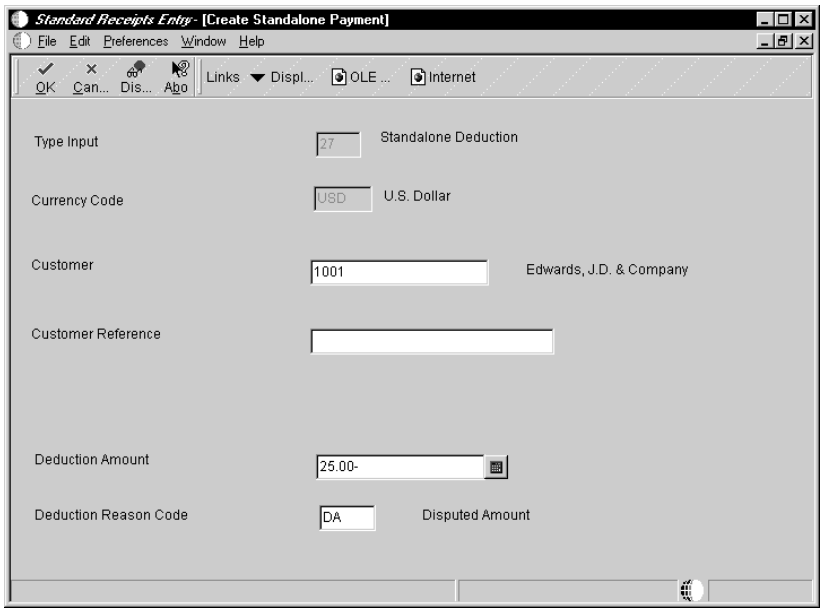
From the Manual Receipts Processing menu (G03B12), choose Standard Receipts Entry.

On Customer Receipts Inquiry

1. Click Add to access Receipts Entry.
2. On Receipts Entry, complete the following fields in the header area:
   - Company
   - G/L Date
   - Payor
   - Customer
3. Complete the following optional fields, if necessary:

- Bank Account
- Receipt Date
- Receipt Number
- Receipt Amount
- Currency
- Remark

4. From the Form menu, choose Stand-Alone, then choose Deduction.



5. On Create Stand-Alone Payment, complete the following fields, and click OK:
   - Deduction Amount (credit)
   - Deduction Reason Code

   Enter the Deduction Amount as a credit.

   On a new detail line, the system creates a negative payment amount for the stand-alone deduction, and assigns it a type input code of 27. The system also shows the associated deduction amount and reason code.

6. To create the deduction record, click OK.

See Also

- *Working with Deductions*

Processing Options for Standard Receipts Entry

Processing Options for Standard Receipts Entry

Default

1. Enter a value to control the display of receipts by type: '1' All, '2' Unapplied, '3' Logged, '4' General Ledger

   Display Receipt Type _____

2. Enter a '1' to display receipts using Receipt Date and '2' to display using G/L Date.

   Date Type _____

3. Enter the default Type Input code for automatic receipt application.

   Type Input Code _____

4. Enter a '1' to override the remark on the applied invoice with the receipt remark.

   Override Remark _____

5. Enter a '1' to default the receipt number from next numbers.

   Next Number Receipt _____

6. Enter the default deduction reason code.

   Deduction Reason Code _____

7. Enter a '1' to override the company number on the Load, Select and Remittance forms and default the "*".

   Override Company _____

8. Enter a "1" to ignore overpayment editing and automatically populate the payment amounts with the invoice open amounts.

   Allow Over Payment _____

Chargeback

9. Enter the pay status to be used when creating chargebacks. Leave blank to use the Data Dictionary default value.

Pay Status _____

10. Enter a '1' to create chargebacks with the invoice date and net due date of the original invoice. Leave blank to default these dates from the receipt G/L date.

Date Option _____

11. Enter the default chargeback reason code.

Chargeback Reason Code _____

Auto Write-Off

12. Enter amounts and reason codes to control automatic write-offs. Enter overpayments as negative amounts.

Maximum Underpayment Write-Off Amount _____
Underpayment Write-Off Reason Code _____
Maximum Overpayment Write-Off Amount _____
Overpayment Write-Off Reason Code _____

Man Write-Off

13. Enter amounts and reason codes to control manual write-offs. Enter overpayments as negative amounts.

Maximum Underpayment Write-Off Amount _____
Maximum Overpayment Write-Off Amount _____
Write-Off Reason Code _____

Discount

14. Enter a '1' to allow discount taken to be greater than the discount available.

Allow Discount Greater Than Available _____

15. Enter a '1' to allow discount taken to be greater than the amount applied.

Allow Discount Greater Than Applied _____

16. Enter the number of grace period days to be used with the discount due date. This option is only used

when calculating the default discount taken and can be manually overridden.

Grace Period Days _____

Edit

17. Enter a '1' to require receipt number.

Require Receipt Number _____

18. Enter a '1' to prohibit write-offs.

Prohibit Write-Offs _____

19. Enter a '1' to prohibit the delete and NSF operations on unposted receipts.

Prohibit Unposted Delete/NSF _____

20. Enter a '1' to display only invoices with an approved pay status.

Display Only Approved Invoices _____

21. Select an option for invoice overpayment editing: '0' No Edit, '1' Warning, '2' Error

Overpayment Edit _____

22. Select an option for duplicate receipt number editing: '0' No Edit, '1' Warning, '2' Error

Duplicate Receipt Edit _____

Display

23. Enter a '1' to retain the entered value after each add transaction for the following fields:

Payor Number _____
Receipt Date _____
Pay Instrument _____
Customer Number _____
Company _____
G/L Date _____

Display 2

Bank Account _____
Remark _____
Cleared/Value Date _____
Currency _____
Exchange Rate _____
Currency Mode _____

Currency

24. Enter a ’1’ to edit the exchange rate effective date against the G/L period of the transaction.

Edit Effective Date _____

25. Enter a ’1’ to allow the payment in an Alternate Currency.

Allow Alternate Currency Receipts _____

Journal Entry

26. Select the method for creating journal entries:
’0’ Summary, ’1’ Detail

Journal Entry Method _____

Match Priority

27. Select the invoice match processes to be executed and the order in which they should be run.

Invoice Match _____
Sales Order Match _____
Customer Reference Match _____
Statement Match _____

What You Should Know About Processing Options

Creating journal entries

Depending on how you set processing options for receipts entry, and how you set the values in the General Accounting Constants, the system produces different documents in the Account Ledger table (F0911).

In Standard Receipts Entry, when you specify Summary method (value of 0) in the journal entry processing option, the system generates one journal entry per receipt batch in the Account Ledger table (F0911). The system assigns the journal entry a document type of RK, with a document number equal to the receipt batch number.

In order for the Summary method to work, you must do the following:

- Set the offset method in the A/R Constants to a value of B (batch mode)
- Ensure that the intercompany settlement option in the General Accounting Constants is not set to a value of 2
- Ensure that there are no foreign transactions in the batch

Otherwise, the system generates journal entries using the Detail method.

If you set the processing options to Detail method (value of 1), the system generates one journal entry for each cash receipt. The result is a document type of RC. The system uses Next Numbers to determine the next journal entry document number. The system then updates the document number for audit purposes (using fields RZDCTG, RZDOCG, and RZKCOG) in the Receipt Application Detail table (F03B14).

Journal Entry Creation (Processing Option 26)

Foreign Trans (G/A Constants)	Intercompany (G/A Constants)	Offset Method (A/R Constants)	Detail/Summary Receipt (Receipt Processing Options)	Journal Entry Creation (F0911)
No	1 (1 = Hub)	B	D	Detail
No	1	Y	D	Detail
No	1	S	D	Detail
No	2 (2 = Detail)	B	D	Error (not allowed)
No	2	Y	D	Detail
No	2	S	D	Detail
No	1	B	S	Summary
No	1	Y	S	Detail
No	1	S	S	Detail
No	2	B	S	Error (not allowed)
No	2	Y	S	Detail
No	2	S	S	Detail
Yes	1	B (S)	D	Detail
Yes	1	Y	D	Detail
Yes	1	S	D	Detail
Yes	2	B	D	Error (not allowed)
Yes	2	Y	D	Detail
Yes	2	S	D	Detail
Yes	1	B	S	Summary
Yes	1	Y	S	Detail
Yes	1	S	S	Detail
Yes	2	B	S	Error (not allowed)
Yes	2	Y	S	Detail
Yes	2	S	S	Detail

- Y = One automatic entry offset per document regardless of the number line item.
- S = One automatic entry per pay item
- B = One automatic entry per batch

Working with Speed Receipts

As an alternative to entering standard receipts, you can use the Speed Receipts Entry method to quickly enter high-volume, simple receipts. Depending on the type of receipt, the system does not require that you apply the receipt to a customer or an invoice at the time of entry. This enables you to enter receipts with minimum information in order to speed the recognition of cash in your general ledger.

Type Input Codes for Speed Receipts Entry

The following lists the type input codes you can use for speed receipts entry to automatically calculate the necessary amounts.

1 (Unapplied receipt)	Use this input code to apply a receipt to a customer's account balance. This enables you to recognize the cash in your general ledger immediately and match the receipt to invoices at a later time.
2 (Balance forward receipt)	Use this input code to apply a receipt to the oldest open invoice or group of invoices in a customer's account.
3 (Logged receipt)	Use this input code to enter a receipt in the Accounts Receivable system without applying it to invoices or a customer's account. This enables you to recognize the cash in your general ledger immediately and apply the receipt to the appropriate customer or invoices at a later time.
4 (G/L receipt)	Use this input code to enter a miscellaneous receipt, such as an insurance refund, that is not directly associated with a customer or invoice.

Because Speed Receipts Entry is designed for efficiency, you can only enter certain types of receipts. Working with speed receipts consists of:

- ❑ Entering unapplied receipts (TI code 1)
- ❑ Entering balance forward receipts (TI code 2)
- ❑ Entering logged receipts (TI code 3)
- ❑ Working with G/L receipts (TI code 4)

After you enter speed receipts, you cannot review or revise them on Speed Receipts Entry. To do so, you must use Standard Receipts Entry.

Speed receipt information is stored in the following tables:

- Customer Ledger (F03B11)
- Receipts Register (F03B13)
- Receipt Application Details (F03B14)

Related Information

Using the Auto Return Feature

When entering receipts, you can use the Auto Return feature to move to the next entry line in the detail area of Speed Receipts Entry. This is especially helpful when entering speed receipts and remittance entry, enabling you to quickly enter similar receipts with limited information. For example, to enter several unapplied receipts, you can activate Auto Return in the Receipt Date field. This instructs the system to automatically return you to the next receipt entry line after you complete the date.

To activate Auto Return on Speed Receipts Entry:

- Choose the last column that you want to use for entry in the detail area.
- Click the right mouse button to display the menu.
- Choose Column and then Auto Return.
- The system displays a pink line in the column to indicate that the Auto Return feature is activated.

To deactivate Auto Return:

- Choose the row in which you want to stop the automatic return.
- Choose the appropriate column.
- Repeat the steps to activate Auto Return.

Deleting a receipt from the detail area	Each line in the detail area represents a separate receipt. You can delete a receipt before you click OK on Speed Receipts Entry. To do so, choose the receipt and click Delete. This provides a quick way to delete the row of information at one time instead of tabbing through each column separately.
Attaching text or objects to receipts	After you enter a receipt, you can attach text, an OLE object, or an image, such as a scanned receipt. For example, you might attach an internal comment or memo regarding a receipt revision or void. You can only add attachments at the receipt level. To do so, choose the receipt on Speed Receipts Entry. Then, choose Attachments from the Row menu.

See also

- *Formatting the Grid* in the *OneWorld Foundation Guide*
- *Adding Attachments to Invoices*
- *Locating Receipts*
- *Working with Customer Ledger Information*

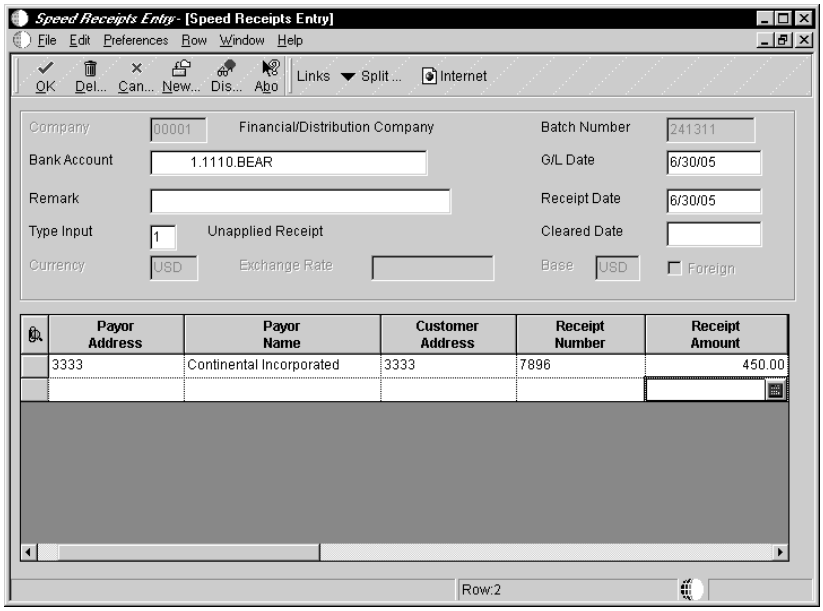
Entering Unapplied Receipts (TI Code 1)

You can apply a receipt to a customer's account balance instead of matching it to a specific invoice or group of invoices. To do this, enter an unapplied receipt (input type 1). For example, you might not know which invoices to match a receipt to during entry. This method enables you to enter the amount of the receipt into the system immediately and match it to invoices at a later time.

When you enter an unapplied receipt, the system creates an RU (unapplied receipt) document type. The RU represents a negative invoice on the Work With Customer Ledger Inquiry form and establishes an audit trail to the receipt.

Example: Unapplied Receipt

The following example shows receipt 7896 in the amount of 450.00 from Continental Inc. (customer 3333). The invoice number to apply the receipt against is unknown.



To enter unapplied receipts

From the Manual Receipts Processing menu (G03B12), choose Speed Receipts Entry.

On Speed Receipts Entry

1. Complete the following fields:
   - Company
   - Type Input
   - G/L Date
   - Receipt Date
2. Complete the following optional fields:
   - Bank Account
   - Remark
3. In the detail area, complete the following fields, and click OK:
   - Customer
   - Receipt Number
   - Receipt Amount

Entering Balance Forward Receipts (TI Code 2)

You can enter a receipt and have the system apply it to the oldest open invoice or group of invoices in a customer's account. To do so, enter a balance forward receipt (input type 2).

The system creates one matching document for each original document to which you apply the receipt. That is, it:

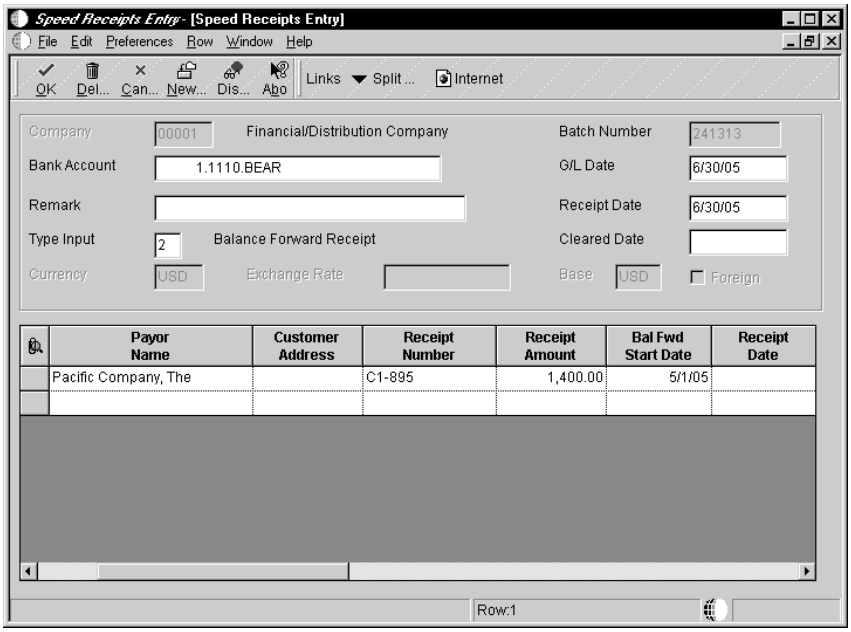
- Creates document type RC for the receipt in the Receipts Detail table (F03B14)
- Applies the receipt to the oldest invoice first
- Applies the remaining amount to the next oldest invoice

If an amount remains on the receipt after applying it to all open invoices, the system creates an unapplied cash receipt. Later, you can apply the receipt to future invoices you create for the customer. If the invoice amount is greater than the receipt amount, the system will apply a partial payment to the invoice.

You can set a processing option to allow discounts when entering a balance forward receipt. The system only allows the discount when an item is paid in full. To view balance forward receipts, use the Work With Customer Ledger Inquiry form.

Example: Balance Forward Receipt

In the following example, you receive receipt number C1-895 in the amount of 1,400.00 on June 30, 2005. You use the balance forward method to apply the receipt to the oldest open invoices in the customer's account, beginning May 1, 2005.



▶ To enter balance forward receipts

From the Manual Receipts Processing menu (G03B12), choose Speed Receipts Entry.

On Speed Receipts Entry

1. Complete the following fields:
    - Company
    - Bank Account
    - Type Input
    - G/L Date
    - Receipt Date
2. Complete the following optional field:
    - Remark
3. In the detail area, complete the following fields:
    - Customer
    - Receipt Number
    - Receipt Amount
4. Complete the following optional fields, and click OK:
    - Balance Forward Start Date
    - Document Number

If you specify an invoice number when you enter a balance forward receipt, the system applies the receipt only against the pay items for that invoice.

If you do not specify an invoice number, the system applies the receipt to:

- All invoices for the customer
- The invoices based on the date you specify as the balance forward start date

Entering Logged Receipts (TI Code 3)

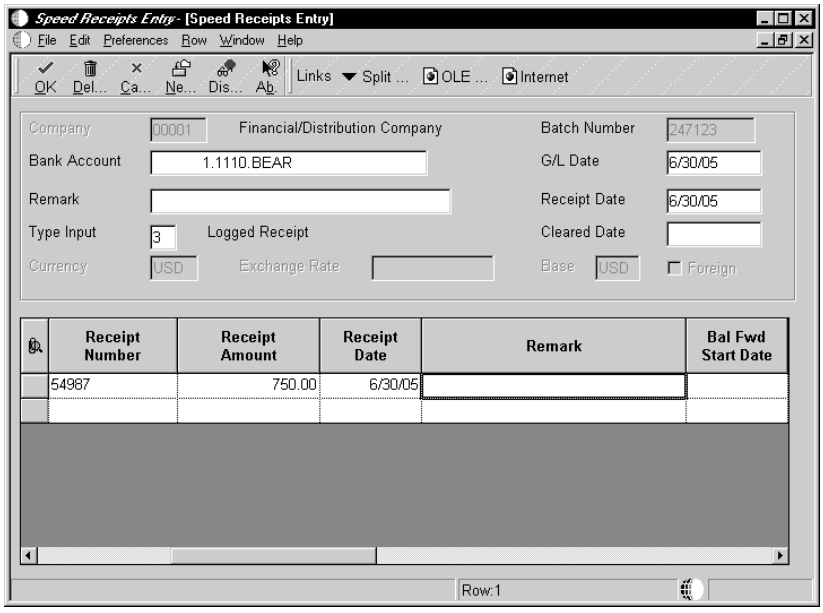
If you want to enter a receipt without applying it to a customer or an invoice, you can enter a logged receipt (input type 3). This enables you to quickly enter the receipt amount so that you can improve your A/R cash flow by depositing receipts more quickly.

This method of entering receipts is useful when you have separate personnel who enter receipts and make the bank deposits from those who match the receipts to a customer or invoices.

When you enter a logged receipt, the system distributes the total amount of the receipt to a clearing account. Later, you can apply the amount to the appropriate customer or invoices.

Example: Logged Receipt

The following example shows receipt 54987 in the amount of 750.00. You do not have enough time to apply it to the correct customer or invoice because it is the end of the day. However, you want to ensure that it is included in your bank deposit for the day. Later, you can apply it to the appropriate customer or invoice.



Before You Begin

❑ Set up AAI item RCLC (logged receipts) for the clearing account. See *About AAIs for A/R* and *Working with AAIs*

▶ To enter logged receipts

From the Manual Receipts Processing menu (G03B12), choose Speed Receipts Entry.

On Speed Receipts Entry

1. Complete the following fields:
   - Company
   - Bank Account
   - Type Input
   - G/L Date
   - Receipt Date
2. Complete the following optional field:
   - Remark
3. In the detail area, complete the following fields, and click OK:
   - Receipt Number
   - Receipt Amount

Working with G/L Receipts (TI Code 4)

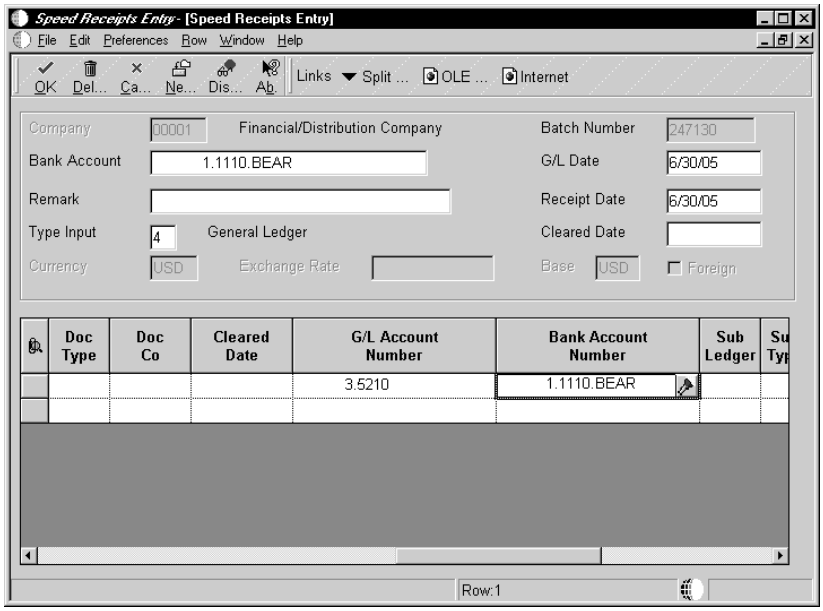
You can enter a G/L receipt (a miscellaneous receipt) for an amount that is not directly associated with a customer or an invoice (input type 4). For example, you might receive a refund check from an insurance company that is not associated with an A/R account. This enables you to credit the appropriate general ledger account and include the amount in your bank deposit.

When working with G/L receipts, you can:

- Enter G/L receipts
- Distribute G/L receipts among multiple accounts
- Delete unposted G/L receipts

Example: G/L Receipt

In the following example, a rebate is received from ABC Supply Company in the amount of 500. This is associated with receipt 89087 dated June 26, 2005. The G/L account 3.5208 is credited with this amount.



To enter G/L receipts

From the Manual Receipts Processing menu (G03B12), choose Speed Receipts Entry.

When you enter G/L receipts, the system creates records in the A/R receipts tables. You must post these records.

On Speed Receipts Entry

1. Complete the following fields:
   - Company
   - Bank Account
   - Type Input
   - G/L Date
   - Receipt Date
2. Complete the following optional field:
   - Remark
3. In the detail area, complete the following fields:
   - Receipt Number
   - Receipt Amount
   - G/L Account

4. To enter multiple G/L accounts for a receipt, follow the steps to distribute G/L receipts among multiple accounts.
5. Click OK.

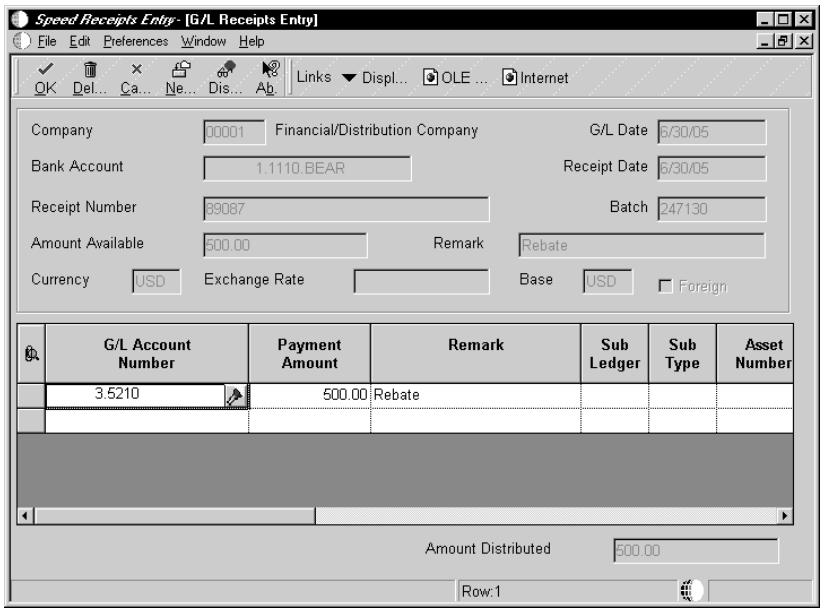
▶ To distribute G/L receipts among multiple accounts

From the Manual Receipts Processing menu (G03B12), choose Speed Receipts Entry.

When entering a G/L receipt, you can choose a receipt and redistribute it among multiple G/L accounts. For example, you might want to distribute the amount of a refund check among different revenue or cash accounts. The amounts that you distribute among various G/L accounts must equal the total amount of the receipt.

On Speed Receipts Entry

1. Follow the steps to enter a G/L receipt, except do not click OK.
2. In the detail area, choose the receipt that you want to redistribute.
3. From the Row menu, choose Split Receipt.



4. On GL Receipt Entry, complete the following fields for each G/L account:
   - G/L Account Number
   - Payment Amount
   - Remark (optional)
5. Click OK to return to the Speed Receipts Entry form.

▶ To delete unposted G/L receipts

From the Manual Receipts Processing menu (G03B12), choose Speed Receipts Entry.

You can delete unposted G/L receipts that you distributed on the G/L Receipts Entry form. You must delete unposted G/L receipts before clicking OK on Speed Receipts Entry. When you have clicked OK on Speed Receipts Entry, you must use the Customer Receipts Inquiry form to delete the receipt.

On Speed Receipts Entry

1. Choose the receipt from the detail area and click Delete.
2. Click OK.

Processing Options for Speed Receipts Entry

```
Default

1.  Enter the default Receipt Type
    code.

      Receipt Type Code                                  _____________

Auto Write-Off

2.  Enter amounts and reason codes to
    control automatic write-offs. Enter
    overpayments as negative amounts.
    (Balance Forward)

      Maximum Underpayment Write-Off                     _____________
      Amount
      Underpayment Write-Off Reason                      _____________
      Code
      Maximum Overpayment Write-Off                      _____________
      Amount
      Overpayment Write-Off Reason Code                  _____________

Edit

3.  Enter a '1' to only allow payment of
    invoices with an approved pay
    status. (Balance Forward)

      Pay Only Approved Invoices                         _____________

4.  Enter a '1' to allow discounts when
    paying invoices. (Balance Forward)

      Allow Discounts                                    _____________

5.  Enter a '1' to only allow discounts
    if the G/L date is earlier than the
    discount due date. (Balance
    Forward)

      Allow Only Earned Discounts                        _____________
```

6. Enter a ’1’ to require receipt number.

Require Receipt Number	_____

Journal Entry

7. Select the method for creating journal entries:
’ ’ = Summary, ’1’ = Detail

Journal Entry Method	_____

Display

8. Enter a ’1’ to retain the entered value after each add transaction for the following fields:

Company	_____
Bank Account	_____
Receipt Date	_____
Remark	_____
G/L Date	_____

Display 2

Cleared/Value Date	_____
Currency	_____
Exchange Rate	_____
Currency Mode	_____

Approving and Posting Receipts

After you enter receipts, you must post them to update the appropriate general ledger accounts, which consists of:

- ❑ Approving receipts for posting
- ❑ Posting receipts

Depending on the requirements of your organization, you might not require management approval before posting receipt batches.

Approving Receipts for Posting

From the Manual Receipts Processing menu (G03B12), choose Receipts Journal Review.

After entering receipts, you can verify their accuracy before posting them to the general ledger. You can:

- Review a list of batches
- Review the detail within a batch
- Approve a batch of receipts for posting

All J.D. Edwards journal review programs work the in the same way. The Work with Batches form displays a batch type of RB (receipts/adjustments).

Receipts journal information is maintained in the following tables:

- Batch Control (F0011)
- A/R Ledger (F03B11)
- Receipts Register (F03B13)
- Receipt Application Detail (F03B14)
- Account Ledger (F0911)

Before You Begin

❑ Set the A/R constant for management approval of input, if necessary

See Also

- *Reviewing Invoices* for information about reviewing batches

Posting Receipts

From the Manual Receipts Processing menu (G03B12), choose Post Receipts to G/L.

After you approve receipts, you may post them to the general ledger. During the post, the system:

- Selects unposted receipts from the following tables:
  - A/R Ledger
  - Receipts Register
  - Receipt Application Detail
- Edits and verifies each transaction

If there are no errors, the system:

- Debits the appropriate bank account for the receipt account, which creates bank deposit records in the Account Ledger table (F0911)
- Creates automatic offsets (credit) to the A/R Trade account in the Account Ledger table
- Updates balances in the Account Balance table (F0902)
- Marks the transactions as posted in the Account Ledger table (F0911)
- Updates the Receipts Header (F03B13) and A/R Check Detail (F03B14) tables

You can also post receipts using the Receipts Journal Review form. From the Manual Receipts Processing menu (G03B12), choose Receipts Journal Review form. Locate the batch and choose G/L Post by Batch from the Row menu.

Unapplied receipts (RU documents) already have a posted status of D in the A/R Ledger table (F03B11). Unapplied receipts remain open in the Receipts Detail table (F03B14) until you spread them among the appropriate invoices.

See Also

- *Calculating Realized Gains and Losses During the Post* for information about how the system handles gains and losses on foreign and alternate currency receipts
- *Posting Invoices* for detailed information about procedures, processing options, and posting reports
- *Processing Options for Standard Receipts Entry* for more information about journal entry creation in summary and detail

Calculating Realized Gains and Losses During the Post

When you post receipts, the system creates journal entries for realized gains and losses. The post process calculates these gains and losses based on whether the exchange rates have changed from the date of the invoice to the date of the receipt.

To determine the gain or loss on a foreign currency receipt, the system multiplies the invoice amount by the difference in the exchange rate from the time the invoice was entered and the receipt was entered, and creates a gain and loss entry.

If an alternate currency receipt is involved, there is the potential for two gains or losses on a transaction. One gain or loss is between the domestic currency and the invoice currency; the other is between the domestic currency and the alternate (receipt) currency.

The first potential gain or loss is based on the fluctuation of exchange rates between the domestic currency and the invoice currency. This is the same gain or loss that would have been realized if a multi-currency receipt was in the currency of an invoice.

The second potential gain or loss is based on the difference between the following amounts:

- The amount calculated by converting the alternate currency receipt to the invoice currency and then to the domestic currency
- The amount calculated by converting the alternate currency receipt directly to the domestic currency (this is the amount that is actually paid from the bank account)

For example, if a Canadian company submits an invoice to a U.S. company in USD and the U.S. company pays in Japanese yen, there will be two potential gains and losses incurred. One will be based on the fluctuation of exchange rates between the Canadian dollar (domestic currency) and the U.S. dollar (invoice currency); the other will be based on the difference between the amount calculated by converting the following:

- Japanese yen (alternate currency receipt) to U.S. dollar (invoice currency) and then to Canadian dollar (domestic currency)
- Japanese yen (alternate currency receipt) directly to Canadian dollar (domestic currency)

See Also

- *Calculating Unrealized A/R Gains and Losses* for information about gains and losses on unpaid or open invoices that are calculated at the end of a period

Example: British Company Receives Foreign Currency for Foreign Invoice

In the following example, a British company issues an invoice in U.S. dollars (foreign currency) and receives payment in USD (foreign currency).

Because of the exchange rate risk, there is the potential for one gain or loss, based on the fluctuation of exchange rates between the domestic currency and the invoice currency at the time payment is received.

Description	Currency	Amount	Exchange Rate January 1, 1999	Exchange Rate February 1, 1999
Invoice (domestic currency)	GBP	303.60		
Invoice (foreign currency)	USD	500.00	1 USD = 0.6072 GBP	
Receipt	USD	500.00		1 USD = 0.6081 GBP 1 GBP = 1.64446 USD
Standard gain/loss	GBP	+ 0.45		

The foreign invoice on January 1, 1999 is 500.00 USD, or 303.60 GBP in the domestic currency.

Calculation: 500.00 USD x 0.6072 = 303.60 GBP

The receipt on February 1, 1999 is 500.00 USD.

Standard Gain/Loss

The gain/loss created by the exchange rate fluctuations between the invoice (foreign) currency and the domestic currency is + 0.45 GBP.

Calculation: (500.00 USD x 0.6081 = 304.05 GBP) – 303.60 GBP = + 0.45 GBP

Example: Canadian Company Receives Alternate Currency for Foreign Invoice

In the following example, a Canadian company receives payment in Japanese yen (JPY) for a foreign invoice in U.S. dollars (USD).

The Canadian company uses the divisor method for multi-currency transactions. The currencies in this example are all non-EMU currencies, which means the currencies fluctuate against one another and triangulation is not involved. Because of the exchange rate risk, there is the potential for two gains or losses: one between the Canadian dollar (CAD) and USD; the other between JPY, USD, and CAD.

Description	**Currency**	**Amount**	**Exchange Rate January 1, 1999**	**Exchange Rate February 1, 1999**
Invoice (domestic currency)	CAD	280.56		
Invoice (foreign currency)	USD	200	1 USD = 1.4028 CAD 1 CAD = 0.712860 USD	
Receipt	JPY	26,050		1 USD = 1.4357 CAD 1 CAD = 0.696524 USD 1 CAD = 90.720 JPY 1 USD = 130.25 JPY
Standard gain/loss	CAD	+ 6.58		
Alternate currency gain/loss	CAD	+ 0.01		

The foreign invoice on January 1, 1999 is 200 USD, which is 280.56 CAD in the domestic currency.

Calculation: 200 / 0.71286 = 280.56 CAD

The alternate currency receipt on February 1, 1999 is 26,050 JPY.

Calculation: 200.00 x 130.25 = 26,050 JPY

The foreign currency amount applied to the invoice is 200 USD.

Calculation: 26,050 JPY / 130.25 = 200 USD

The domestic currency amount applied to the invoice is 280.56 CAD.

Calculation: 200.00 USD / 0.71286 = 280.56 CAD

The bank account is debited as follows:

- 26,050 JPY (amount of receipt on alternate currency side)
- 287.14 CAD (total of pay items, including gain/loss on domestic side)

  Calculation: 280.56 CAD + 6.58 CAD = 287.14 CAD

Standard Gain/Loss

The gain/loss created by the exchange rate fluctuations between the invoice currency and the domestic currency is + 6.58 CAD.

Calculation: (200 USD / 0.696524 = 287.14 CAD) – 280.56 = + 6.58 CAD

Alternate Currency Gain/Loss

The alternate currency gain/loss is + 0.01 CAD.

Calculation: (26,050 JPY / 90.72 = 287.15 CAD) – 287.14 CAD = + 0.01 CAD

Example: German Company Receives Alternate Currency for Domestic Invoice

The following example involves the Economic and Monetary Union (EMU) currency, the euro. In this example, a German company issues an invoice in German marks (domestic currency) and receives payment in the euro (alternate currency).

The exchange rates between DEM and EUR are irrevocably fixed, which means there is no exchange rate gain or loss on the transaction. However, there is a slight rounding difference. Rounding differences can occur when converting from an alternate currency to a foreign currency to a domestic currency, as required by EU regulations.

Description	**Currency**	**Amount**	**Exchange Rate January 1, 1999**
Invoice (domestic currency)	DEM	950	
Payment currency	EUR	485.73	1 EUR = 1.95583 DEM
Standard gain/loss	DEM	Not applicable	
Alternate gain/loss	DEM	– 0.01 *	

* Rounding differences recorded in the alternate currency gain/loss account, as directed by AAIs.

The invoice on January 1, 1999 is 950 DEM.

The receipt on February 1, 1999 is 485.73 EUR.

Calculation: 950 DEM / 1.95583 = 485.73 EUR

Alternate Currency Gain/Loss

The alternate currency gain/loss, which is due to rounding differences and not exchange rate fluctuations, is – 0.01 DEM.

Calculation: 950 DEM – (485.73 x 1.95583 = 950.01 DEM) = – 0.01 DEM

Example: German Company Receives Alternate Currency for Foreign Invoice

The following example involves the Economic and Monetary Union (EMU) currency, the euro. In this example, a German company issues an invoice in French francs (foreign currency) and receives payment in the EUR (alternate currency).

The receipt amount is compared to the invoice amount to determine if the debt has been satisfied. The exchange rates between FRF and EUR are irrevocably fixed, which means there is no exchange rate gain or loss on the transaction. However, there is a slight rounding difference. Rounding differences can occur when converting from an alternate currency to a foreign currency to a domestic currency, as required by EU regulations.

Description	**Currency**	**Amount**	**Exchange Rate January 1, 1999**
Invoice (domestic currency)	DEM	447.25	1 EUR = 1.95583 DEM
Invoice (foreign currency)	FRF	1,500	1 EUR = 6.55957 FRF
Receipt	EUR	228.67	
Standard gain/loss	Not applicable		
Alternate gain/loss	DEM	– 0.01 *	

* Rounding differences are recorded in the alternate currency gain/loss account, as directed by AAIs.

The foreign invoice on January 1, 1999 is 1,500 FRF, which is 447.25 DEM in the domestic currency.

Calculation: (1,500 FRF / 6.55957) x 1.95583 = 447.25 DEM

The alternate currency receipt on February 1, 1999 is 228.67 EUR.

Calculation: 1,500 / 6.55957 = 228.67 EUR

The foreign currency amount applied to the invoice is 1,499.98 FRF.

Calculation: 228.67 EUR x 6.55957 = 1,499.98 FRF

The domestic currency amount applied to the invoice is 447.25 DEM and is calculated from FRF to DEM through the euro, using triangulation.

Calculation: (1,500 FRF / 6.55957) x 1.95583 = 447.25 DEM

The domestic currency amount of the receipt is 447.24 DEM.

Calculation: 228.67 EUR x 6.55957 = 1,499.98 FRF; then (1,499.98 FRF / 6.55957) x 1.95583 = 447.24 DEM

Standard Gain/Loss

There is no gain/loss created by exchange rate fluctuations between the invoice (foreign) currency and the domestic currency because both currencies are irrevocably fixed to the euro.

Alternate Currency Gain/Loss

The alternate currency gain/loss, which is due to rounding differences is – 0.01 DEM. This amount is the domestic receipt amount applied to the bank minus the domestic currency amount applied to the invoice.

Calculation: 447.24 DEM – 447.25 DEM = – 0.01 DEM

Revising Receipts

After you enter receipts, you might need to revise them. For example, you might have applied a receipt to the wrong customer or invoice. Depending on the posting status, you can delete or void the receipt and apply it to the correct customer or invoice.

Revising receipts consists of:

- ❑ Locating receipts
- ❑ Voiding receipts
- ❑ Designating receipts as NSF

Related Information

Changing unposted receipts

Use standard receipts entry to change various fields on unposted receipts. You cannot change any of the following information:

- Payor
- Customer number
- Company
- Currency code
- G/L date
- Receipt number
- Receipt date

To do so, you must delete the receipt and re-enter it.

Changing posted receipts

Use standard receipts entry to change the date cleared, payment instrument, or remark on a posted receipt. You cannot change the following information:

- Payor
- Receipt number
- Customer number
- Receipt date
- Receipt amount
- Company
- Currency code

To do so, you must void the receipt and re-enter it.

Deleting unposted receipts

Use Customer Receipts Inquiry to delete unposted receipts. When you delete unposted receipts, there is no audit trail and the system:

- Restores the original invoice or group of invoices
- Changes the pay status of the invoice(s) from paid to approved

To delete unposted receipts, choose the receipt that you want to delete. From the Row menu, choose Void/Delete. Then, click OK to confirm the deletion. You cannot delete posted receipts. You must void them.

Deleting pay items on a receipt

You can use Receipts Entry to delete unposted pay items on a receipt. To do so, choose the pay item that you want to delete. From the Row menu, choose Void/Delete. Then, click OK to confirm the deletion. The system restores the original pay item from paid to approved.

You cannot delete pay items that are posted. You must void them.

Locating Receipts

Before you change, delete, or void/NSF a standard or speed receipt, you must first locate it.

▶ To locate a receipt

From the Manual Receipts Processing menu (G03B12), choose Standard Receipts Entry.

On Customer Receipts Inquiry

1. To limit your search by date, complete any of the following fields:
    - From
    - Through
    - G/L Date
    - Receipt Date

2. To further limit your search, complete the following fields:
   - Payor
   - Bank Account
   - Receipt
   - G/L
3. To display all receipts or a list of receipts by receipt type, click one of the following options:
   - All
   - Unapplied
   - Logged
   - General Ledger
4. To further limit your search, use the QBE line and complete any necessary fields.

   To select invoices regardless of currency, enter an asterisk (*) into the Currency field. If you leave this field blank, the system uses the default currency code associated with the company you entered in the receipt header.
5. To display the receipts that meet your search criteria, click Find.
6. Choose the receipt you want to work with.
7. To display the receipt on the standard Receipts Entry form, click Select.

See Also

- *Revising Receipts*

Voiding Receipts

To automatically reverse a posted receipt and restore the open amount of the invoice or group of invoices, void the receipt. When you void a receipt, the system:

- Restores the original invoices or pay items
- Changes the pay status of the original invoices or pay items from paid to approved
- Displays the void date and reason code on the Customer Receipts Inquiry.
- Marks all voided pay items with an X next to the type input code.

When you void receipts, the system creates an RO matching document type in the Receipts Application Details table (F03B14) and creates a new batch. You can view this on the Receipt Details form. The posting status of the original batch remains

posted. You must post the new batch to create the reversing entries in the general ledger.

You can:

- Void a receipt
- Void an associated pay item

See Also

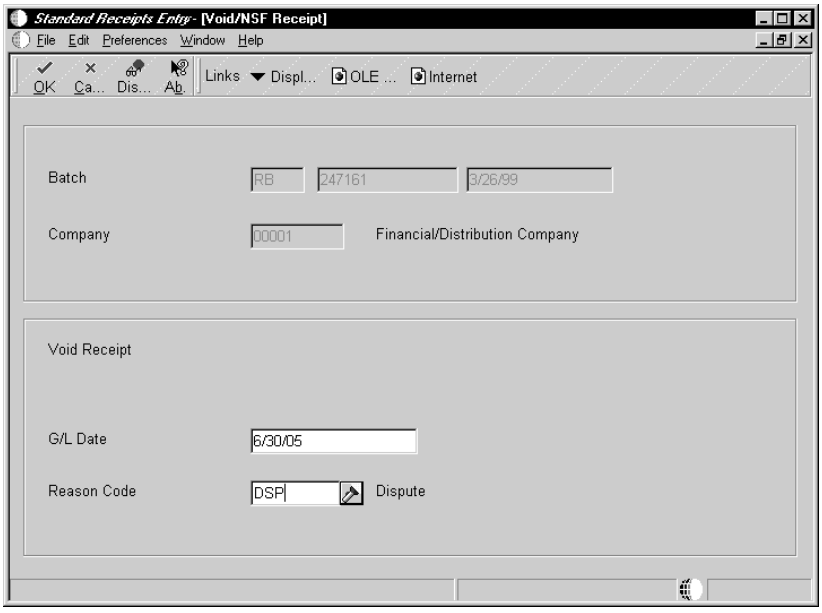
- *Locating Receipts*

▶ To void a receipt

From the Manual Receipts Processing menu (G03B12), choose Standard Receipts Entry.

On Customer Receipts Inquiry

1. Follow the steps to locate a receipt.
2. Choose the receipt that you want to void.
3. From the Row menu, choose Void/Delete.



4. On Void/NSF Receipt, complete the following fields, and click OK:
   - G/L Date
   - Reason Code

▶ To void an associated pay item

From the Manual Receipts Processing menu (G03B12), choose Standard Receipts Entry.

On Customer Receipts Inquiry

1. Follow the steps to locate the receipt.
2. Choose the appropriate receipt and click Select to access Receipts Entry.
3. On Receipts Entry, choose the pay item that you want to void.
4. From the Row menu, choose Void/Delete.
5. On Void/Delete Receipt Application, complete the following fields and click OK:
    - Reason Code

Designating Receipts as Non-Sufficient Funds (NSF)

When a customer's bank account does not have sufficient funds available to pay the receipt that appears on the deposit statement, you can designate a receipt as non-sufficient funds (NSF) and re-open the invoice or group of invoices.

When you designate a receipt as NSF, the system does the following for unposted receipts:

- Deletes the detail of the receipt in the Receipt Application Detail table (F03B14).
- Marks the receipt as NSF in the Receipts Register table (F03B13). This provides the audit trail to the original receipt.
- Restores the open amount of the original invoice or group of invoices.

For posted receipts, the system:

- Creates a voided record and flags the original receipt as NSF on Work with Customer Receipts Inquiry. When analyzing the payment trends of your customer, this helps you distinguish NSF receipts from reversals for such things as entry errors.
- Restores the open amount of the original invoice.
- Creates an RV matching document type in the Receipts Register table (F03B14).
- Changes the pay status of the original invoice from P (paid) to A (approved).
- Creates a new batch.

In order for the system to create reversing entries to the general ledger, you must post the new batch created from the NSF function.

▶ To designate receipts as NSF

From the Manual Receipts Processing menu (G03B12), choose Standard Receipts Entry.

On Customer Receipts Inquiry

1. Follow the steps to locate a receipt.
2. Choose the receipt that you want to designate as NSF.
3. From the Row menu, choose NSF Receipt.
4. On Void/NSF Receipt, complete the following fields, and click OK:
    - G/L Date
    - Reason Code

Printing Receipt Information

After you enter, review, and post receipts to the general ledger, you can print receipt information for proofing, balancing, and so on.

Printing receipt information consists of the following tasks:

- ❑ Printing the Receipts Journal
- ❑ Printing the Receipt Deposit Journal

Printing the Receipts Journal

From the Manual Receipts Processing menu (G03B12), choose Receipts Journal Report.

As an alternative to reviewing receipts online, you can print the Receipts Journal. Generally, it is easier to view receipts online. However, if there is a balancing problem, the printed journal can be a more workable format for detail review.

You can create your own version for more specific selection of detail. For example, you might select a specific batch or batches to print, or you might select batches for a specific user.

It is important to note, the totals per G/L Bank Account will not print if you specify more than one currency. Totals are meaningless if currencies are mixed.

The processing time for this report is related to the amount of history retained in the following tables:

- Receipts Register (F03B13)
- Receipt Application Detail (F03B14)

Data Sequence for Receipts Journal Report

The system prints the transactions in the following sequence:

1. User ID
2. Batch number
3. Batch date
4. G/L account
5. Company
6. Address number
7. Payment (receipt) number

The totals on the report depend on this exact sequence. If you modify the sequence, you must also modify the totaling logic of the program.

See Also

- *R03B311, Receipt Journal* in the *Reports Guide* for a report sample

Printing the Receipt Deposit Journal

From the Manual Receipts Processing menu (G03B12), choose Receipts Deposit Journal.

To review all payments received and processed as of a specific batch date or range of batch dates by bank account, print the Receipt Deposit Journal. This report also shows any receipts that are voided or designated as NSF.

It is important to note, the totals per G/L Bank Account will not print if you specify more than one currency. Totals are meaningless if currencies are mixed.

This reports lists information from the Receipts Register table (F03B13).

See Also

- *R03B408, Receipt Deposit Journal* in the *Reports Guide* for a report sample

Before You Begin

❑ To include the bank's address and transit account, set up the necessary information in the Address Book system and on the Bank Account Information form

Processing Options for Receipts Journal Report

Print Options

1. Select the format of the account number to print in the body of the report: '1' = account number, '2' = short account ID, '3' = unstructured account.

   Detail Account Format _____

2: Select the format of the G/L bank account number to print in the heading of the report: '1' = account number, '2' = short account ID, '3' = unstructured account.

   Heading Account Format _____

Automatic Receipts Processing

Immediate recognition of cash in the general ledger is a fundamental step in the accounts receivable process. To accomplish early cash recognition, you can use automatic receipts processing to quickly apply payments from your customers to invoices.

Automatic receipts processing consists of:

- ❑ Defining algorithms
- ❑ Working with execution lists
- ❑ Loading bank tape information
- ❑ Processing automatic receipts
- ❑ Working with unprocessed items
- ❑ Purging electronic receipts

If you are using multi-currency, you must indicate the currency code on the Electronic Receipts Input table (F03B13Z1). The currency code you enter must reflect either the domestic or foreign currency of the invoices being paid.

What Is the Purpose of Automatic Receipts Processing?

The purpose of automatic receipts processing is to quickly apply many receipts to open invoices at the same time. This method of entering receipts enables you to:

- Immediately recognize cash in your general ledger regardless of the success of matching algorithms to open invoices
- Store instructions for invoice matching at the customer and company level
- Define flexible selection criteria and sequencing specifications to reduce the number of candidate invoices to be reviewed by an algorithm
- Run automatic matching against any unapplied receipt in the system

What Does the Automatic Receipts Process Consist Of?

Before processing automatic receipts for your customers, you must first set up various information that the system uses to apply receipts to open invoices. After you set up this information, you can proceed with the daily operations of applying receipts.

You must set up the Accounts Receivable system by completing the following:

- Define algorithms
- Define execution lists
- Map information to the Electronic Receipts Input table
- Perform daily operations

Define Algorithms

You can define algorithms to determine the method that the system uses to apply receipts to a customer's account. The definition of an algorithm consists of a base method, selection criteria, sequence specifications, and processing options. Algorithms provide you the flexibility necessary to create different versions of each base method. You can customize the data selection, sequencing, and processing options to control how an algorithm behaves during the matching process. Examples of base methods are as follows:

- Known Invoice Match With or Without Amount
- Balance Forward Match
- Invoice Selection Match
- Combination Invoice Match

After defining algorithms, you can associate them with the appropriate customers.

The person who performs this task should be very familiar with the paying habits of your customers. This ensures efficient and successful processing of your customer's payments.

Define Execution Lists

After defining algorithms, you must define execution lists. This determines the sequence in which the system executes the algorithms for a customer. After defining execution lists, you can assign a default list to multiple customers with similar paying habits or assign a specific list to a customer that requires special payment treatment.

The person who performs this task should be very familiar with the paying habits of your customers. This ensures efficient and successful processing of your customer's payments.

Map Information to the Electronic Receipts Input Table

Before you can electronically transfer bank tape information from your bank tapes to the Accounts Receivable system, you must map bank tape information to the corresponding fields in the Electronic Receipts Input table (F03B13Z1).

This task should be performed by a technical person. You must create a customized program that maps the bank tape fields to the Electronic Receipts Input table. This program should be able to accommodate various bank tape formats.

See Also

- *Appendix C – Automatic Receipts Input Requirements*

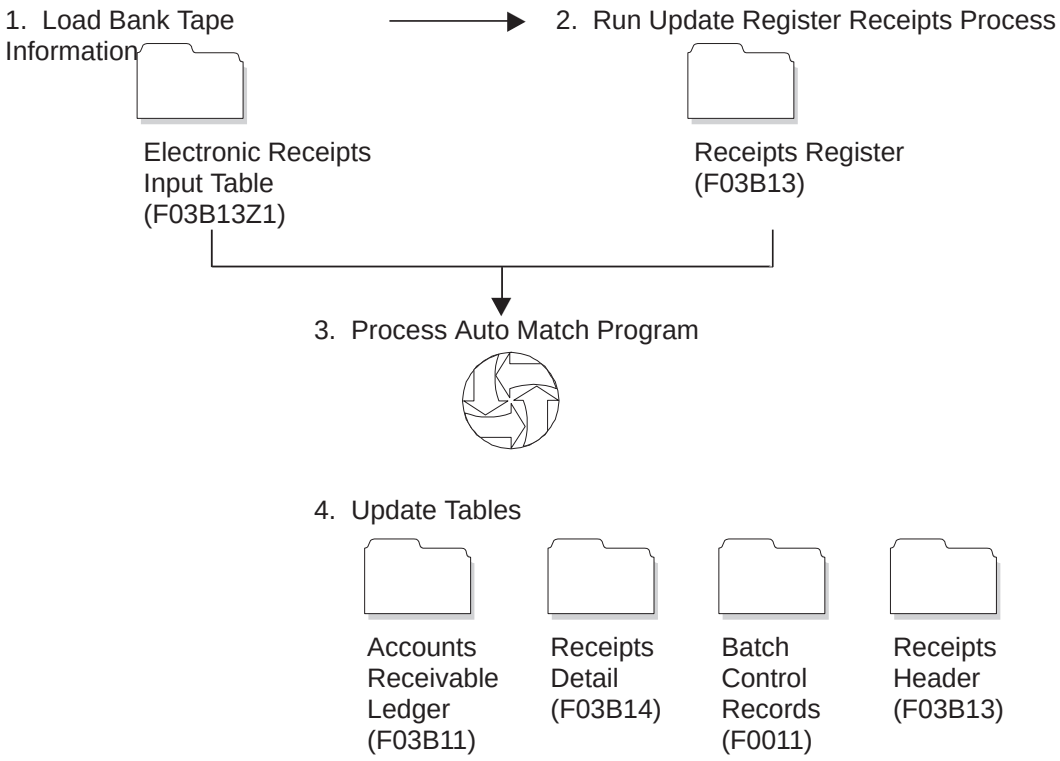
Perform Daily Operations

After setting up the system for automatic receipts processing, you must complete the following daily tasks to successfully apply and match receipts to invoices:

Load the customer's bank tape	You use a custom program to transfer receipt information from a customer's bank tape to the Electronic Receipts Input table for processing.
Update records in the Receipts Register	You run a batch process that extracts receipts information from the electronic receipt record and creates active records in the Receipts Register table (F03B13). You can set a processing option to automatically apply receipts to invoices after running this program.
Apply receipts to invoices	You run a batch process to automatically apply the receipts to the open invoices.
Review and revise unprocessed receipts	If necessary, you can review and revise the receipts that the system was unable to successfully process.
Purge electronic receipts	You can purge the electronic receipts from the Electronic Receipts Input table after processing the receipts. This batch process improves processing time by removing unnecessary records.

Automatic Receipts Process

The following graphic illustrates the flow of the automatic receipts process.



Defining Algorithms

Before you automatically apply receipts to a customer's account, you must define the algorithms that the system uses to match the receipts to the appropriate invoices. This is the first step in the automatic receipts process. The person performing this task should be very familiar with the paying habits of your customers.

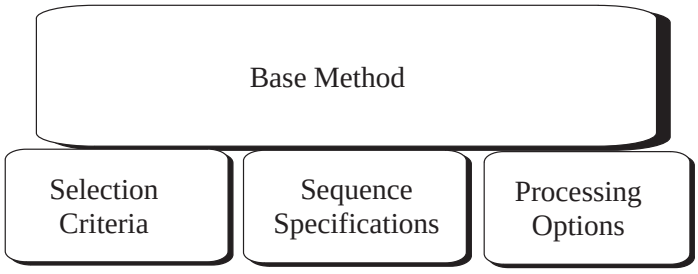
An algorithm is a predetermined set of instructions for solving a specific problem with a limited number of steps. You define A/R algorithm methods to instruct the system about how to apply receipts during the automatic receipts process, such as invoice match or balance forward. You can utilize a given base method or create different versions of a base method through the use of processing options, selection criteria, and sequencing specifications. This enables you to define an unlimited number of algorithms.

When defining an algorithm, you:

- Create version identification for the base method
- Set the processing options
- Define the selection criteria
- Define the sequence specifications

An algorithm consists of four components. These components make up the structure of the algorithm. You use these components to define how the algorithm behaves during the matching process.

The following graphic illustrates the components of an algorithm.



The following list describes each component:

Base method

This is the fundamental logic that can be shared among multiple algorithms. Algorithms that share the same base method share the same fundamental logic, such as statement match or invoice selection match. You combine the base method with different sets of components to instruct the algorithm to behave uniquely.

Selection criteria

Selection criteria is the information that the system uses to determine which receipts are processed by the algorithm. You can use data selection to process receipts by user ID, G/L date, receipt date, and so on.

If you wish to use selection criteria to determine which invoices the algorithm processes, use Report Design Aid (RDA) that is associated with Invoice Selection. On Work With Batch Versions, choose the version and choose Advanced from the Row menu. Check out the version. Use the data selection for Invoice Selection to specify which invoices the algorithm processes.

If you wish to affect which invoices the system selects to match against receipts, you will need to modify the data selection for the Invoice Selection Match – Select/Read Invoices (F03B11) [Group Section] in the Report Design Aid (RDA) of the algorithm. See *To Define Selection Criteria* in this chapter.

You might want to define algorithms with different selection criteria to filter invoices prior to attempting a match. You can also use selection criteria to define a common situation that applies to multiple customers. This enables you to optimize the performance of an algorithm.

The system automatically appends selection criteria during execution, such as adding a customer number, to limit the invoices to only those associated with the receipt that the system is processing. This enables you to specify criteria that can be reused for multiple customers.

See the *Enterprise Report Writing Guide* for information about modifying data selection for a report.

Sequence specifications

This is the information that the system uses to determine the order in which it reads invoices during the matching process. For example, you might sort by invoice number or due date. Controlling the sequence of an invoice that enters the matching process is another way to define the behavior of an algorithm.

Any base method that places significance on which invoices the algorithm selects first, second, third, and so on, behaves differently when you change the sequence specifications. For example, you might want to change a typical first-in-first-out (FIFO) method to a last-in-first-out (LIFO) method by reversing the sort on a date field.

You must use data sequencing for the Invoice Selection Match – Select/Read Invoices (F03B11) [Group Section] in the Report Design Aid (RDA) of the algorithm to change how the system reads and processes invoices. Changing the data sequence associated with the version of the algorithm will not affect how invoices are ordered. Doing so only determines the order in which the system processes receipts.

In order to influence the sequence of how the system reads and matches invoices, you must use data sequencing via RDA that is associated with Invoice Selection. On Work With Batch Versions, choose the version and choose Advanced from the Row menu. Check out the version. Altering the Data Sequence associated with the algorithm version will change how the system reads receipt records, not invoices.

See *To Define the Sequence Specifications* for more information.

Processing options

This is a list of options that you set to affect the performance of an algorithm. Each method has options specific to and appropriate for its fundamental logic. In general, there are two types of information that you can specify:

- Matching information. Specifies how the system uses the base method to look for a match.
- Application information. Determines how the system actually applies the receipt and when to create chargebacks, write-offs, and so on.

The system stores information about algorithms in the Receipt Application Algorithm/Execution Lists table (F03B50).

What Algorithms Can You Create?

The Accounts Receivable system provides several common base methods that you can use to customize algorithms. You can create multiple versions of these base methods or create new ones to give you additional flexibility. Each base method contains fundamental logic that the system uses to automatically apply receipts to invoices. Each base method has processing options specific to its functionality. You can use the processing options to tailor a base method into a specific algorithm as you create new versions.

You can create multiple versions of any of the following base methods:

- Invoice Selection Match (R03B50A)
- Balance Forward Match (R03B50B)
- Known Invoice Match with Amount (R03B50D)
- Known Invoice Match without Amount (R03B50E)
- Combination Invoice Match (R03B50F)

Most base methods enable you to control invoice selection and sequencing.

When defining algorithms, you use virtually the same procedure to create different versions of each base method. The only differences are the type of information the system displays for each method, such as processing options, data selection, data sequencing, and how you choose to define this information.

Invoice Selection Match Method (R03B50A)

You can use the Invoice Selection Match method to apply a receipt to a specific invoice or a running total of invoices. However, the system will not skip the first invoice and look at combinations of other invoices. The system looks at either an invoice alone, or a running total of the invoices it has reviewed.

Depending on how you set the processing options, you can attempt to match the receipt to the following items:

- Total open amount
- Total open amount less discounts available
- Total open amount less discounts earned

Use selection criteria to determine whether the system applies the receipt to a single invoice or the total of a group of invoices. If you do not specify selection criteria, you can use this method to match a receipt to the total balance of a customer's account. By specifying alternate selection criteria, you can create an algorithm that determines whether a receipt is intended for a specific class of invoices, such as chargebacks or for a certain category code, such as a particular sales representative.

Use sequence specifications to determine the order in which the system reads the invoices, such as a FIFO or LIFO manner.

See *Processing Options: Invoice Selection Match (R03B50A)*.

Balance Forward Match Method (R03B50B)

You can use the Balance Forward Match method to apply receipts to the oldest outstanding invoices first. This method reads the open invoices in a customer's account and applies the receipt to each invoice until either the receipt amount is zero or the system runs out of invoices for the customer.

The system applies a partial payment if there is not enough cash to completely close the invoice. If an amount remains on the receipt after applying it to all open invoices, the system creates an unapplied cash receipt.

Use selection criteria and sequence specifications to alter the typical performance of this method. For example, you can choose to sort the invoices in descending due date order to cause it to function in a last-in-first-out (LIFO) manner instead of a first-in-first-out (FIFO) manner.

See *Processing Options: Balance Forward Match (R03B50B)*.

Known Invoice Match with Amount (R03B50D)

You can use the Known Invoice Match with Amount method to apply receipts to invoices when you know which invoices are to be paid and the specific amount of the receipt to apply to each invoice. For this method to be successful, you must ensure that this information exists in the Electronic Receipts Input table (F03B13Z1). You might use this method to apply a 50,000.00 receipt in the following way:

- 20,000.00 is applied against invoice 1.
- 15,000.00 is applied against invoice 2.
- 15,000.00 is applied against invoice 3.

Because the invoice number and amount is specified in the automatic receipts record, the system identifies the correct invoices to apply the receipt to. If the pay items of an invoice are known, the system applies the receipt to the specified pay item.

You do not use selection criteria or sequence specifications to define variations of this base method. This is because the information in the Electronic Receipts Input table explicitly defines which invoices are candidates for matching.

Known Invoice Match with Amount Example #1

Amounts	Settings
Receipt number 445 = 850.00	

Invoice tolerance limit = 10.00	If the tolerance is exceeded, partially pay invoice
Receipt tolerance limit = 25.00	If receipt is underpaid, create a chargeback

Invoice Number	Open Amt	Check Amt	Amt to Apply (AG field in F03B13Z1)
222	200.00	850.00	200.00
223	300.00	850.00	300.00
224	600.00	850.00	550.00
Cr. Memo #1	200.00	850.00	200.00–

The system:

- Pays invoice #222 in full, open amount is zero, pay status is P.
- Pays invoice #223 in full, open amount is zero, pay status is P.
- Leaves open invoice #224 for 50.00 because it exceeds the tolerance of the invoice. The pay status remains as A.
- Pays the credit memo #1 in full, open amount is zero, pay status is P.

Known Invoice Match with Amount Example #2

Amounts	Settings
Receipt number 446 = 700.00	
Invoice tolerance limit = 10.00	If the tolerance is exceeded, partially pay invoice
Receipt tolerance limit = 10.00	If receipt is underpaid, create a chargeback

In this example, assume the bank sent incorrect information. The check amount is 700.00 but the amount needed to apply is 900.00, based on an invoice open amount of 1000.00 minus a 100.00 credit memo. Because the tolerance amount on the receipt is set to 10.00, the system views this as exceeding the tolerance limit by 200.00 and generates a chargeback.

The system:

- Pays invoice #300 in full, open amount is zero, pay status is P.
- Pays credit memo #2 in full, open amount is zero, pay status is P.
- Generates a chargeback for 200.00.

If the customer wanted to partially pay the invoice, change the amounts as follows:

Invoice Number	Open Amt	Check Amt	Amt to Apply (AG field in F03B13Z1)
300	1000.00	700.00	800.00
Credit memo #2	100.00–	700.00	100.00–

Because the amount to apply is 700.00, which is equal to the check amount entered, no tolerance amount is affected and the invoice remains open for 200.00.

See *Processing Options: Known Invoice Match with Amount (R03B50D)*.

Known Invoice Match without Amount (R03B50E)

You can use the Known Invoice Match without Amount method to apply receipts to invoices when you know which invoices are to be paid but the amount to be applied to each invoice is unknown. For this method to be successful, you must ensure that the invoice number exists in the electronic receipt record.

You might use this method to apply a 50,000.00 receipt to pay invoice 1, invoice 2, and invoice 3. However, the amount to be applied to each invoice is not specified. Additionally, if the pay items of an invoice are known, this method applies the receipt to the specified pay item.

You do not use selection criteria or sequence specifications to define variations of this base method. This is because the information in the Electronic Receipts Input table explicitly defines which invoices are candidates for matching.

See *Processing Options: Known Invoice Match without Amount (R03B50E)*.

Combination Invoice Match (R03B50F)

You can use the Combination Invoice Match method to apply receipts to a specific combination of invoices. Depending on the processing options, the system reviews up to a maximum of ten specified invoices, in multiple combinations, in an attempt to find a match.

Use selection criteria and sequence specifications to alter the performance of this method. For example, you can sort a group of invoices in descending order by invoice date so that the algorithm reads the most recent invoices first during the matching process. In this case, the most recent invoices are the records in which the system does not apply the receipt. This is known as exclusion processing.

Combination Invoice Match Example

The following example demonstrates how the system uses the combination invoice match algorithm to apply receipts to combinations of invoices:

Invoice Number	Amount
122	100.00
123	200.00
124	450.00
125	50.00
126	100.00

If you have a receipt for the total amount of 900.00, the system begins looking at the first invoice and attempts to match invoices in the following order:

Invoice Number	Amount	Match
122	100.00	no match
122 + 123	300.00	no match
123	200.00	no match
122 + 123 + 124	750.00	no match
122 + 124	550.00	no match
123 + 124	650.00	no match
124	450.00	no match

The system continues to try individual invoices and all combinations of invoices. In this example, the system finds a match when all of the invoices are combined:

All	900.00	match

The system combines invoice matches up to a maximum of ten invoices that you select. The process is time consuming. J.D. Edwards recommends that you use the combination invoice match algorithm at the end of an execution list, after you have attempted all other options for matching invoices and receipts.

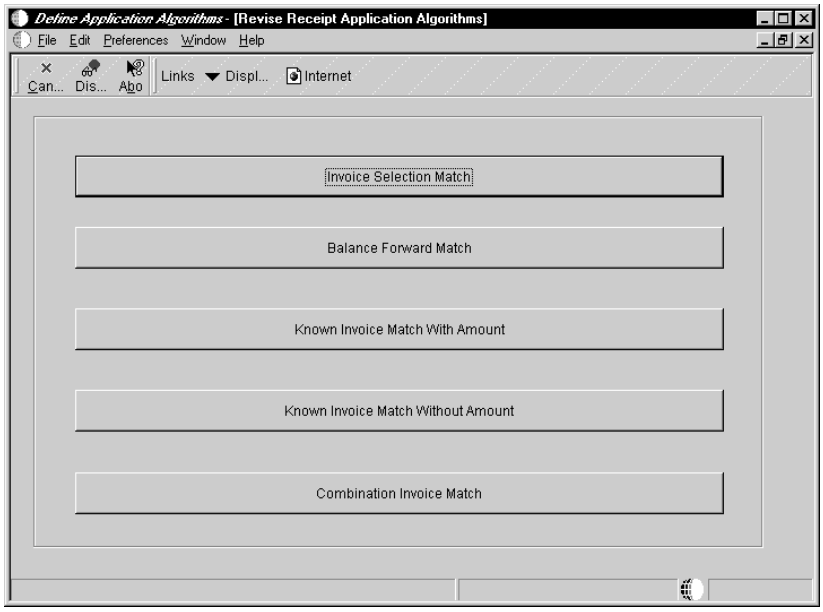
See *Processing Options: Combination Invoice Match (R03B50F)*.

To create version identification for the base method

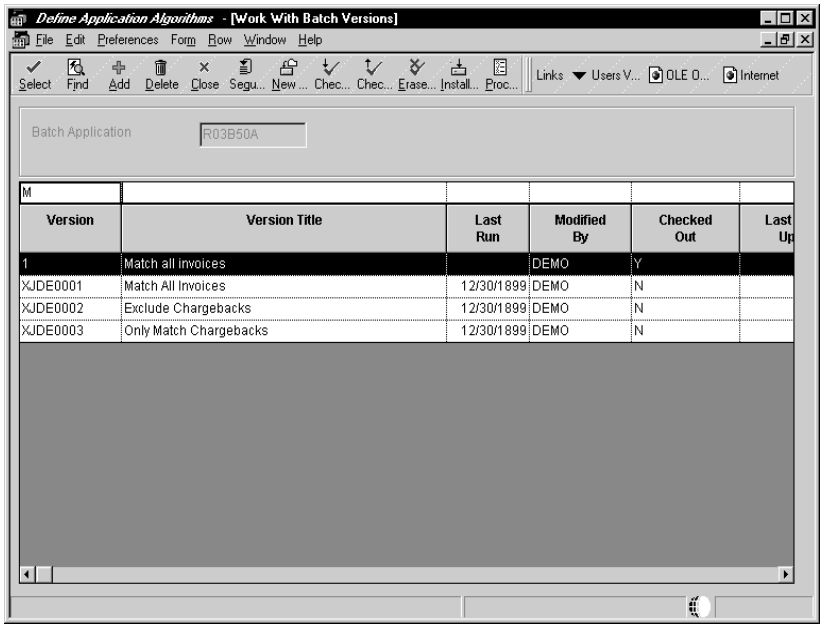
From the Automatic Receipts Processing menu (G03B13), choose Define Application Algorithms.

The first step in defining an algorithm is to create and identify versions for each base method. For example, when defining the Invoice Selection Match method, you might create a version to match receipts to invoices with discounts but excluding chargebacks. You can set up multiple versions for one base method.

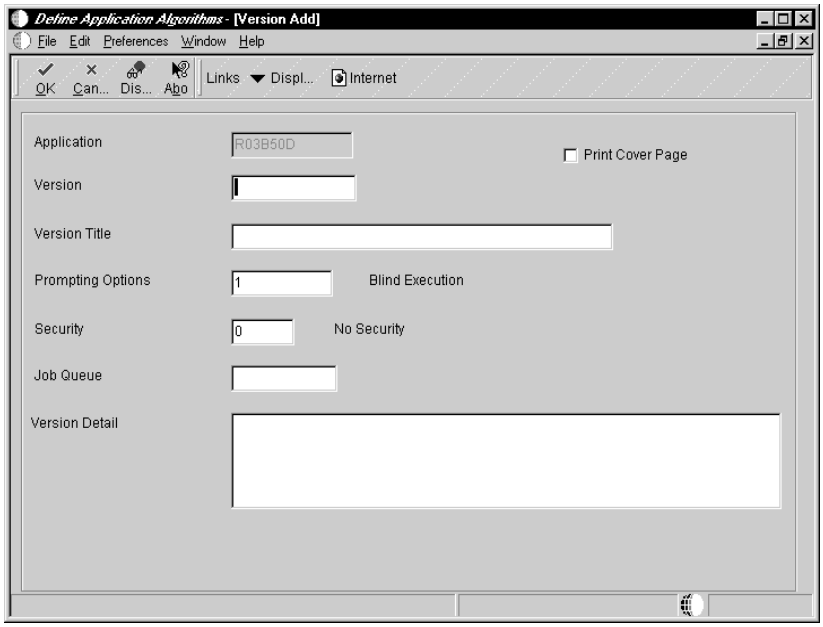
On Revise Receipt Application Algorithms



1. Choose the appropriate base method.



2. On Work With Batch Versions, click Add to create a new version.



3. On Version Add, complete the following fields, and click OK:
   - Version
   - Version Title

4. Complete the following optional fields:
    - Prompting Options
    - Security
    - Version Detail
5. Continue defining the algorithm by setting the processing options.

Field	Explanation
Version	A version is a user-defined set of specifications. These specifications control how applications and reports run. You use versions to group and save a set of user-defined processing option values and data selection and sequencing options. Interactive versions are associated with applications (usually as a menu selection). Batch versions are associated with batch jobs or reports. To run a batch process, you must choose a version.
Version Title	A description of the version that appears next to the version number. The version title is different from the report title. This field should describe the use of a version. For example, an application for generating pick slips might have a version called Pick Slips - Accounting and another version called Pick Slips - Inventory Management.
Version Detail	Use this space to list all the overriding specifications and differences in functionality between the base report specifications and the version level report specifications. The information you provide in this field will allow version developers to easily see the functional difference between this version and the base report. Examples of things you should list includes additions such as sections that you have added in your version that do not exist in the base report. You should also list changes in your version for areas that function differently than the base report. For example, you should list areas where you use different criteria for data sequencing or data selection.

To set the processing options

After specifying the version identification, you must set the processing options that are appropriate for that version. You set processing options for each base method to determine how the system matches receipts to invoices and how it records the match when a match occurs. For example, you might set a processing option to automatically create a chargeback or write-off for any unearned discounts taken.

On Work With Batch Versions

1. Choose the version that you just created.
2. From the Row menu, choose Processing Options.
3. Set the necessary processing options.
4. Continue to define the algorithm by defining the selection criteria.

To define selection criteria

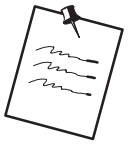
After setting the processing options, you can define selection criteria for most base methods. Selection criteria can determine which receipts you want to process or which invoices you want to select for processing, depending on how you set it up.

The data selection attached to the algorithm version determines which receipts to choose for processing. For example you might want to process only receipts with a specific user ID or ones that fall within a specified date range.

On Work With Batch Versions

1. Choose the version that you just created.
2. From the Row menu, choose Data Selection.

   If you want to determine which invoices the system selects in the matching process, you must change the data selection associated with Invoice Selection Match – Select/Read Invoices (F03B11) [Group Section]. You do this in the Report Design Aid (RDA) of the version. For example, you may want the system to process only chargeback invoices or invoices generated as a result of processing delinquency fees.



Only persons trained and knowledgeable with UBE and UBE design should attempt to change the data selection in RDA. Altering the report inappropriately can result in the program not functioning properly.

To define the sequence specifications

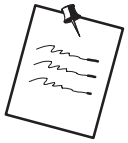
After setting the processing options, you can define sequence specifications criteria for most base methods. Sequence criteria determines either the order in which the system processes receipts or the order in which it processes invoices, depending on how you set it up.

The data sequence attached to the algorithm version determines the order in which the system processes receipts. For example, you may wish to process receipts by descending date order or alphabetically by customer number.

On J.D. Edwards Report Design

1. Choose the version that you just created.
2. From the Row menu, choose Data Sequence.

   If you want to determine the order in which the system selects invoices in the matching process, you will need to change the data sequence associated with Invoice Selection match – Select/Read Invoices (F03B11) [Group Selection]. You do this in the Report Design Aid (RDA) of the version. For example, you may only wish to process invoices generated from delinquency fees or chargeback invoices, before other types of invoices.



   Only persons trained and knowledgeable with UBE and UBE design should attempt to change the data selection in RDA. Altering the report inappropriately can result in the program not functioning properly.

3. On Section Data Sequencing, define the necessary sort and sequence objects.

Processing Options: Invoice Selection Match (R03B50A)

Matching Tab

These processing options let you determine whether the system matches the invoice based on the open amount, the amount less the discount available, or the amount less the earned discount. A discount is earned when the receipt date is equal to or before the discount due date on the invoice. You must select at least one option for the program to process Invoice Selection Match. The more options you supply for the system to use in this algorithm, the better chance the system has for finding a match.

Using this algorithm, the system compares the amount of the first invoice to the amount of the receipt, and takes into account whether a discount is earned, available, or ignored. Then the system adds or subtracts the tolerances you entered in the Underpaid Tolerance and Overpaid Tolerance processing options. If the amount of the first invoice is within the tolerance limits, the system applies the receipt to the invoice and processes the next receipt. If the first invoice amount does not fall within the tolerance limits, the system adds the first and second invoices for that customer and compares them. This process continues until the total amount of the invoices is within the tolerance limit and paid by the receipt. The system only compares the first invoice and a running total of invoices. Other comparisons are not considered.

The system stops processing invoices when a single invoice or the running total matches the receipt amount. The system then applies the receipt to the selected invoices.

1. Open Invoice Amount

Use this processing option to match the receipt amount to the total open invoices amount. Valid values are:

Blank Do not use this matching method.
1 Use this matching method.

2. Less Available Discount

Use this processing option to match the receipt amount to the total open invoice amount, less the available discount. Valid values are:

Blank Do not use this matching method.
1 Use this matching method.

3. Less Earnable Discount

Use this processing option to match the receipt amount to the total open invoice amount, less the earnable discount. A discount is earned when the receipt date is equal to or before the discount due date on the invoice. Valid values are:

Blank Do not use this matching method.
1 Use this matching method.

4. Underpaid Tolerance Amount

Use this processing option to increase the chance for a match on any of the amounts indicated in the Open Invoice Amount, Less Available Discount, and Less Earnable Discount processing options. The system writes off any differences. Enter the underpaid tolerance amount.

You specify overpaid and underpaid tolerance amounts to increase the probability of a match. For example, if the receipt amount is 20,000.00 and the total open amount of the invoices is 20,050.00, the match does not occur under normal circumstances. However, if you specify an underpaid tolerance amount of 10.00, the system proceeds with the match. Similarly, if the total of the invoices is 20,010.00 and you specify an underpaid tolerance of 10.00, the system proceeds with the match.

Any difference between the receipt amount and the total of the open invoices within the tolerance amounts is automatically written off. To do this, you must specify the write-off reason code. Any difference between the receipt amount and the total of the open invoices outside the tolerance amount results in the invoices being partially paid.

You must enter a positive amount.

5. Underpaid Reason Code

Use this processing option to specify the reason code that the system assigns to write-offs that are generated automatically for the underpaid tolerance amount you set in the Underpaid Tolerance processing option. Enter the reason code or choose it from the visual assist.

Ensure that you have established the write-off reason code in the user-defined code table 03B/RC. Also, set up the AAI for the reason code (RAxx, where xx is the reason code used).

6. Overpaid Tolerance Amount

Use this processing option to increase the chance for a match on any of the amounts indicated in the Open Invoice Amount, Less Available Discount, and Less Earnable Discount processing options. The system writes off any differences.

You specify overpaid and underpaid tolerance amounts to increase the probability of a match. For example, if the receipt amount is 20,000.00 and the total open amount of the invoices is 19,990.00, the match does not occur under normal circumstances. However, if you specify an overpaid tolerance amount of 10.00, the system proceeds with the match. Similarly, if the total of the invoices is 20,010.00 and you specify an underpaid tolerance of 10.00, the system proceeds with the match.

Any difference between the receipt amount and the total of the open invoices within the tolerance amounts is automatically written off. To do this, you must specify the write-off reason code. Any difference between the receipt amount and the total of the open invoices outside the tolerance amount results in the creation of unapplied cash.

You must enter a positive amount.

7. Overpaid Reason Code

Use this processing option to specify the reason code that the system assigns to write-offs that are generated automatically for the overpaid tolerance amount you set in the Overpaid Tolerance Amount processing option.

Ensure that you have established the write-off reason code in the user-defined code table 03B/RC. Also, set up the AAI for the reason code (RAxx, where xx is the reason code used).

Apply Tab

Use the Apply processing options in Invoice Selection Match (R03B50A) to determine how the system applies receipts to invoices, based on the options you set in the Matching tab.

Ensure that you have set up the automatic accounting instructions (AAI) for reason codes (RAxx, where xx is the reason code), and verify that the AAIs point to valid accounts.

1. Processing Unearned Discounts

Use this processing option to specify the method for processing unearned discounts. An unearned discount means that the discount due date has passed, and you have extended the discount date. Valid values are:

Blank Allow unearned discounts.
1 Create write-off.
2 Create chargeback.
3 Partially pay invoice.
4 Create deduction.

2. Reason Code for Unearned Discounts

Write-Off Reason Code

Use this processing option to specify the reason code for the system to use when creating write-offs for unearned discounts. Use this option when you set the Processing Unearned Discounts processing option to 1. Enter the reason code or select it from the Select User Defined Code form using the visual assist.

Ensure that you have established the write-off reason code in the user-defined code table 03B/RC. Also, set up the AAI for the reason code (RAxx, where xx is the reason code used).

Chargeback Reason Code

Use this processing option to specify the reason code for the system to use when creating chargebacks for unearned discounts. Use this option when you set the Processing Unearned Discounts processing option to 2. Enter the reason code or select it from the Select User Defined Code form using the visual assist.

Ensure that you have established the chargeback reason code in the user-defined code table 03B/CB. Also, set up the AAI for the reason code (RAxx, where xx is the reason code used).

Deduction Reason Code

Use this processing option to specify the reason code for the system to use when creating deductions for unearned discounts. Use this option when you set the Processing Unearned Discounts processing option to 4. Enter the reason code or select it from the Select User Defined Code form using the visual assist.

Ensure that you have established the deduction reason code in the user-defined code table 03B/CR. Also, set up the AAI for the reason code (RAxx, where xx is the reason code used).

3. Grace Days

Use this processing option to specify the number of grace days to extend the eligibility of an available discount. Enter the number of days.

Processing Options: Balance Forward Match (R03B50B)

Apply Tab

These processing options let you match and apply receipts to invoices until the receipt has been fully applied. On the Work with Batch Versions form, you can control the way the system processes invoices by choosing Advance from the Row menu.

1. Discount Recognition Method

Use this processing option to indicate whether the system accepts all discounts or only those that are earned. Earned discounts are defined as those in which the discount due date is equal to or before the G/L date of the receipt. Valid values are:

Blank Process all discounts available.
1 Process earned discounts only.

2. Grace Days

Use this processing option to enter the number of grace days to extend the eligibility of an available discount. Enter the number of days.

Processing Options: Known Invoice Match with Amount (R03B50D)

Apply Invoices

These processing options let you apply the receipt detail from the Electronic Receipt Input (F03B13Z1) table to the selected invoices.

1. Discounts Recognition Method

Use this processing option to indicate whether the system processes all discounts or only those that are earned. Earned discounts are defined as those in which the discount due date is equal or before the G/L date of the receipt. Valid values are:

Blank Accept all available discounts.
1 Accept earned discounts only.

2. Grace Days

Use this processing option to specify the number of grace days to extend the eligibility of an available discount. Enter the number of days.

3. Underpaid Tolerance Amount

Use this processing option to specify the maximum amount allowed for an invoice underpayment. The system automatically generates a write-off for invoices that are underpaid up to and including this amount. The system compares the receipt amount to the invoice amount to determine whether to create the write-off. Enter this amount as a positive number.

4. Underpaid Reason Code

Use this processing option to specify the reason code that the system assigns to write-offs that are generated automatically for the underpaid tolerance amount you set in the Underpaid Tolerance Amount processing option. Enter the reason code or choose it from the visual assist.

Ensure that you have established the write-off reason code in the user-defined code table 03B/RC. Also, set up the AAI for the reason code (RAxx, where xx is the reason code used).

5. Processing Underpayments

Use this processing option to specify the method for processing underpaid invoices that do not fall within the underpaid tolerance amount. Valid values are:

Blank Create a chargeback.
1 Partially pay the invoice.
2 Create a deduction.

6. Underpayments Reason Codes

Chargeback Reason Code

Use this processing option to specify the reason code that the system assigns to chargebacks generated from underpayments that do not fall within the underpayment tolerance amount.

Ensure that you have established the chargeback reason code in the user-defined code table 03B/CB.

Deduction Reason Code

Use this processing option to specify the reason code to use for underpaid deductions. Enter a valid value in this field if you entered 2 in the Processing Underpayments processing option. Enter the reason code or choose it from Select User Defined Code form.

Ensure that you have established the deduction reason code in the user-defined code table 03B/CR.

7. Overpaid Tolerance Amount

Use this processing option to specify the maximum amount allowed for an invoice overpayment. The system automatically generates a write-off for invoices that are overpaid up to and including this amount. The system compares the receipt amount to the invoice amount to determine whether to create the write-off. Enter this amount as a positive number.

8. Overpaid Reason Code

Use this processing option to specify the reason code that the system assigns to write-offs that are generated automatically for the overpaid tolerance amount you set in the Overpaid Tolerance Amount processing option.

Ensure that you have established the write-off reason code in the user-defined code table 03B/RC. Also, set up the AAI for the reason code (RAxx, where xx is the reason code used).

9. Processing Overpayments

Use this processing option to specify the method for processing overpaid invoices that do not fall within the amount you set in the Overpaid Tolerance Amount processing option. Valid values are:

Blank Create unapplied cash.
1 Overapply receipt to invoice.

If you leave this field blank, the system creates unapplied cash for the amount of the overpayment. Enter 1 to overapply the receipt to the invoice. This will generate a negative open amount on the invoice.

Apply Receipts Tab

These processing options let you specify whether the system automatically writes-off underpaid invoices that fall within the underpaid and overpaid tolerance amounts. You can also specify how the system handles receipts that fall outside the tolerance limits. For example, if a receipt is greater than the tolerance limit, the system will generate stand-alone chargebacks or deductions, depending upon how you set the Underpaid Receipt Processing option on this tab.

1. Underpaid Tolerance Amount

Use this processing option to specify the underpaid tolerance amount of a receipt. This option does not take into consideration any invoice tolerance amounts you specified previously. In the F03B13Z1 table, if the difference between the receipt amount (Check Amount field – CKAM) and the amount applied (Gross Amount field – AG) against invoices is equal to or less than the amount you entered, the system generates a write-off for the difference. If the amount exceeds the tolerance amount, the system generates a chargeback or deduction, depending upon how you set the Underpaid Receipt Processing option on this tab. The amount for this processing option should be entered as a positive number.

For example, if the receipt amount is for 1,000.00 and it is paying five invoices totaling 1,050.00, and the tolerance amount is set to 50.00, the system writes-off 50.00.

The following example is helpful when you use this processing option with the Underpaid Tolerance Amount on the Apply Invoices tab. Suppose you set the Underpaid Tolerance Amount on the Apply Invoices tab to 10.00 and the Underpaid Tolerance Amount for Apply Receipts is set to 25.00. You receive a receipt #2205 for 270.00 to pay invoices totalling 300.00:

Receipt #2205 = 270.00 (CKAM field).

- Invoice #1 = 100.00, amount applied = 90.00 (AG), write-off = 10.00.
- Invoice #2 = 100.00, amount applied = 90.00 (AG), write-off = 10.00.
- Invoice #3 = 100.00, amount applied = 90.00 (AG), write-off = 10.00.

The system pays all three invoices in full and writes off 10.00 for each invoice. The system generates a chargeback for 30.00 because the tolerance limit on the receipt was exceeded.

Write-Off Reason Code

Use this processing option to specify the reason code that the system assigns to write-offs that are generated automatically for the underpaid tolerance amount you set in the Underpaid Tolerance Amount processing option.

Ensure that you have established the write-off reason code in the user-defined code table 03B/RC. Also, set up the AAI for the reason code (RAxx, where xx is the reason code used).

2. Underpaid Receipt Processing

Use this processing option to specify the method for processing underpaid receipts that do not fall within the underpaid tolerance amount. Valid values are:

Blank Create a chargeback.
1 Create a deduction.

Chargeback Reason Code

Use this processing option to enter the reason code for an underpaid tolerance chargeback. You use this processing option when the Underpaid Receipt Processing option is set to blank.

Ensure that you have established the chargeback reason code in the user-defined code table 03B/CB. Also, set up the AAI for the reason code (RAxx, where xx is the reason code used).

Deduction Reason Code

Use this processing option to enter the reason code for an underpaid tolerance deduction. You use this processing option when the Underpaid Receipt Processing option is set to blank.

Ensure that you have established the deduction reason code in the user-defined code table 03B/CR. Also, set up the AAI for the reason code (RAxx, where xx is the reason code used).

3. Overpaid Tolerance Amount

Use this processing option to specify the overpaid tolerance amount of a receipt. This option does not take into consideration any invoice tolerance amounts you specified previously. In the F03B13Z1 table, if the difference between the receipt amount (Check Amount field – CKAM) and the amount applied (Gross Amount field – AG) against

invoices is equal to or less than the amount you entered, the system generates a write-off for the difference.

For example, if the receipt amount is for 1,000.00 and it is paying invoices totaling 950.00, and the tolerance amount is set to 50.00, the system automatically writes-off 50.00.

If the difference exceeds the overpaid tolerance amount, the system records this as unapplied cash. For example, if the receipt amount is for 1050.00 and it is paying invoices totaling 950.00, and the tolerance amount is set to 50.00, the system creates unapplied cash for 100.00.

4. Overpaid Reason Code

Use this processing option to enter the reason code for overpaid tolerance write-offs. Enter the reason code or select it from the Select User Defined Code form using the visual assist.

Ensure that you have established the write-off reason code in the user-defined code table 03B/RC. Also, set up the AAI for the reason code (RAxx, where xx is the reason code used).

Amount Match

These processing options are used to determine invoice selection when the system finds duplicate invoice numbers.

1. Duplicate Invoice Match

Use this processing option to specify which matching method the system should use when it finds duplicate invoice numbers in the Customer Ledger table (F03B11). Valid valid values are:

Blank Do not process duplicate invoices.
1 Use the amount for duplicates.

Enter 1 to use the applied amount to determine invoice selection. The system selects the invoice that is closest to this amount.

If you leave this field blank, the system will not use the amount for matching. If the invoice number is a duplicate number, the system does not apply the receipt detail.

2. Tolerance

Use this processing option to further filter the invoices that the system selected using the Duplicate Invoice Match processing option. Valid values are:

Blank Do not use the tolerance amounts as defined.
1 Use the tolerance amounts previously defined.

If you enter 1, the system uses the amount match to select invoices. It will select invoices only if the invoice amount falls within the apply amount tolerance range you set in the Underpaid Tolerance Amount and Overpaid Tolerance Amount processing options on the Apply Invoices tab. If the invoice is not within the range, the system does not select the invoice and does not apply the receipt detail amount.

If you leave this option blank, the system does not use the amount when matching and selects the invoice regardless of the tolerance amount limits.

Match Priority Tab

Use this processing option to determine how the system locates the invoice record in the Customer Ledger table (F03B11) to match against receipts. The information that the system updates in the Electronic Receipts Input table (F03B13Z1) is loaded into either the Document Number field (DOC) or the Generic Match field (GMFD). If the system uses the Document Number field, the system will try to match this amount only with the invoice number in the Customer Ledger table (F03B11). If the system uses the Generic Match field, it matches the receipt using either the invoice number, sales order number, customer reference number, or statement number.

For example, if you do not use sales order processing, you might want the system to search first by invoice number, then by statement number. You might assign priority 1 to the Invoice Number processing option and a priority 2 to the Statement Number processing option. In doing so, the system ignores the Sales Order and Customer Number reference fields.

Do not use the Statement Number field (CTL) in the F03B1Z1 table. The system does not use this field in this process.

1. Match Process

Invoice Number

Use this processing option to select the Invoice Match process and specify the priority of the process. Valid values are:

1 Highest priority.
2 Higher priority.
3 Medium priority.
4 Low priority.

Sales Order Number

Use this processing option to select the Sales Order Match process and specify the priority of the process. Valid values are:

1 Highest priority.
2 Higher priority.
3 Medium priority.

4 Low priority.

Customer Reference Number

Use this processing option to select the Customer Reference Match process and specify the priority of the process. Valid values are:

1 Highest priority.
2 Higher priority.
3 Medium priority.
4 Low priority.

Statement Number

Use this processing option to select the Statement Match process and specify the priority of the process. Valid values are:

1 Highest priority.
2 Higher priority.
3 Medium priority.
4 Low priority.

Discount Tab

These processing options let you specify how to process discounts when the open amount of the invoice, less the discount, is less than the amount to be applied on the Electronic Receipt Input file (F03B13Z1). The system can adjust the discount to zero, rather than create a write-off for this difference.

For example:

Invoice #5	100.00
Discount	5.00
Receipt	97.00

If you enter 1 in the Reduce Discount processing option, the system applies 97.00 to the invoice and reduces the discount from 5.00 to 3.00.

If you left the option blank, the system would apply 95.00 to the invoice, apply 5.00 to the discount, and generate a 2.00 write-off.

Reduce Discount

Use this processing option to specify how to process discounts when the open amount of the invoice, less the discount, is less than the amount to be applied on the Electronic Receipt Input file (F03B13Z1). The system can adjust the discount to zero, rather than create a write-off for this difference. Valid values are:

Blank Do not reduce the discount to be taken.
1 Reduce the discount to be taken.

For example, invoice #5 is for 100.00 with a discount of 5.00 and you receive 97.00.

If you enter 1 in the Reduce Discount processing option, the system applies 97.00 to the invoice and reduces the discount from 5.00 to 3.00.

If you left the option blank, the system would apply 95.00 to the invoice and apply 5.00 to the discount and generate a 2.00 write-off.

Processing Options: Known Invoice Match without Amount (R03B50E)

Apply Invoices Tab

These processing options let you apply the receipt detail from the Electronic Receipt Input table (F03B13Z1) to the selected invoice.

1. Discounts Recognition Method

Use this processing option to indicate whether the system processes all discounts or only those that are earned. Earned discounts are defined as those in which the discount due date is equal or before the G/L date of the receipt. Valid values are:

Blank Accept all available discounts.
1 Accept earned discounts only.

2. Grace Days

Use this processing option to enter the number of grace days to extend the eligibility of an available discount.

Apply Receipts Tab

These processing options let you specify whether the system automatically writes off underpaid invoices that fall within the underpaid and overpaid tolerance amounts. You can also specify how the system handles receipts that fall outside the tolerance limits. For example, if a receipt is greater than the tolerance limit, the system will generate stand-alone chargebacks or deductions, depending upon how you set the Underpaid Receipt Processing option on this tab.

1. Underpaid Tolerance Amount

Use this processing option to specify the underpaid tolerance amount of a receipt. If the difference between the receipt amount (CKAM in the Electronic Receipts Input table

(F03B13Z1)) and the total amount of the invoices paid is less than or equal to this amount, the system generates a stand-alone write-off.

If the difference between the receipt amount and the total amount of the invoices paid exceeds the tolerance limit you specified, the system creates a stand-alone chargeback or deduction, depending on how you set the Underpaid Receipt Processing option. If only one invoice is paid, the chargeback or deduction will not be generated for that invoice.

You must enter the amount as a positive number.

Write-Off Reason Code (S03B50E04)

Use this processing option to specify the reason code that the system assigns to write-offs that are generated automatically for the underpaid tolerance amount you set in the Underpaid Tolerance Amount processing option.

Ensure that you have established the write-off reason code in the user-defined code table 03B/RC. Also, set up the AAI for the reason code (RAxx, where xx is the reason code used).

2. Underpaid Receipt Processing

Use this processing option to specify the method for processing underpaid receipts that do not fall within the underpaid tolerance amount. Valid values are:

Blank Create a chargeback.
1 Create a deduction.

Chargeback Reason Code

Use this processing option to specify the reason code that the system assigns to chargebacks that are generated automatically for the underpaid tolerance amount you set in the Underpaid Receipt Processing option. Enter the reason code or select it from the Select User Defined Code form using the visual assist.

Ensure that you have established the chargeback reason code in the user-defined code table 03B/CB. Also, set up the AAI for the reason code (RAxx, where xx is the reason code used).

Deduction Reason Code

Use this processing option to specify the reason code that the system assigns to deductions that are generated automatically for the underpaid tolerance amount you set in the Underpaid Receipt Processing option. Enter the reason code or select it from the Select User Defined Code form using the visual assist.

Ensure that you have established the deduction reason code in the user-defined code table 03B/CR. Also, set up the AAI for the reason code (RAxx, where xx is the reason code used).

3. Overpaid Tolerance Amount

Use this processing option to specify the overpaid tolerance amount of a receipt. If the difference between the receipt amount (CKAM, specified in the Electronic Receipts Input table–F03B13Z1).and the total amount of the invoices paid is less than or equal to this amount, the system generates a stand-alone write-off. If only one invoice is paid, the system generates a write-off for that invoice.

If the difference between the receipt amount and the total amount of the invoice paid exceeds the tolerance limit specified, the system generates unapplied cash.

4. Overpaid Reason Code

Use this processing option to specify the reason code to use for the overpaid tolerance write-off. Enter the reason code or select it from the Select User Defined Code form using the visual assist.

Ensure that you have established the write-off reason code in the user-defined code table 03B/RC. Also, set up the AAI for the reason code (RAxx, where xx is the reason code used).

Match Priority Tab

Use this processing option to determine how the system locates the invoice record in the Customer Ledger table (F03B11) to match against receipts. The information that the system updates in the Electronic Receipts Input table (F03B13Z1) is loaded into either the Document Number field (DOC) or the Generic Match field (GMFD). If the system uses the Document Number field, the system will try to match this amount only with the invoice number in the Customer Ledger table (F03B11). If the system uses the Generic Match field, it matches the receipt using either the invoice number, sales order number, customer reference number, or statement number.

For example, if you do not use sales order processing, you might want the system to search first by invoice number, then by statement number. You might assign a priority 1 to the Invoice Number processing option and a priority 2 to the Statement Number processing option. In doing so, the system ignores the Sales Order and Customer Number reference fields.

Do not use the Statement Number field (CTL) in the F03B1Z1 table (the system does not use this field in this process).

1. Match Process

Invoice Match

Use this processing option to select the Invoice Match process and specify the priority of the process. Valid values are:

1 Highest priority.
2 Higher priority.
3 Medium priority.
4 Low priority.

Sales Order Match

Use this processing option to select the Sales Order Match process and specify the priority of the process. Valid values are:

1 Highest priority.
2 Higher priority.
3 Medium priority.
4 Low priority.

Customer Reference Match

Use this processing option to select the Customer Reference Match process and specify the priority of the process. Valid values are:

1 Highest priority.
2 Higher priority.
3 Medium priority.
4 Low priority.

Statement Match

Use this processing option to select the Statement Match process and specify the priority of the process. Valid values are:

1 Highest priority.
2 Higher priority.
3 Medium priority.
4 Low priority.

Processing Options: Combination Invoice Match (R03B50F)

Matching Tab

These processing options let you determine whether the system considers invoices with discounts and credit memos for matching.

1. Open Invoice Amount

Use this processing option to match the receipt amount to the total open invoice amount. Valid values:

Blank Do not use this matching method.
1 Use this matching method.

2. Less Available Discount

Use this processing option to match the receipt amount to the total open invoice amount, less the available discount. Valid values are:

Blank Do not use this matching method.
1 Use this matching method.

3. Less Earnable Discount

Use this processing option to match the receipt amount to the total open invoice amount, less the earnable discount. A discount is earned when the receipt date is equal to or before the discount due date on the invoice. Valid values are:

Blank Do not use this matching method.
1 Use this matching method.

4. Match by Exclusion (S03B50F04)

Use this processing option to allow the system to determine which invoices are not being paid and to apply the receipt to the remaining invoices. This processing option is useful when the receipt is paying all but a few of the outstanding invoices. Valid values are:

Blank Do not use this matching method.
1 Use this matching method.

You can set this option when the possibility exists that a significant percentage of open invoices are to be paid by one receipt. By doing so, the system first determines the difference between the receipt amount and the total account balance. Then, it attempts to find a combination match for the amount not being paid. If a match is found, the system applies the receipt to all invoices that are not part of the combination.

When using this processing method, consider sorting the invoices in descending order by invoice date so that the newest invoices enter the algorithm first.

5. Credit Memos Included

Use this processing option to include credit memos in the matching process. Valid values are:

Blank Do not include credit memos.
1 Include credit memos.

Apply Tab

These processing options let you apply the receipt detail from the Electronic Receipt Input table (F03B13Z1) to the selected invoice.

1. Processing Unearned Discounts

Use this processing option to specify the method for processing unearned discounts. An unearned discount means that the discount due date has passed and you extend the discount date. Valid values are:

Blank Allow unearned discounts.
1 Create write-off.
2 Create chargeback.
3 Partially pay invoice.
4 Create deduction.

2. Reason Codes for Unearned Discounts

Write-Off Reason Code

Use this processing option to specify the reason code to use when the system creates write-offs for unearned discounts. Use this processing option when you set the Processing Unearned Discounts processing option to 1. Enter the reason code or select it from the Select User Define Code form using the visual assist.

Ensure that you have established the write-off reason code in the user-defined code table 03B/RC. Also, set up the AAI for the reason code (RAxx, where xx is the reason code used).

Chargeback Reason Code

Use this processing option to specify the reason code to use when the system creates chargebacks for unearned discounts. Use this processing option when you set the Processing Unearned Discounts processing option to 2. Enter the reason code or select it from the Select User Define Code form using the visual assist.

Ensure that you have established the chargeback reason code in the user-defined code table 03B/CB. Also, set up the AAI for the reason code (RAxx, where xx is the reason code used).

Deduction Reason Code

Use this processing option to specify the reason code to use when the system creates deductions for unearned discounts. Use this processing option when you set the Processing Unearned Discounts processing option to 4. Enter the reason code or select it from the Select User Define Code form using the visual assist.

Ensure that you have established the deduction reason code in the user-defined code table 03B/CR. Also, set up the AAI for the reason code (RAxx, where xx is the reason code used).

3. Grace Days

Use this processing option to specify the number of grace days to extend the eligibility of an available discount. Enter the number of days.

Performance Tab

These processing options let you control the number of invoices allowed in the combination match. You can control how many invoices the system selects at a time and how many invoices to use in each combination.

1. Invoice Review Limit

Use this processing option to enter the number of invoices for the system to select when determining the invoice combinations, up to a maximum of 10. This option controls how many invoices the system selects at a time, used in combination with the Invoice Combination Limit processing option.

Enter a number. If you leave this field blank, the system reviews up to ten invoices individually.

2. Invoice Combination Limit

Use this processing option to enter the number of invoices that the system allows in any single combination for evaluation. This option controls how many invoices the system selects and uses from the Invoice Review Limit processing option when trying to find a combination to match to the receipt.

Enter a number. If you leave this field blank, the system combines invoices up to the Invoice Review Limit you specified. This limit should not exceed the number entered in the Invoice Review Limit processing option.

Working with Execution Lists

After you define algorithms, you must specify the sequence in which the system executes them during the automatic receipts process. The algorithms that the system uses and the order in which they are executed varies depending on the customer that you are dealing with.

Before you can automatically apply receipts to invoices, you must set up your algorithms in an execution list. This enables you to specify which algorithms are to be used for a customer and the order in which the system executes them for a receipt. This is the second step in the automatic receipts process.

When working with execution lists, you can:

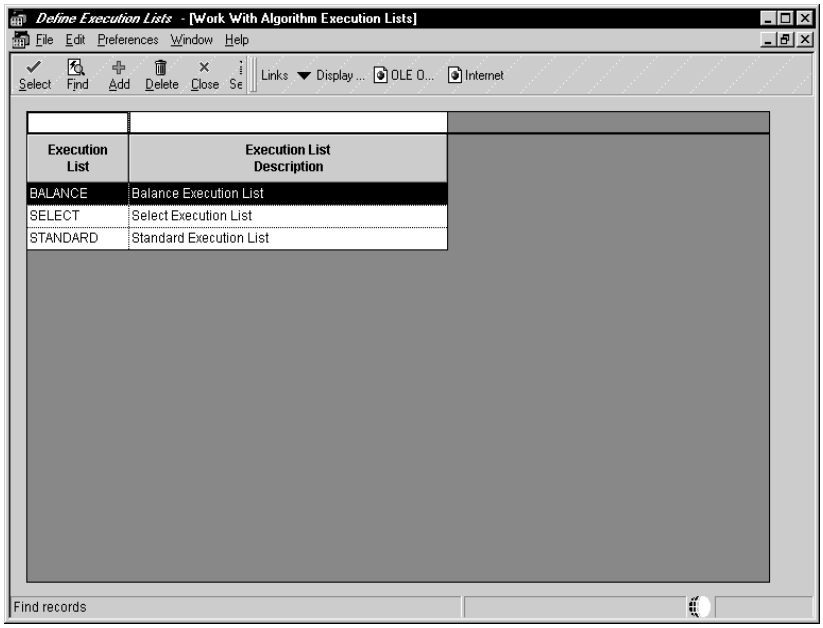
- Define execution lists
- Modify an execution list
- Assign an execution list to a customer

The system stores information about execution lists in the Receipt Application Algorithm/Execution Lists table (F03B50).

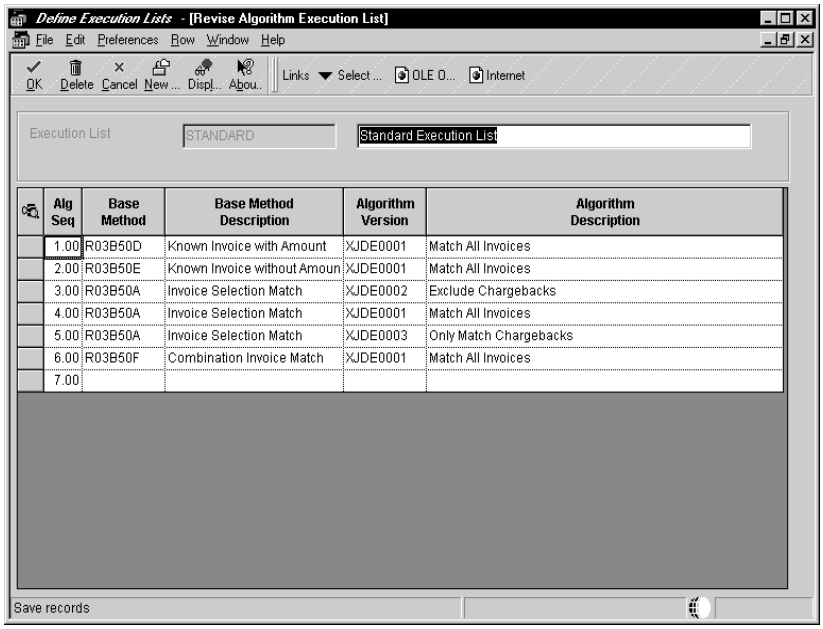
▶ To define execution lists

From the Automatic Receipts Processing menu (G03B13), choose Define Execution Lists.

On Work With Algorithm Execution Lists



1. Click Add to create a new execution list.



2. On Revise Algorithm Execution List, complete the following fields:

   - Execution List
   - Description

     This Description field is for the Execution List.

3. Complete the following fields for each algorithm, and click OK:
    - Alg Seq (Algorithm Sequence)
    - Base Method
    - Algorithm Version

Field	Explanation
Execution List	The execution list of algorithms to be assigned to each customer.
Description	A user defined name or remark. . . . . . *Form-specific information* . . . . . . Use this field to describe the customer or class of customers who will use the execution list.
Alg Seq	The number that is used to sequence the auto receipt algorithm in an execution list.
Base Method	A user defined algorithm that is used to match invoices against receipts. You can only enter algorithms that are set up in the user defined codes list for 03B/AL .
Algorithm Version	A version is a user-defined set of specifications. These specifications control how applications and reports run. You use versions to group and save a set of user-defined processing option values and data selection and sequencing options. Interactive versions are associated with applications (usually as a menu selection). Batch versions are associated with batch jobs or reports. To run a batch process, you must choose a version.
Algorithm Description	A description of the version that appears next to the version number. The version title is different from the report title. This field should describe the use of a version. For example, an application for generating pick slips might have a version called Pick Slips - Accounting and another version called Pick Slips - Inventory Management.

▶ To modify an execution list

From the Automatic Receipts Processing menu (G03B13), choose Define Execution Lists.

You can modify an execution list at any time prior to processing automatic receipts. For example, you can:

- Change the sequence in which the system executes the algorithms in the list
- Change the version of the base method to be executed
- Add an algorithm to the list or remove an algorithm from the list

On Work With Algorithm Execution Lists

1. Click Find to display all of the execution lists.
2. Choose the execution list that you want to modify and click Select.
3. On Revise Algorithm Execution List, change the information in any of the following fields, and click OK:
    - Alg Seq (Algorithm Sequence)
    - Base Method
    - Algorithm Version

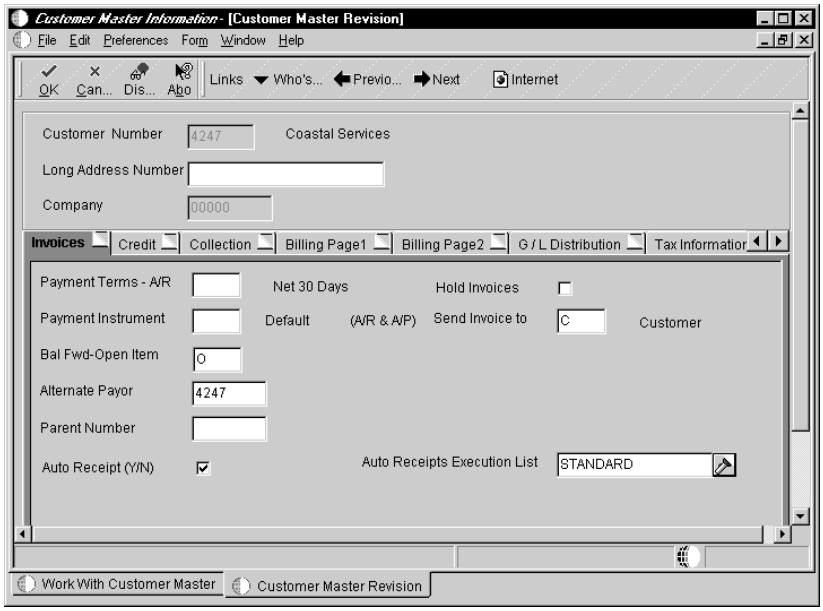
▶ To assign an execution list to a customer

From the Automatic Receipts Processing menu (G03B13), choose Customer Master Information.

Typically, you specify the default execution list to be shared by multiple customers in a processing option for the Update Receipts Register process. However, you can manually assign a unique execution list to a specific customer. For example, you might have a customer with unique paying habits. Therefore, you might create a new execution list for this particular customer so that you can run a different set of algorithms against the customer's invoices.

On Work With Customer Master

1. Locate the appropriate customer.



2. On Customer Master Information, click the following option:
   - Auto Receipt (Y/N)
3. Complete the following field, and click OK:
   - Auto Receipts Execution List

Loading Bank Tape Information

From the Automatic Receipts Processing menu (G03B13), choose Load Bank Tape – Custom.

If you receive a bank tape of your customer's payments (lock box), you must load the information from the bank tape to the Accounts Receivable system to apply them to the customer's account.

When you load a bank tape, the system:

- Reads the tape from the bank.
- Creates an Electronic Receipts Input table (F03B13Z1) that stores information from the tape.
- Creates batch header numbers that define which records to transfer from the bank tape. For example, the system assigns new batch numbers to next number records in the Electronic Receipts Input table that are created from the tape.
- Creates batch header records in the Batch Header table (F0011) and assigns a batch type of 9B.

Before You Begin

❑ Ensure that the bank tape program is customized based on the information provided by your bank.

❑ Ensure that the following information is set up in the customer master record for each customer eligible for bank tape processing:

- An algorithm execution list
- Auto Receipt (Y/N)

See *Creating Customer Records*.

❑ Ensure that the auto receipt option is selected on Customer Master Revisions.

❑ Install the bank tape on the tape drive.

See Also

- *Appendix C – Auto Receipt Input Requirements* for information about the Electronic Receipts Input table. This information lists the fields that you must map from the bank tape to the Electronic Receipts Input table (F03B13Z1).
- *Working with Electronic Receipts* for information about adding or revising electronic receipts.

Processing Automatic Receipts

After you load bank tape information into the Accounts Receivable system, you must process the receipts to update the Receipts Register (F03B13) and A/R Ledger (F03B11) tables.

Processing automatic receipts consists of the following tasks:

- ❑ Updating receipts register information
- ❑ Applying receipts to invoices automatically

Before You Begin

- ❑ Verify that all receipt AAIs are set up for company 00000:

  See *Understanding AAIs for A/R* for more information about the A/R system and specific AAIs.

Updating Receipts Register Information

From the Automatic Receipts Processing menu (G03B13), choose Update Receipts Register.

After loading the information from your bank tape into the Electronic Receipts Input table (F03B13Z1), you must process the information to create receipt records in the Receipts Register table (F03B13). The system performs this initial step before it matches receipts to invoices. This batch process enables you to:

- Update the cash account in the general ledger regardless of the success ratio of the matching of algorithms
- Account for the entire deposit before you rework any of the items that the system did not process successfully

When you run the Update Receipts Register process, the system creates live records in the Receipts Register table (F03B13) and then uses them for matching purposes.

When you process batch receipts, the system does the following in sequential order:

1. Retrieves the payment ID from the Next Numbers program.
2. Validates the batch type (9B).

3. Retrieves the payor number from the Cross Reference table (F0030). If it does not exist, the system retrieves the customer number.
4. Retrieves the execution list from the Customer Master table (F03012). If it does not exist, the system uses the execution list specified in the processing options.
5. Retrieves the G/L bank account from the Cross Reference table using the home transit and home account number. If these do not exist in the table, the system retrieves them from either the processing options or AAIs.
6. Retrieves the company from the Account Master table (F0901). If the company does not exist in this table, the system retrieves it from the processing options.
7. Attempts to retrieve the G/L date from the processing options.
8. Formats and validates the receipt date.
9. Generates an error report, if errors occur.
10. Updates the batch type (9B) to posted and sets the batch status to posted.
11. Creates a batch header record in the Batch Header table (F0011).
12. Creates receipt header records in the Receipts Register table.
13. When there are logged receipts, creates receipt detail records in the Receipts Application Detail table (F03B14).

Processing Options: Update Receipts Register from Electronic Input

G/L Date Tab

These processing options let you specify which date the system will use as the G/L date, if the field is left blank in the Electronic Receipts Input table (F03B13Z1).

1. G/L Date (MM/DD/YY)

Use this processing option to specify the default G/L date.

2. System Date

Use this processing option to use the system or current date as the default G/L date.

3. Batch Date

Use this processing option to use the batch date as the default G/L date.

4. Century

Use this processing option to specify the century for the system to use for the G/L date. Valid values are:

19 for 1900s.
20 for 2000s.

Add'l Option Tab

These processing options let you specify valid values for receipts register processing. You can specify options such as default company number, short account ID for the default G/L bank account, the clerk ID for overriding the user ID, and values for other updates.

1. Company

Use this processing option to specify the default company number for the system to use if the Company Number field is blank in the Electronic Receipts Input table (F03B13Z1). If you leave the Company Number field blank, the system uses the company number associated with the customer's business unit entered in the Address Book Master table (F0101).

2. Enter Short Account ID

Use this processing option if the Short Account ID field is blank in the Electronic Receipts Input table (F03B13Z1). Enter the Short Account ID of the default G/L bank account.

3. Enter Clerk ID

Use this processing option to update the Clerk field (ECLK) in the Receipts Header table (F03B13). If you leave this field blank, the system uses the user ID to populate this field.

You can use the Clerk field in the data selection to control which receipts the system processes in the Apply Receipts to Invoice program (R03B50).

4. Upload Selected Batch Receipts

Use this processing option for uploading selected receipts. The Revise Electronic Receipts Input program (R03B121) updates the receipts in the Electronic Receipts table (F03B13Z1) with a status of B. When you run the update program (R03B551), the system selects the receipts that have a B status for upload. This update can be useful only if you want to reprocess receipts that were processed previously with errors. Valid values are:

1 the system selects marked electronic receipts.
blank the system selects all electronic receipts available for processing.

5. Create Detail Journal Entries

Use this processing option to create summarized or detailed journal entries. When you post receipts, the system creates one journal entry for each receipt record or one journal entry for each batch of receipts. The post is determined by whether the ISTR (A/R Post Status) field in the Receipts Header (F03B13) is set to a value of 1 or blank.

blank The system creates one journal entry for each batch of receipts (summary).
1 The system creates one journal entry for each receipt you enter (detail).

Do not enter detail and summary records in the same batch. Each batch must be processed with the corresponding version (detail or summary) of the Apply Receipts to Invoices program (R03B50).

Match Receipts Tab

These processing options let you specify whether you run Apply Receipts to Invoices automatically or manually, and to specify the name of the execution list to use as the default list.

1. Run Apply Batch Receipts

Use this processing option to run Apply Receipts to Invoices (R03B50) automatically or manually. This occurs when the Update Receipts Register from Electronic Input finishes. Valid values are:

blank Run the program manually.
1 Run the program automatically.

2. Enter Execution List

If the Auto Receipt Execution List field on the Customer Master is blank, you must enter the name of the Execution List for the system to use as the default list.

Updates Tab

These processing options let you instruct the system to locate the customer or payor number when it has not been provided in the Electronic Receipts Input table (F03B13Z1). The system retrieves this information based on the following hierarchy:

- If the customer provides a bank transit number and a corresponding record exists in the Bank Transit Number Master table (F0030), the system retrieves the customer or payor number and updates the Receipts Header table (F03B13).
- If there is no bank transit number provided, but the customer provides the invoice number, the system locates the Customer

Ledger (F03B11) invoice record, retrieves the customer or payor number, and updates the F03B13 record.

- If no bank transit or invoice number is provided, the system looks for a reference number in the Generic Match field (GMFD). The system attempts to locate an F03B11 invoice based on the priority you specify in the Invoice Number, Sales Order Number, Customer Reference, and Statement Number processing options. The system updates the customer/payor numbers in the F03B13 record.
- If the customer or payor number cannot be located, the system will generate the receipt as logged, document type RL.

Having the customer number available in the Receipts Header table (F03B13) allows the system to create unapplied cash records, if necessary, during the process of applying receipts to invoices.

1. Update the Bank Account Table

Use this processing option to update the bank account information in the Bank Transit Number table (F0030). Valid values are:

1 Update the information.
blank Do not update this information.

2. Enter the Bank Reference Type

Use this processing option to specify whether the type of information should pertain to the customer or payor, if you are updating the Bank Account Table.

3. Invoice Number

Use this processing option to specify how the system searches for an invoice in the Customer Ledger table (F03B11). The system looks for a reference number in the Generic Match field (GMFD) and attempts to locate the invoice based on the priority you specify. The system updates the customer/payor numbers in the Receipts Header table (F03B13).

The valid values are 1 – 4, where 1 indicates the highest priority. You do not have to complete all of the sorting processing options on the Updates tab.

4. Sales Order Number

Use this processing option to specify how the system searches for an invoice in the Customer Ledger table (F03B11). The system looks for a reference number in the Generic Match field (GMFD) and attempts to locate the invoice based on the priority you specify. The system updates the customer/payor numbers in the Receipts Header table (F03B13).

The valid values are 1 – 4, where 1 indicates the highest priority. You do not have to complete all of the sorting processing options on the Updates tab.

5. Customer Reference

Use this processing option to specify how the system searches for an invoice in the Customer Ledger table (F03B11). The system looks for a reference number in the Generic Match field (GMFD) and attempts to locate the invoice based on the priority you specify. The system updates the customer/payor numbers in the Receipts Header table (F03B13).

The valid values are 1 – 4, where 1 indicates the highest priority. You do not have to complete all of the sorting processing options on the Updates tab.

6. Statement Number

Use this processing option to specify how the system searches for an invoice in the Customer Ledger table (F03B11). The system looks for a reference number in the Generic Match field (GMFD) and attempts to locate the invoice based on the priority you specify. The system updates the customer/payor numbers in the Receipts Header table (F03B13).

The valid values are 1 – 4, where 1 indicates the highest priority. You do not have to complete all of the sorting processing options on the Updates tab.

7. Address Number

Use this processing option to specify the address number that the system uses when it cannot determine the receipts payor number. For example, if no address number is supplied, no bank transit number or invoice, this is the default address.

If you leave this field blank, the system logs the receipt for later payor assignation, which you must do using Manual Receipts.

Draft Tab

1. Draft Upload

Use this processing option to upload drafts. If you leave this field blank, the system uses the normal receipts upload.

2. Enter Override Draft Receivable Account

Use this processing option to enter the override draft receivable account number. This account number will override the AAI RD1x. Leave this field blank to use the AAI RD1x.

3. Enter Draft Due Date

Use this processing option to enter the draft due date. If you leave this field blank, the system uses the receipt date.

4. Customer Ledger R1 Created with Open Amount

Use this processing option to create an invoice (R1) with or without the open amount. Enter 1 to create the R1 without the open amount. Leave this field blank to create the R1 with the open amount.

Data Sequence and Data Selection

Do not change the data selection or data sequence for the Update Receipts Register program.

Applying Receipts to Invoices Automatically

From the Automatic Receipts Processing menu (G03B13), choose Apply Receipts to Invoices.

After updating the Receipts Register table (F03B13), you must apply receipts to invoices. This batch process determines the information necessary for the system to match a receipt to an invoice or a group of invoices. It also determines which base method to use for processing.

When you run Apply Receipts to Invoices, the system:

- Reads the Receipts Register table to determine whether to use receipt matching information from the Receipts Register record or from the Electronic Receipts Input table (F03B13Z1).
- Reads each receipt to determine whether an invoice number is provided on the bank tape as follows:
    - If an invoice number is not provided, the system does not read the Electronic Receipts Input table again when attempting a match. The Invoice Selection Match, Combination Invoice Match, and Balance Forward match methods are examples of base methods that do not require the system to re-read the Electronic Receipts Input table when matching receipts to invoices.
    - If an invoice number is provided, but the amount to apply is unknown, the system reads the Electronic Receipts Input table again to obtain the necessary matching information. The Known Invoice Match Without Amount method is an example of this.
    - If an invoice number and amount to apply is provided, the system reads the Electronic Receipts Input table again to obtain the

necessary matching information. Therefore, the system uses the Known Invoice Match With Amount method to apply the receipt.

- Creates an error report when errors exist.

What You Should Know About Processing Options

Blank processing options	Blank processing options can result in the generation of errors when you process automatic receipts. Ensure that you specify 1 in at least one of the first three processing options for the Invoice Selection Match method and Combination Invoice Match method.

Processing Options: Apply Receipts to Invoices

Defaults Tab

These processing options let you set up how the system processes automatic receipts. You can set up auto receipts to process unsuccessfully matched receipts for reprocessing, as well as indicate whether the system will consider manual receipts for processing.

1. Enter Execution Lists

Use this processing option to enter a default execution list for the Apply Receipts to Invoices application (R03B50) to use if the Automatic Receipt Execution List field (ARL) on the Customer Master Revision form is blank. Enter the execution list to use, or use the visual assist to choose the execution list from the Receipt Algorithm Execution List Search form.

2. Include Manual Receipts

Use this processing option to include receipts entered through the manual receipts process. If you leave this field blank, the system includes only receipts created using the automatic receipts process. Valid values are:

Blank Include only processed automatic receipts.
1 Include manual receipts.

If you enter 1, the system includes receipts with unapplied cash entered through the manual receipt process. When you use this option, Apply Receipts to Invoices (R03B50) selects all the unapplied cash receipts, then retrieves the customer master record to verify that it is set for automatic receipts processing. If it has been set for automatic receipts processing, the system updates the receipts with the execution list supplied from the Customer Master form. Or, it uses the execution list supplied from the Enter Execution Lists processing option on this tab.

If you leave this field blank, the system does not process manual receipts.

3. Include Unapplied Receipts

Use this processing option to include unapplied receipts created through the Apply Receipts to Invoices. This processing option selects all receipts having the Auto Receipt Status equal to 2 that were unsuccessfully matched, resulting in the creation of unapplied cash. The system retrieves the customer master record to verify that it is set for automatic receipts processing. If it has been set for automatic receipts processing, the system updates the receipt with the execution list indicated on the Customer Master form. Or, it uses the execution list defined in the Enter Execution List processing option.

If you leave this field blank, the system does not include unsuccessfully matched receipts.

Draft Tab

1. Draft Upload

Use this processing option to upload drafts. If you leave this field blank, the system uses the normal receipts upload.

Working with Unprocessed Items

When processing automatic receipts, there might be items that the system cannot process. For example, the invoice number provided on the bank tape might not match the invoice number in the A/R Ledger table (F03B11). Therefore, the system is unable to match the receipt to the appropriate invoice. You must revise unprocessed items to update the A/R ledger.

Working with unprocessed items consists of:

- ❑ Working with electronic receipts
- ❑ Reviewing unprocessed items
- ❑ Revising unprocessed items

Working with Electronic Receipts

The automatic receipts process requires very little information to create a valid record in the Receipts Register table (F03B13). The need to make changes to an electronic receipt should be minimal. However, if you have a receipt missing from the bank tape due to a problem, such as power failure while loading bank tape information, you can add an electronic receipt or change information on an existing receipt.

Working with electronic receipts consists of:

- Reviewing electronic receipts
- Adding electronic receipts

When you revise an electronic receipt, you cannot change the batch number, Batch Date, or Receipt Number.

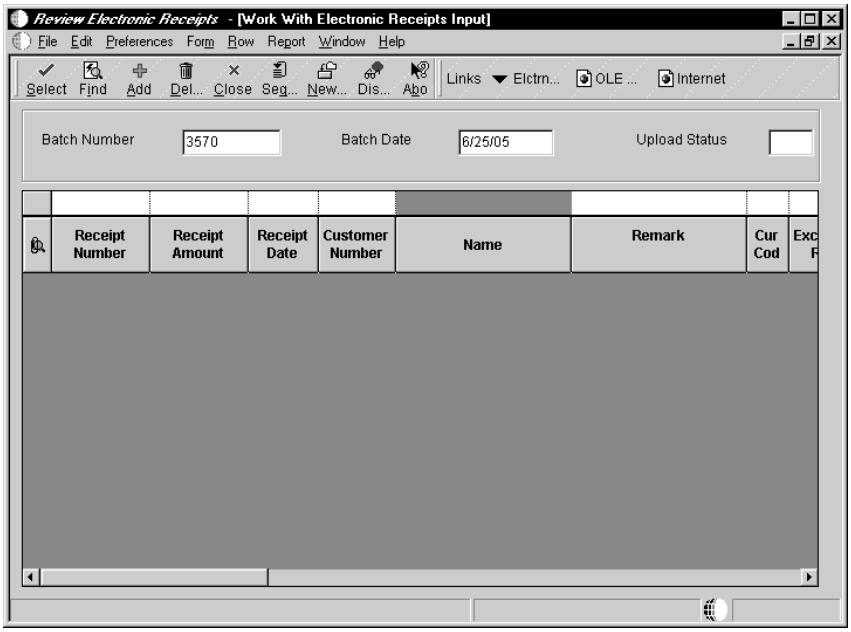
When you add or revise electronic receipts, the system updates the Electronic Receipts Input table (F03B13Z1).

After you revise or add electronic receipts, you must process them so that the system can create records in the Receipts Register table. You can process electronic receipts directly from the Work With Electronic Receipts Input form. To do so, choose the receipts that you want to process and then choose Update Receipt Register from the Row menu.

To review electronic receipts

From the Automatic Receipts Processing menu (G03B13), choose Review Electronic Receipts.

On Work With Electronic Receipts Input



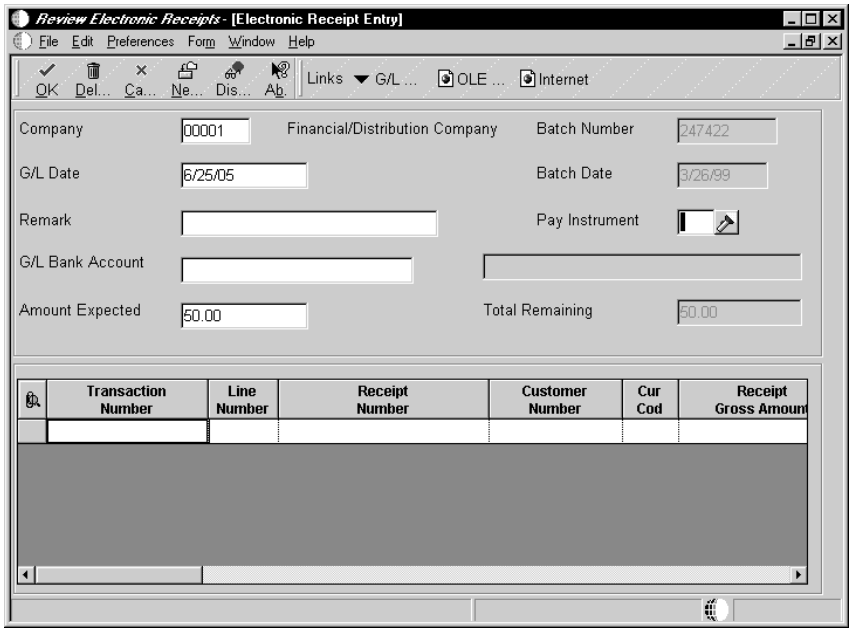
1. Click Find to display all existing electronic receipts, or complete any of the following fields to limit your search:
   - Batch Number
   - Batch Date
   - Receipt Number
2. Choose the receipt that you want to review.
3. To revise a receipt, change any field that is not a key field.

To add electronic receipts

From the Automatic Receipts Processing menu (G03B13), choose Review Electronic Receipts.

On Work With Electronic Receipts Input

1. Click Add.



2. On Electronic Receipts Entry, complete the following fields:
    - Company
    - G/L Date
    - Amount Expected
3. Complete the following optional fields to add more specific information:
    - Remark
    - Pay Instrument
    - G/L Bank Account
4. In the detail area, complete any of the following required fields:
    - Transaction Number
    - Receipt Gross Amount
5. Complete any of the following optional fields to add more specific information, and click OK.
    - Line Number
    - Receipt Number
    - Receipt Date
    - G/L Bank Account
    - Generic Match
    - Customer Number
    - Doc Typ

- Document Number
- Pay Itm
- Gross Apply Amount
- Statement Number
- Remark
- Payor Bank Transit
- Payor Bank Acct #
- User ID
- Batch Number

Field	Explanation
Transaction Number	This is the number that an Electronic Data Interchange (EDI) transmitter assigns to a transaction. In a non-EDI environment, you can assign any number that is meaningful to you to identify a transaction within a batch. It can be the same as a J.D. Edwards document number.
Line Number	This is the line number you assign when originating an EDI transaction. This number can represent an order line number (applicable for any order type), an invoice pay item, a journal entry line number, and so on.
Receipt Gross Amount	The actual amount of the receipt or payment.
Generic Match	A generic field used in Auto Cash. The field can contain an Invoice Number, Sales Order, PO Number, or other information that you can use to match a receipt detail to an invoice detail.
Gross Apply Amount	The gross amount of an invoice or voucher pay item, including tax. The total amount for a voucher or invoice is the accumulation of the open pay items. The accounting distributions must balance to the gross amount less recoverable VAT.
Payor Bank Transit	The routing and transit number for a particular bank account. The combination of account number and transit number must be unique.
Payor Bank Acct #	The bank account number for a company, customer, or supplier.

Reviewing Unprocessed Items

You can review the receipts that the system is unable to fully apply during the automatic matching process. To do so, you can:

- ❑ Review unprocessed receipts online
- ❑ Review the Receipts Journal Report
- ❑ Review the Receipts Activity Register

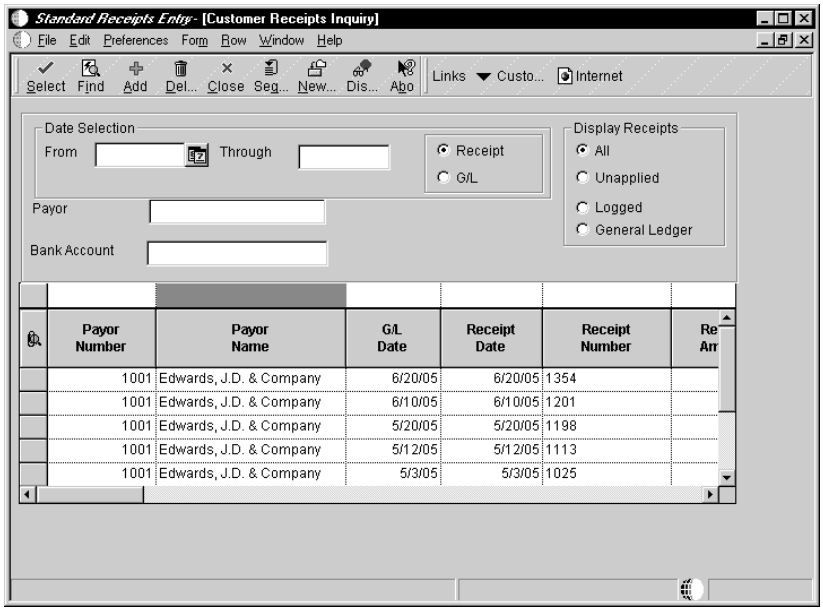
Reviewing Unprocessed Receipts Online

After processing automatic receipts, you might want to review online those receipts that the system was unable to apply to invoices.

▶ To review unprocessed receipts online

From the Manual Receipts Processing menu (G03B12), choose Standard Receipts Entry.

On Customer Receipts Inquiry



1. Click Find to display all receipts or complete any of the following fields to limit the information that the system displays:
   - From
   - Through
   - Bank Account
2. To display unapplied receipts only, click the following option:
   - Unapplied

3. To review receipts that the system was unable to successfully match to invoices, complete the following field in the Query by Example row:
   - R S (Auto Receipt Status Flag)
4. To review an individual receipt, choose the appropriate receipt and click Select.

Field	Explanation
R S	A code that indicates the status of a receipt. The valid codes are as follows: Blank May be applied by either Manual Match or Auto Match programs 1 May only be applied by Auto Match program 2 Unsuccessfully matched by Auto Match program 3 Successfully matched by Auto Match program

Related Information

Reviewing open items

You can review open items and choose the invoice or pay item to which to apply the receipt. To do so, review the type input code that the system displays and change it, if necessary.

If no open items exist to apply the receipt to, the system automatically creates an unapplied receipt document (RU).

Reviewing the Receipts Journal Report

From the Automatic Receipts Processing menu (G03B13), choose Receipts Journal Report.

When reviewing unprocessed items, you can print the Receipts Journal Report to review a list of all unprocessed items in the Receipts Register table (F03B13). This report also lists the items that are not approved for posting.

Generally, it is easier to review receipts journal information online. However, if there is a problem during processing, you might find the printed receipt journal more useful.

See Also

- *R03B311, Receipt Journal* in the Reports Guide for a report sample
- *Printing the Receipts Journal*

Processing Options for Receipt Journal

```
Print Options

1.  Select the format of the account
    number to print in the body of the
    report:  '1' = account number,  '2'
    = short account ID,  '3' =
    unstructured account.

      Detail Account Format                    _____

2:  Select the format of the G/L bank
    account number to print in the
    heading of the report:  '1' =
    account number,  '2' = short account
    ID,  '3' = unstructured account.

      Heading Account Format                   _____
```

Reviewing the Receipts Activity Register

From the Automatic Receipts Processing menu (G03B13), choose Receipts Activity Register.

To review a list of all processed items, you can print the Receipts Activity Register. This enables you to review the receipt details and unapplied receipt records associated with each receipt.

See Also

- R03B560, *Receipts Activity Register* in the *Reports Guide* for a report sample

Processing Options for Automatic Receipts Activity Register

```
Overrides

1.  Enter a '1' to display both the
    foreign and domestic amounts of the
    receipt.  If left blank, only the
    domestic amounts will be shown.

      Display Foreign Amounts                  _____

2.  Enter a '1' to show each receipt on
    a separate page.  If left blank,
    page break will occur on change of
    customer number.

      New Page for Each Receipt                _____
```

Revising Unprocessed Items

You can manually change or rework various information on a receipt that the system was unable to process when attempting a match. For example, you might want to change a G/L date or a bank account number that is incorrect on the bank tape. In order to change a receipt, it must exist in the Receipts Register table.

▶ To revise unprocessed items

From the Automatic Receipts Processing menu (G03B13), choose Manual Receipts Application.

On Customer Receipts Inquiry

1. Locate the receipt that you want to revise and click Select.
2. On Standard Receipts Entry, follow the steps to revise a standard receipt.

Related Information

Reworking unprocessed items automatically	You can also revise or rework unprocessed items automatically. To do so, correct the error at the batch level in the Electronic Receipts Input table (F03B13Z1) and process the batch again. For example, you might want to rework a batch of unprocessed items if a processing option was set incorrectly for the Update Receipts Register program. After you correct the appropriate processing options, the system corrects the batch when you process the receipts again.

See Also

- *Revising Receipts*

Purging Electronic Receipts

From the Automatic Receipts Processing menu (G03B13), choose Purge Electronic Receipts.

To improve processing time and conserve system disk space, purge the receipts that you electronically transfer from custom bank tapes to the Accounts Receivable system.

Purging electronic receipts removes records from the Electronic Receipts Input table (F03B13Z1).

After the system completes the purge process, you might want to defragment the affected tables and rebuild the table indices. Contact your database administrator for more information about this process.

Before You Begin

- ❑ Ensure that the receipts you want to purge contain an Auto-Cash upload status of Y in the Electronic Receipts Input table (F03B13Z1). Otherwise, when you run the purge program, the system removes the receipts that are stored in this table for invoice and statement matching purposes.

Processing Options for Purge Electronic Receipts Input

```
Defaults

1.  Enter the ending Batch Date to use
    when purging Electronic Receipt
    batches.  This is a mandatory entry;
    program will delete uploaded
    Electronic Receipts with a batch
    date less than or equal to date
    entered.

      Ending Batch Date                    _____________

2.  Enter the Batch Number to use when
    purging Electronic Receipts.  If
    left blank, ALL uploaded Electronic
    Receipts will be deleted.

      Batch Number                         _____________

3.  Enter a '1' to purge ALL Electronic
    Receipts in the batch specified
    regardless of the batch date or
    upload status.

      Purge Entire Batch                   _____________
```

A/R Draft Processing

Drafts are a type of payment instrument that involves direct communication between the bank of the payor and the bank of the payee. In most countries, a draft is a promise to pay a debt. The use of a draft for payment of obligations affects the legal nature of the underlying liabilities. Therefore, you must classify, track, and report drafts separately from other types of payments and obligations.

Drafts can be originated by a supplier or a customer. When a supplier originates a draft, use the Enter Our Drafts form. When a customer originates a draft, use the Enter Customer Drafts form.

A/R Draft Processing consists of the following tasks:

- ❑ Setting up A/R draft processing
- ❑ Working with draft origination (optional)
- ❑ Working with draft acceptance
- ❑ Working with draft remittance (optional)
- ❑ Working with draft collection
- ❑ Approving and posting A/R drafts

Many areas of the world use draft processing, although the process might be referred to as something other than drafts. In Asia Pacific, the draft process is commonly used for post-dated checks. In the U.S., it is used for credit card payments.

What Are the Types of Drafts?

Each type of draft corresponds to a different payment instrument. The different types are divided into two categories, as follows:

Manual drafts

Manual drafts are also called customer acceptance drafts because they must be accepted by the customer before they can be remitted to the bank. Several types of manual drafts are available:

- The supplier prints the draft with bank account information.
- The supplier prints the draft with the bank name only.
- The customer prints the draft with bank account information.
- The customer prints the draft with the bank name only.

The system can distinguish drafts with only a bank name from those with complete bank account information. This is helpful because banks generally assess an additional fee to collect drafts if you do not provide account information.

Automatic drafts

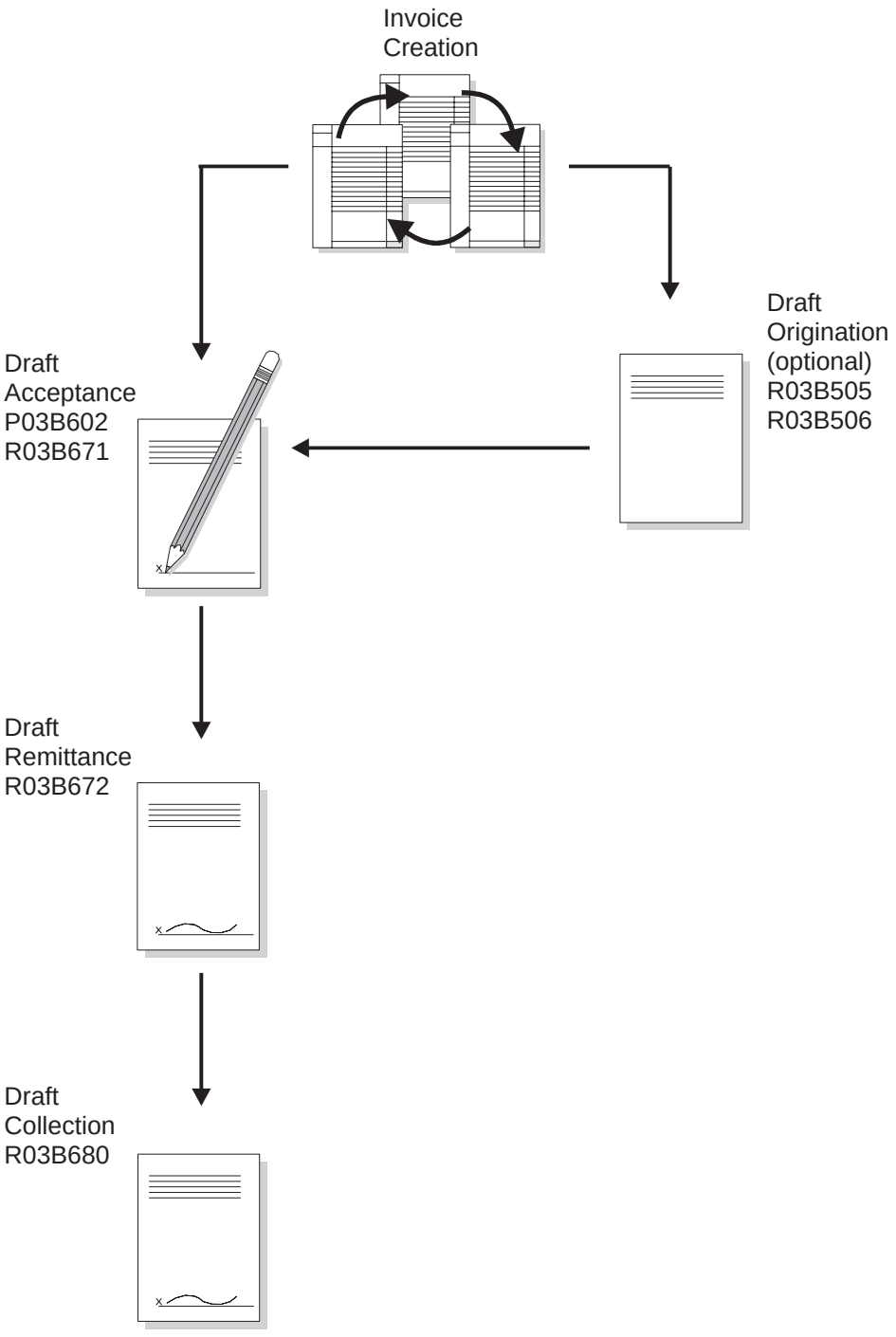
Automatic drafts are also called pre-authorized drafts because each draft does not require customer acceptance. You and your customer agree in advance that the customer will pay with a draft.

What Are the Steps for Processing Drafts?

The basic concept of a draft is an invoice that passes through various stages of processing. During each stage, the system must create electronic or paper records and may need to create accounting entries.

Draft Processing in European Countries

The following graphic illustrates the process flow for drafts in European countries. For the post-dated checks used in other parts of the world, the draft remittance step is omitted.



The following material explains the process flow for drafts.

Invoice Creation

1. A customer purchases goods or services from you. This incurs a liability.
2. You can create the invoice through the J.D. Edwards Sales Order Management system, or you can use Standard or Speed Invoice Entry.
3. The system creates a journal entry that debits the accounts receivable trade account and credits a sales account.
4. You post the journal entry.

At this point in the process, the invoice is open. No draft exists.

Customer Number 7001				
Document Type	Document Number	Document Amount	Payment Instrument	Pay Status
RI	1234	10,000	D	A

Draft Origination (Optional)

The draft process begins when either you or your customer originate (print) a draft. The draft shows the amount to be paid, the due date, banking information, and, possibly, information about the underlying liabilities (invoices).

You can print an invoice with a draft, or a statement with a draft. Some customers expect one draft per invoice. Other customers expect one draft for a statement of invoices. You can either send invoices with drafts attached or send statements with drafts attached.

This step updates the customer ledger with the draft number, but has no effect on the general ledger.

Customer Number 7001				
Document Type	Document Number	Document Amount	Statement Number	Print Y/N
RI	1234	10,000	10005	Y

Draft Acceptance

1. A draft has no legal force until the customer accepts it.

   For manual drafts, your customer can accept the draft by:

   - Signing the draft that you originated and returning it to you
   - Changing the draft that you originated (date, amount, bank, and so on), then signing and returning it to you
   - Originating, signing, and sending the customer's own draft to you

   For automatic drafts, the draft is accepted by prior agreement, and so each draft does not require customer acceptance.

2. After entering a draft either manually or automatically, the system marks the invoice as paid by changing its pay status to P.
3. The system creates a journal entry to debit drafts receivable and credit an A/R trade account.
4. You post the journal entry.

Customer Number 7001					
Document Type	Document Number	Document Amount	Print Y/N	Pay Status	Pay Instr
RI	1234	10,000		P	2
R1	10005	10,000	Y	D	2

Draft Remittance (Optional)

1. You remit (deposit) the draft to your bank so that it can collect the funds from your customer's bank. You can remit the draft either electronically or on paper in the form of a bank register. Draft remittance is an optional step in the draft process.
2. The system creates a journal entry to debit drafts remitted and credit drafts receivable.
3. You post the journal entry.
4. You arrange to collect funds from the draft in one the following ways:
   - Wait until the funds become available on the due date specified by the draft.
   - Request an advance from your bank before the due date of the draft. Typically, banks charge a fee when they advance funds for a draft before its due date.

Customer Number 7001					
Doc Type	Document Number	Document Amount	Print Y/N	Pay Status	Pay Instr
R1	10005	10,000	Y	G	2

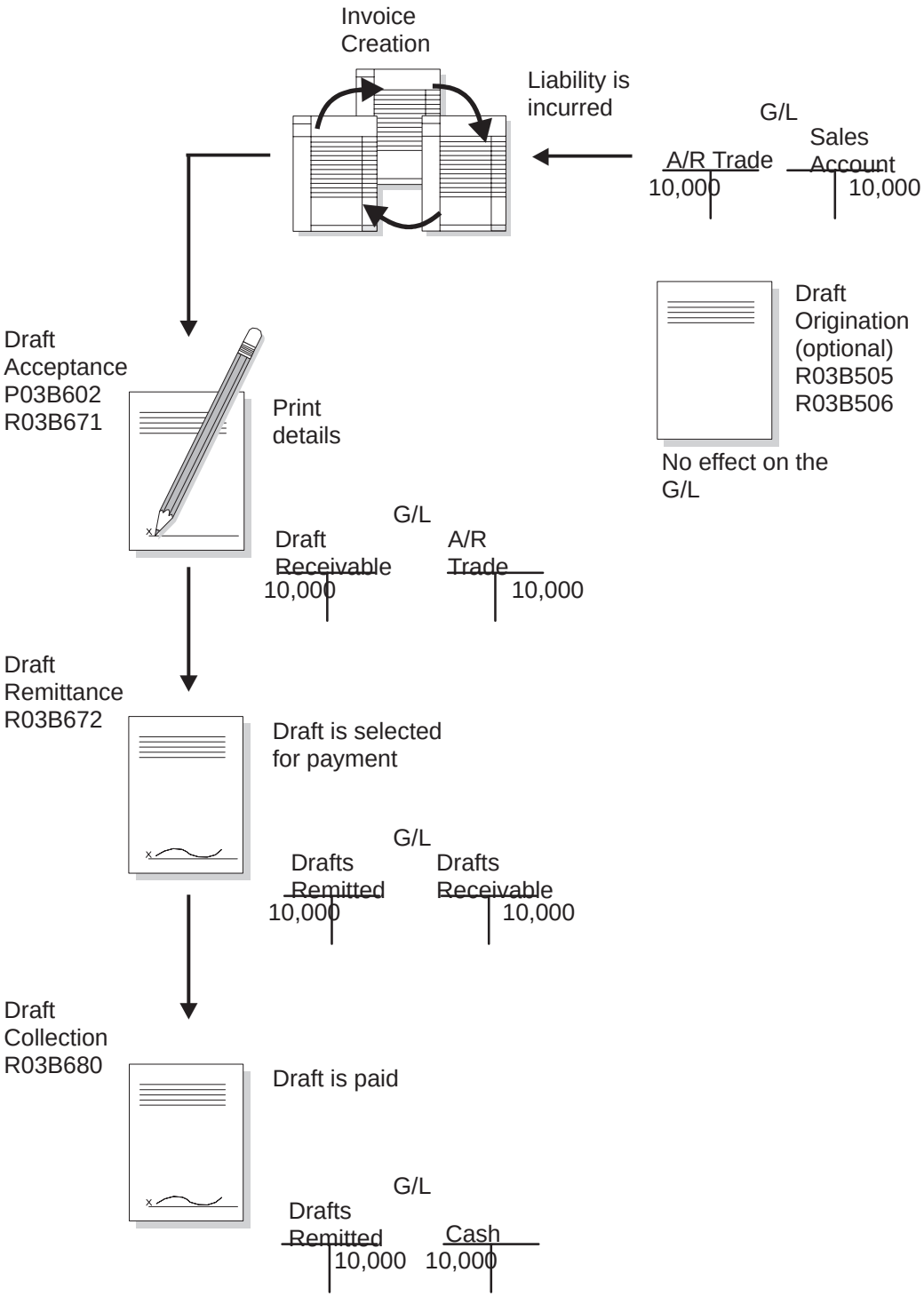
Draft Collection

1. Your bank collects the funds for the draft from the customer's bank on the due date of the draft. Your bank informs you if it cannot collect the funds.
2. On or after the due date, both you and your customer recognize the transfer of cash. You update the status of the draft in your records to show that it has been collected.
3. The system creates a journal entry to debit a cash account and credit drafts remitted.
4. You post the journal entry.

Customer Number 7001				
Doc Type	Document Number	Document Amount	Pay Status	Pay Instr
R1	10005	10,000	P	2

Draft Processing on the General Ledger

The following graphic illustrates the effect of each stage of the draft process on the general ledger.



Setting Up A/R Draft Processing

Before using A/R draft processing, you must complete the following tasks:

- ❑ Set up AAIs for A/R drafts
- ❑ Set up user defined codes for A/R drafts
- ❑ Set up drafts as the default payment instrument
- ❑ Set up statements or invoices for A/R drafts
- ❑ Set up bank account information for A/R drafts

Setting Up AAIs for A/R Drafts

AAIs define rules for programs that automatically generate journal entries. You should set up draft AAIs for each company for which you use a different G/L account number. That is, you do not need to set up an AAI for each company that uses the same G/L account. If the system cannot find an AAI for a specific company, it uses the AAI for company 00000.

You set up AAIs for draft processing the same way you set up other AAIs for A/R.

The following table shows the relationship among AAIs for standard drafts.

Step	Debit G/L Account	AAI	Credit G/L Account	AAI
Acceptance	Drafts Receivable	RD1x	Account Receivable	RC
Remittance	Drafts Remitted	RD2x	Drafts Receivable	RD1x
Collection	G/L Bank Account	RB	Drafts Remitted	RD2x

The following table shows the relationship among AAIs for discounted drafts.

Step	Debit G/L Account	AAI	Credit G/L Account	AAI
Acceptance	Drafts Receivable	RD1x	Account Receivable	RC
Remittance	Drafts Remitted for Discount	RD3x	Drafts Receivable	RD1x
Collection	G/L Bank Account	RB	Drafts Remitted for Discount	RD3x

The following table shows the relationship among AAIs for discounted drafts with contingent liability.

Step	Debit G/L Account	AAI	Credit G/L Account	AAI
Acceptance	Drafts Receivable	RD1x	Account Receivable	RC
Remittance	Drafts Remitted for Discount	RD3x	Drafts Receivable	RD1x
	G/L Bank Account	RB	Drafts Contingent Liability	RD4x
Collection	Drafts Contingent Liability	RD4x	Drafts Remitted for Discount	RD3x

You must set up the following AAIs for draft processing, where x represents the payment instrument.

AAIs for Drafts Receivable (RD1x)

The RD1x AAI item defines the drafts receivable account that you want to automatically debit when you enter or create an accepted draft. During draft entry and draft creation, the system automatically debits the drafts receivable account (RD1x) unless you override it in the processing options, and credits the A/R trade account (RC).

When you remit drafts, the system debits drafts remitted (RD2x or RD3x) and credits drafts receivable (RD1x).

AAIs for Drafts Remitted for Cash (RD2x)

The RD2x AAI item defines the drafts remitted account that you want to automatically debit when you remit drafts for cash. During draft remittance, the system automatically debits the drafts remitted account (RD2x) unless you override it in the processing options, and credits the drafts receivable account (RD1x).

When you collect drafts, the system debits a cash account (RB) and credits either the drafts remitted account (RD2x) or the drafts remitted for discount account (RD3x), depending on which you used for remittance.

AAIs for Drafts Remitted for Discount (RD3x)

The RD3x AAI item defines the drafts remitted for discount account that you want to automatically debit when you remit drafts for a discount. During draft remittance, you use a processing option to choose the drafts remitted for discount account. The system debits a drafts remitted for discount account (RD3x) and credits the drafts receivable account (RD1x).

When you collect drafts, the system debits a cash account (RB) and credits either the drafts remitted account (RD2x) or the drafts remitted for discount account (RD3x), depending on which you used for remittance.

AAIs for Contingent Liability (RD4x)

The RD4x AAI item defines the draft contingent liability account that you want to automatically credit when you remit drafts for a discount, if you are required to recognize a contingent liability until the maturity date of the draft. During draft remittance, you use a processing option to choose the drafts contingent liability account. The system debits a cash account (RB) and credits the drafts contingent liability account (RD4x).

When you collect drafts, the system debits the draft contingent liability account (RD4x) and credits the drafts remitted for discount account (RD3x).

AAIs for Void/Non-Sufficient Funds (RD5)

The RD5 AAI item defines the account for the new draft you create when you void a draft or designate a draft as NSF. This account keeps track of the draft receivables that originated for a voided/NSF draft with a renewal. The system debits the draft receivable account (RD5) and credits the trade receivable account (RD1x).

See Also

- *About Automatic Accounting Instructions*

Setting Up User Defined Codes for A/R Drafts

You can customize user defined codes to suit your business needs.

You set up user defined codes for draft processing the same way you set up other user defined codes for A/R. You must set up the following user defined codes for draft processing.

Payment Instrument Codes

Payment instrument codes (00/PY) specify how your customers make payments. Your company may add codes for payment instruments. Examples are:

D (draft by invoice)	When you create an invoice and expect your customer to pay by draft, you use this code to indicate that your customer will pay the invoice by draft.
F (draft by statement)	When you create an invoice and expect your customer to pay by draft, you use this code to indicate that your customer will pay invoices grouped on a statement by draft.

0 (magnetic draft)	When you enter a pre-authorized draft, the system assigns this code. This is used during RiBa draft remittance only.
1 (supplier draft with account number)	When you originate a draft and your customer accepts the draft and returns it to you, you enter that information on Enter Our Drafts. The system assigns this code if you have customer bank account information.
2 (customer draft with account number)	When you send your customer an invoice and they return it as an accepted draft, you enter the draft on Enter Customer Drafts. The system assigns this code if you have customer bank account information.
3 (supplier draft without account number)	When you originate a draft and your customer accepts the draft and returns it to you, you enter that information on Enter Our Drafts. The system assigns this code if you do not have customer bank account information.
4 (customer draft without account number)	When you send your customer an invoice and they return it as a draft, you accept the draft on Enter Their Drafts. The system assigns this code if you do not have customer bank account information.

To process discounted drafts, you must also set up a user defined code for the payment codes. The system uses this payment instrument in conjunction with the RD3x AAI to create discounted drafts transactions.

Pay Status Codes

The system enters one of the following payment status codes (00/PS) on an invoice, statement, or draft, based on where it is in the draft process:

A (approved for payment)	When you create an invoice and expect your customer to pay by draft, the system designates this pay status on the invoice.
H (held pending approval)	When you create an invoice and expect your customer to pay by draft, the system designates this pay status on the invoice if management approval is required.
P (invoice paid in full)	When your customer pays the invoice with a draft and you enter that information, the system designates this pay status on the invoice. This invoice is an R1 document in the Customer Ledger table (F03B11). This pay status is also used to close an R1 draft invoice when it has been collected.

D (draft accepted)	When your customer pays the invoice with a draft and you enter that information, the system designates this pay status on the draft. This invoice is an R1 document in the Customer Ledger table (F03B11).
G (draft deposited not due)	When you submit the draft to the bank and you update the draft with the remitted information, the system designates this pay status on the draft.

During the typical process flow for drafts, the system changes the payment status of a draft at each stage of the process:

Acceptance	D (draft accepted)
Register	# (draft included in a register)
Remittance	G (draft deposited not due)
Collection	P (draft collected in full)

See Also

- *Working with User Defined Codes*

Setting Up Drafts as the Default Payment Instrument

You can set a default payment instrument to use for each customer in the Customer Master record. The system displays the default payment instrument when you enter invoices for that customer. This saves data entry time when entering invoices.

For drafts, the payment instrument indicates whether you plan to send drafts attached to the customer's invoices or statements. The draft payment instrument can be any valid payment instrument (user defined code 00/PY).

Occasionally, the customer might use another form of payment. You can use Speed Status Change to change the payment instrument on an invoice-by-invoice basis.

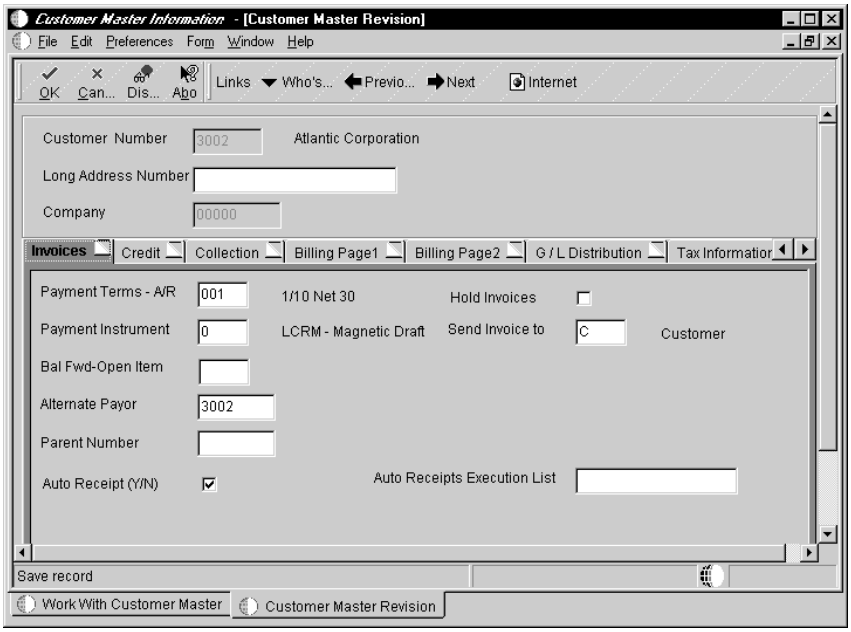
This program updates information in the Customer Master table (F03012).

▶ To set up drafts as the default payment instrument

From the Customer & Invoice Entry menu (G03B11), choose Customer Master Information

On Work With Customer Master

1. Click Find.
2. Locate the customer, and click Select



3. On Customer Master Revision, complete the following field, and click OK:
   - Payment Instrument

Field	Explanation
Payment Instrument	The user defined code (00/PY) that specifies how payments are made by the customer. For example: C Check D Draft T Electronic funds transfer

See Also

- *Creating Customer Records*

Setting Up Statements or Invoices for A/R Drafts

You can choose to print statements with one or more invoices combined into one draft. You must set up each customer for whom you want to print statements or invoices.

This program updates information in the Customer Master table (F03012).

▶ To set up statements for A/R drafts

From the Customer & Invoice Entry menu (G03B11), choose Customer Master Information

On Work With Customer Master

1. Locate the customer, and click Select.
2. On Customer Master Revision, choose the Collection tab.
3. Click the following option:
    - Print Statement

Field	Explanation
Print Statement	A code that indicates whether the system prints invoices and statements for the customer. For World, the valid codes are: Y Yes, print invoices and statements N No, do not print invoices and statements For OneWorld, the valid options are: On Yes, print invoices and statements Off No, do not print invoices and statements

See Also

- *Printing Statements with Draft Attachments*

Setting Up Bank Account Information for A/R Drafts

In order for your bank to collect the customer drafts you remit, you must set up bank account information for the company G/L account and for each customer whose drafts you will remit.

Complete the following tasks:

- ❑ Set up draft bank accounts for customers
- ❑ Print the Bank Account Exception Report for A/R drafts

Setting Up Draft Bank Accounts for Customers

In order for your bank to collect the customer drafts you remit, you must specify the following information about your customers' bank accounts:

- Bank name
- Bank routing and transit information
- Customer's bank account number

If you do not provide this information, banks typically do not allow you to remit drafts on magnetic tape. They also typically assess additional charges to collect drafts without full bank account information.

Alternatively, if you use manual drafts, you can set a processing option for Draft Entry that allows you to enter the bank name only.

To set up customers for draft processing using bank tapes, you must set up a bank account with a record type of D (A/R Drafts, Auto Debit).

This program updates the Bank Transit Number Master table (F0030).

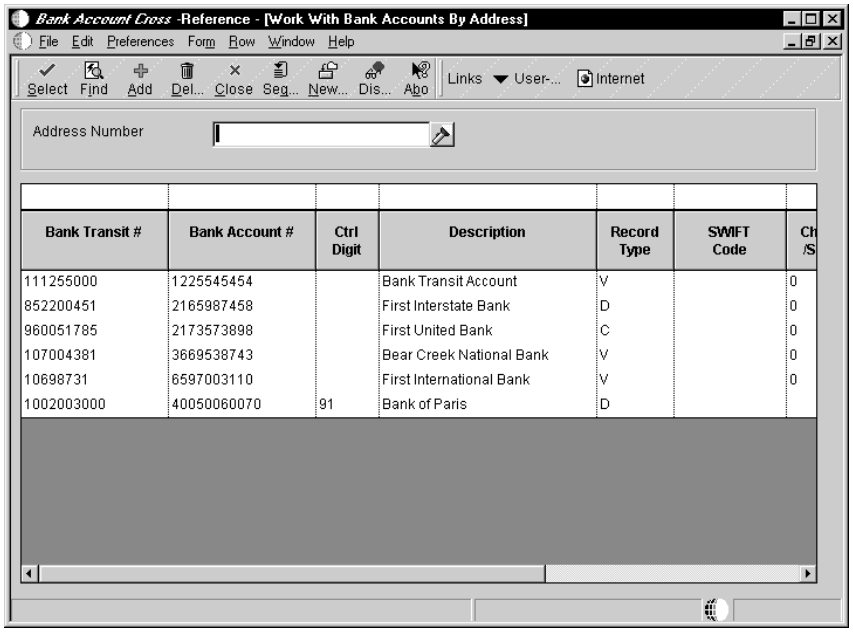
Before You Begin

- ❑ Verify that you have a G/L bank account information set up for your customers. See *Setting Up Bank Information for A/R*.

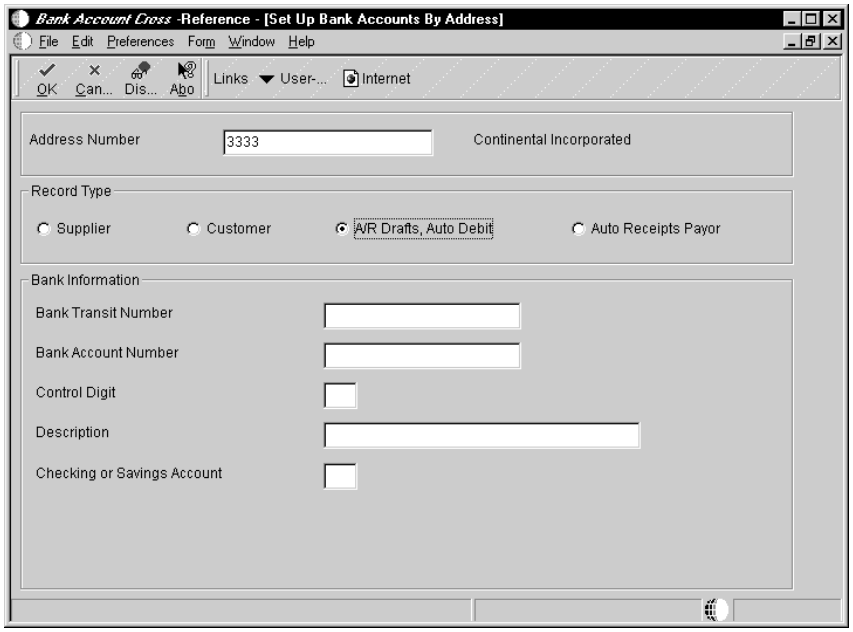
To set up a draft bank account for a customer

From the Accounts Receivable Setup menu (G03B41), choose Bank Account Cross - Reference.

On Work With Bank Accounts by Address



1. Click Add to access Set Up Bank Accounts by Address.



2. Complete the following field:
   - Address Number
3. Choose the following Record Type:
   - A/R Drafts, Auto Debit
4. Complete the following fields:
   - Bank Transit Number
   - Bank Account Number
   - Checking or Savings Account
5. Complete the following optional fields:
   - Control Digit
   - Description
6. Click OK.

Field	Explanation
Bank Transit Number	The routing and transit number for a particular bank account. The combination of account number and transit number must be unique.
Bank Account Number	The bank account number for a company, customer, or supplier.
Record Type	A code that distinguishes external bank accounts from internal bank accounts. Valid values are: C Customer Bank Accounts G Internal G/L Bank Accounts V Supplier Bank Account for payment via bank tape D Default Bank Account for A/R Drafts and Auto Debits B Valid Bank Transit Numbers M G/L Bank Account/Business Unit used to define print information in A/P payments NOTE: When using bank type B, no other bank types are allowed. When using bank type V, no other V bank types are allowed. When using bank type D, no other D bank types are allowed. . . . . . *Form-specific information* . . . . . . For OneWorld, designate the record type by clicking one of the following options: • Supplier • Customer • A/R Drafts, Auto Debit • Auto Receipts Payor

See Also

- *Creating Customer Records*
- *Setting Up Bank Information for A/R*

Printing the Bank Account Exception Report for A/R Drafts

From the Draft Remittance and Collections menu (G03B162), choose Bank Account Exception Report.

You use the Bank Account Exception Report to verify that you have valid bank transit numbers for each customer. Different versions of this report list one of the following:

- All bank account records that have a transit number that does not conform to country-specific rules
- All bank account records that have a transit number that does not have an associated type B record

This report bypasses bank account numbers that do not have address numbers, and it lists information from the Bank Transit Number Master table (F0030).

To correct bank account information that appears on this report, use Work With Bank Accounts by Address.

Processing Options for Bank Account Exception Report

```
Validation

1. Enter a '1' to validate the bank
    transit number based on the 'B' bank
    type method. Default of blank will
    validate the transit number based on
    the available country specific
    validation rules (currently Italy,
    Japan and France).

      Country or 'B' type                    _____________
```

Working with Draft Origination

The draft process begins when you or your customer originate (print) a draft. The draft shows the amount to be paid, the due date, and information about the underlying liabilities (invoices).

Draft origination is an optional step in the draft process. When your customer originates the draft, you omit this step and begin the draft process with draft acceptance.

When you print a draft, you can print a statement or invoice to send to your customer. Some customers expect one draft per invoice. Other customers expect one draft for a statement of invoices. You can either send invoices with drafts attached or send statements with drafts attached.

Working with draft origination consists of:

- ❑ Printing invoices with draft attachments
- ❑ Printing statements with draft attachments

The default draft format conforms to the French Bank Association format. Users in other countries might need to modify the format for their specifications. Invoices and statements use a draft attachment included in the software.

Printing Invoices with Draft Attachments

From the Draft Daily Operations menu (G03B161), choose Invoice Print with Draft.

To print an invoice or credit memo with an attached draft, use Invoice Print with Draft. You can select different versions of this report to print delinquency fees or chargebacks.

The system assigns a draft number and updates the statement number on the invoice record. The system also prints the customer's bank account and the draft number on the draft attachment.

This program prints and updates records in the A/R Ledger table (F03B11).

Before You Begin

- ❑ On the Collection tab on the Customer Master Revision form, choose the Print Statement option for each customer for whom you print invoices

with draft attachments. If you do not, the system generates an error and does not print an invoice. See *Setting Up Statements for A/R Drafts*

Processing Options: Invoice Print with Draft

Print Tab

Use these processing options to specify which dates and whether to include tax amounts on the printed invoice.

1. Invoice Print Date

Use this processing option to indicate the date you want to print on the invoices. If left blank, the system uses the current date.

2. Print Tax Amounts

Use this processing option to indicate if you want tax amounts printed on the invoices. Valid values are:

Blank Do not print tax amounts on invoices.
1 Print tax amounts on invoices.

Currency Tab

Use this processing option to indicate whether you want currency information printed on the invoice.

1. Print Currency

Use this processing option to indicate if you want the base currency of the invoice printed on the invoice. Valid values are:

Blank Do not print currency information on invoices.
1 Print currency information on invoices.

Attachments Tab

Use this processing option to indicate whether the system should print associated generic text on the invoice.

1. Print Attachments

Use this processing option to indicate if you want any generic text associated with an invoice to be printed on the invoice. Valid values are:

Blank Do not print associated generic text.
1 Print associated generic text.

Draft – City Tab

Use this processing option to indicate the city of origin of the invoice.

1. Draft Print City

Use this processing option to indicate the city of origin of the invoice. The city you enter will be printed on the draft. If left blank, no city of origin will be printed on the draft.

Data Selection for Invoice Print with Draft

You can set Payment Instrument EQ (equal) to D (draft by invoice) so that the program selects only invoices for draft customers who typically pay by a draft.

Data Sequence for Invoice Print with Draft

The following data sequence is required:

1. Company
2. Address Number
3. Document (Voucher, Invoice, etc.)
4. Document Type
5. Document Company
6. Document Pay Item

If you change this sequence, the totals will be inaccurate.

Printing Statements with Draft Attachments

From the Draft Daily Operations menu (G03B161), choose Statement Print with Draft.

To print a statement with one or more invoices combined into one draft, use Statement Print with Draft.

The system assigns a draft number to the statement and updates the statement number for each invoice on the statement. The system also prints the draft number on the statement and the customer's bank account on the draft attachment.

This program prints and updates records in the A/R Ledger table (F03B11). The processing time for this report is related to the amount of history retained in that table.

Before You Begin

- ❑ On the Collection tab on the Customer Master Revision form, choose the Print Statement option for each customer for whom you print statements with draft attachments. If you do not, the system generates an error and does not print a statement. See *Setting Up Statements for A/R Drafts*

- ❑ Set up the Draft Flag and Print Program in the processing options for Statement Notification Refresh (R03B500X). See *Working with Statements* for more information.

Processing Options for Statement Print with Draft

City

1. Enter the city name where the draft is being originated to be printed on the draft.

   City _____

Data Selection for Statement Print with Draft

You can set Payment Instrument EQ (equal) to F (draft by statement) so that the program selects only invoices for draft customers who typically pay by statement with a draft attachment.

Data Sequence for Statement Print with Draft

The following data sequence is required:

1. Address Number - Alternate Payee
2. Company
3. Currency Code - From
4. Address Number
5. Document (Voucher, Invoice, and so on)
6. Document Type
7. Document Company
8. Pay Item

If you change this sequence, the totals will be inaccurate.

Working with Draft Acceptance

Whether you originate the draft or your customer does, you must enter it into the Accounts Receivable system before you can process it. You enter or create a draft after your customer accepts it. The draft has no legal force until the customer accepts it. When a draft is accepted, the status of the invoice changes. In some countries this has legal ramifications.

For manual drafts, your customer can accept the draft by:

- Signing the draft that you originated and returning it to you
- Changing the draft that you originated (date, amount, bank, and so on), then signing and returning it to you
- Originating, signing, and sending the customer's own draft to you

For automatic drafts, the draft is accepted by prior agreement, so each draft does not require customer acceptance.

Complete the following tasks:

- ❑ Entering manual drafts
- ❑ Creating automatic drafts
- ❑ Revising drafts
- ❑ Voiding drafts (void/NSF)

Entering Manual Drafts

Manual drafts are also called customer acceptance drafts because they must be accepted by the customer before they can be remitted to the bank. Several types of manual drafts are available:

- The supplier prints the draft with bank account information.
- The supplier prints the draft with the bank name only.
- The customer prints the draft with bank account information.
- The customer prints the draft with the bank name only.

The system distinguishes drafts with only a bank name from those with complete bank account information. This is because banks generally assess an additional fee to collect drafts if you do not provide account information.

You use one of the following programs to enter a draft manually, depending on whether you originate the draft or your customer does:

Enter Our Drafts	Use this program when your company originates a draft for the customer to sign and return.
Enter Customer Drafts	Use this program when the customer originates and accepts a draft, then sends it to your company to be accepted.

The fields you complete on Enter Our Drafts and Enter Customer Drafts are the same, and you can use multiple currencies when entering drafts.

You select the invoices to pay with each draft. You can apply the payment the following ways:

- One invoice with one draft
- Multiple invoices with one draft
- One invoice with multiple drafts (split pay items)

The system processes drafts in the same way as receipts except that the system:

- Uses batch type DB (draft receipts)
- Validates the draft number against the draft number that the system created if you used Invoice Print with Draft Attachment or Statement Print with Draft Attachment
- Applies draft receipts to open customer invoices
- Creates a draft record in the Receipts Application Detail table (F03B14) for each pay item that the draft closes
- Enters the total draft amount in the A/R Ledger table as a new document with a document type of R1
- Sets the payment status of the draft to D (draft accepted)

After you enter drafts, you can approve and post journal entries to the general ledger. The system creates a journal entry to debit drafts receivable and credit an A/R trade account.

This program updates and creates records in the A/R Ledger (F03B11), Receipts Application Header (F03B13), and Receipts Application Detail (F03B14) tables.

Before You Begin

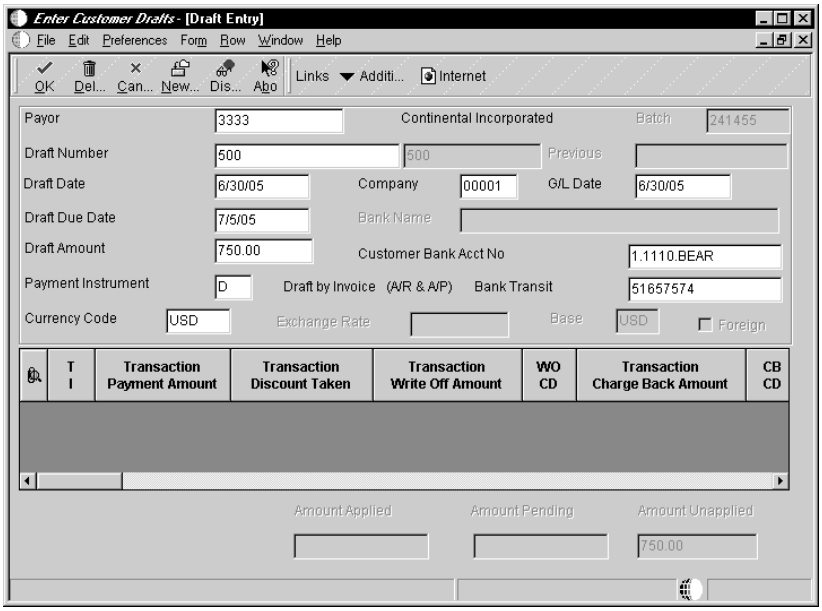
❑ Set up a draft bank account for each customer who will pay invoice by draft. See *Setting Up Draft Bank Accounts for Customers*.

▶ To enter manual drafts

From the Draft Daily Operations menu (G03B161), choose Enter Our Drafts or Enter Customer Drafts.

On Work With Drafts

1. Click Add to access Enter Drafts.



2. On Draft Entry, complete the following fields:
   - Payor
   - Draft Number
   - Draft Date
   - Draft Due Date
   - Draft Amount
   - Company
   - G/L Date
   - Payment Instrument

3. To specify bank information, complete the following fields, if applicable:

   - Customer Bank Acct No
   - Bank Transit

   Or, complete the following field based on the processing option value that you set:

   - Bank Name

4. To specify multi-currency information, complete the following fields:

   - Currency Code
   - Exchange Rate

5. Do one of the following:

   - To load all invoices for a customer, choose Load from the Form menu
   - To select specific invoices for a customer, choose Select from the Form menu

   If you choose Select, the system displays the Select Invoices form.

   - On Customer Drafts, to locate customer invoices, click Find on Select Invoices
   - On Customer Drafts, to continue selecting specific invoices, choose specific invoices and click Select, then click Close.

   To enter remittance information, choose Remittance Entry from the Form menu. See *Entering Remittance Information* for detailed information about locating invoices using Remittance Entry.

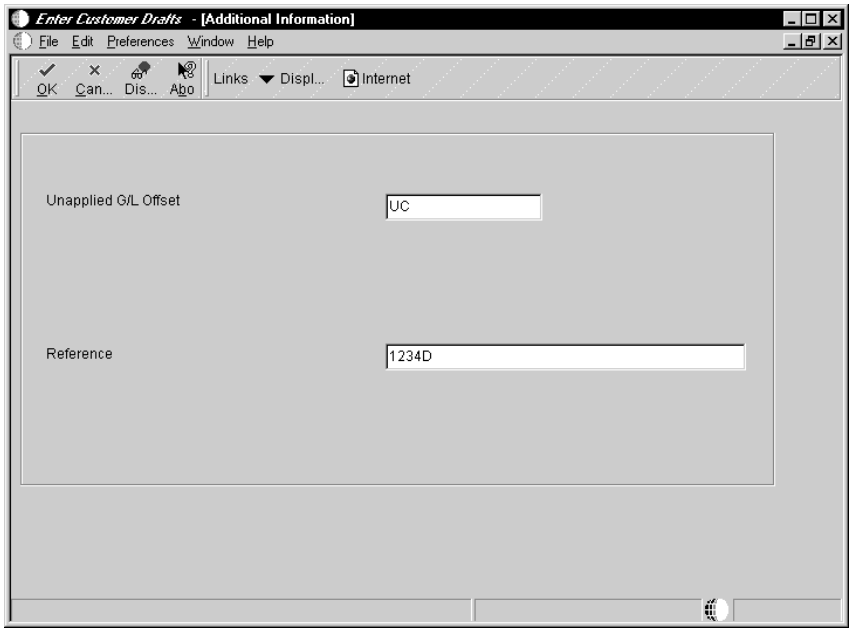
   If you want to create stand-alone write-offs, chargebacks, or deductions, the process is identical to receipts processing. See *Creating Stand-Alone Records*.

6. On Draft Entry, change the following fields, if necessary:

   - Payment Amount
   - Discount Taken
   - Write–Off Amount
   - WO CD (Write-off Reason Code)
   - Chargeback Amount
   - CB CD (Chargeback Reason Code)
   - Deduction Amount

- DD CD (Deduction Reason Code)
- Chargeback G/L Offset
- Remark

7. To remove pay items from the draft, choose the pay item and choose Void/Delete from the Row menu.
8. To specify a draft reference, choose Additional Info from the Form menu.



9. On Additional Information, complete the following optional fields:
   - Unapplied G/L Offset
   - Reference
10. Click OK.

Field	Explanation
Payor	A user defined name or number that is unique to the address book number. You can use this field to enter and locate information. You can use it to cross-reference the supplier to a Dun & Bradstreet number, a lease number, or other reference.

Field	Explanation
Draft Number	This field is the check number as entered by the user in cash receipts. . . . . . *Form-specific information* . . . . . . For Our Drafts, you enter the number generated by Invoice Print with Draft Attachments or Statement Print with Draft Attachments. The system validates this number in the invoice file. For Customer Drafts, enter the customer's draft number.
Draft Amount	The actual amount of the receipt or payment.
Discount Taken	In Accounts Receivable, this is the amount the customer account is discounted when you apply a receipt to an open invoice. In Accounts Payable, this is the amount of discount you take when you issue a payment. The discount taken does not have to be the same as the discount available.
Write–Off Amount	The amount of the write-off when you apply a receipt to an invoice.
Chargeback Amount	An amount in which to apply a payment and create a new invoice (document type RB) in the A/R Ledger.
CB CD	A code that identifies the reason for a chargeback applied to the invoice during receipt entry. Typical reason codes are: DA Disputed amounts DD Disallowed discount amount
Discount Taken	In Accounts Receivable, this is the amount the customer account is discounted when you apply a receipt to an open invoice. In Accounts Payable, this is the amount of discount you take when you issue a payment. The discount taken does not have to be the same as the discount available.
Deduction Amount	The amount of the deduction. This amount does not necessarily need to be associated with a given invoice.
DD CD	A code that identifies the reason for a deduction applied to the invoice during receipts entry. Typical reason codes are: DG Damaged Goods SS Short Shipment UD Undefined Deduction

Field	Explanation
Chargeback G/L Offset	The table of Automatic Accounting Instruction accounts that allows you to predefine classes of automatic offset accounts for Accounts Receivable Chargebacks. G/L offset might be assigned as follows: • blank or 1210 - Trade Accounts Receivable If you leave this field blank during Receipt Entry, the system will use the default from the invoice that is being chargeback to.
Unapplied G/L Offset	The table of Automatic Accounting Instruction accounts that allows you to predefine classes of automatic offset accounts for Accounts Payable, Accounts Receivable, and other systems. G/L offsets might be assigned as follows: • blank or 1210– Trade Accounts Receivable • RETN or 1220 – Retainages Receivable • EMP or 1230 – Employee Accounts Receivable • JIB or 1240 – JIB Receivable (See A/R Class Code – ARC) • blank or 4110 – Trade Accounts Payable • RETN or 4120 – Retainage Payable • OTHR or 4230 – Other Accounts Payable (See A/P Class code – APC) If you leave this field blank during data entry, the system uses the default value from the Customer Master Information table (F0301) or the Supplier Master Information table (F0401). The post program uses the G/L Offset class to create automatic offset entries. NOTE: Do not use code 9999. It is reserved for the post program and indicates that offsets should not be created.
Reference	An alphanumeric value that you use as a cross-reference or secondary reference number when working with Drafts.

See Also

- *Entering Basic Receipts*

Processing Options for Draft Entry

DRAFTS

1. Enter a '1' to process customer generated drafts or leave blank to process supplier generated drafts.

   Customer Generated Drafts _____

2. Enter a '1' to allow entry of your bank name

   Bank Name _____

3. Enter the default Payment Instrument for drafts WITH bank account numbers.

   Payment Instrument With Bank _____

4. Enter the default Payment Instrument WITHOUT bank account numbers.

   Payment Instrument Without Bank _____

5. Enter the override Drafts Receivable account number. Note: If blank, it will be assigned from the AAIs Draft Receivable account (RD1x, where x is the Payment Instrument)

   Draft Receivable Account Number _____

Defaults

6. Enter the default Type Input code for automatic receipt application

   Type Input Code _____

7. Enter the default deduction reason code.

   Deduction Reason Code _____

Chargebacks

8. Enter the Pay Status to be used when creating chargebacks. Leave blank to use Data Dictionary value.

   Pay Status _____

9. Enter a '1' to create chargebacks with the Invoice Date and Net Due Date of the original invoice. Leave blank to default these dates from the receipt G/L Date.

   Date Option _____

10. Enter the default chargeback Reason Code

    Reason Code _____

Auto Write-Off

11. Enter amounts and reason codes to control automatic write-offs. Enter overpayments as negative amounts

    Maximum Underpayment Write-Off Amount _____
    Underpayment Write-Off Reason Code _____
    Maximum Overpayment Write-Off Amount _____

Overpayment Write-Off Reason Code _____

Man Write-Off

12. Enter amounts and reason code to control manual write-offs. Enter overpayments as negative amounts.

Maximum Underpayment Write-Off Amount _____
Maximum Overpayment Write-Off Amount _____
Write-Off Reason Code _____

Discounts

13. Enter a '1' to allow discount taken to be greater than the discount available

Allow Discount Greater Than Available _____

14. Enter a '1' to allow discount taken to be greater than the amount applied

Allow Discount Greater Than Applied _____

15. Enter the number of grace period days to be used with the discount due date. This option is only used when calculating the default discount taken and can be manually overridden.

Grace Period Days _____

Edits

16. Enter a '1' to prohibit write-offs.

Prohibit Write-Offs _____

17. Enter a '1' to prohibit the delete and NSF operations on unposted drafts

Prohibit Unposted Delete/NSF _____

18. Enter a '1' to display only invoices with an approved pay status.

Display Only Approved Invoices _____

19. Select an option for invoice overpayment editing:'0' = no edit, '1'=warning, '2'=error

Overpayment Option _____

Display

20. Enter a ’1’ to retain the entered value after each add transaction for the following fields

Payor Number	_____
Draft Date	_____
Pay Instrument	_____
Customer Number	_____
Company	_____
G/L Date	_____

Display 2

Customer Bank Account Number	_____
Bank Transit Number	_____
Bank Name	_____
Draft Due Date	_____
Currency	_____
Exchange Rate	_____

Display3

Currency Mode	_____

Open Amount

21. Enter a ’1’ to create the draft record in the invoice file without an open amount. Default of blank will create draft with open amount.

Open Amount	_____

Journal Entry

22. Select the method for creating Journal Entries: ’0’ = summary
’1’ = detail

Journal Entry Method	_____

Currency

23. Enter a ’1’ to edit the exchange rate effective date against the G/L Period of the transaction.

Edit Effective Date	_____

Match Priority

25. Select the invoice match processes to be executed and the order in which they should be run

Invoice Match	_____
Sales Order Match	_____
Customer Reference Match	_____
Statement Match	_____

Void/NSF

25. Enter a ’1’ to update payment

instrument in the invoice during the Void/NSF process

Update payment instrument _____

26. Enter the override payment instrument for the invoices of the Void/NSF Draft

Payment Instrument for invoice _____

27. Enter the account id for the new draft that is created in the Void/NSF process. If left blank RD5 AAI will be used.

Account for new draft _____

28. Enter a payment instrument for the new draft that is created in the Void/NSF process.

Payment Instrument for draft _____

What You Should Know About Processing Options

Entering bank names and account numbers

When the Bank Name processing option (2) is equal to 1, you can enter the following on Draft Entry:

- Bank name
- Bank name or bank account
- Bank name and bank account

When the Bank Name processing option is blank, you must complete the Customer Bank Account # field and the Bank Transit field.

Open Amount

You can use this processing option to age drafts. When you create a draft record without an open amount, you use that record as a place holder. You cannot select it for payment.

Creating Automatic Drafts

From the Draft Daily Operations menu (G03B161), choose Pre-Authorized Drafts.

Automatic drafts are also called pre-authorized drafts because they do not require customer acceptance for each draft. You and your customer agree in advance that the customer will pay with a draft. You do not print and send a draft to the customer, but instead remit (deposit) the draft to your bank for collection.

You create automatic drafts by running pre-authorized drafts. You select the invoices to pay with each draft by using data selection. You can run this batch process in either proof or final mode.

Proof mode

You can choose to print a detailed or summarized list of transactions:

- Detail – prints a list of each invoice to be paid by draft
- Summary – prints a summary of all invoices by customer, due date, and payment instrument to be paid by draft

Final mode

You can make the same selections as in proof mode. In final mode, the system:

- Creates drafts
- Sets the pay status of drafts to D (draft accepted)
- Generates a report

Whichever mode you choose, you can review the information and make necessary changes. You can use either Standard Invoice Entry or Speed Status Change to change the pay status.

The system processes drafts in the same way as receipts except that the system:

- Uses batch type DB (draft receipts)
- Validates the draft number against the draft number that the system created if you used Invoice Print with Draft Attachment or Statement Print with Draft Attachment
- Applies draft receipts to open customer invoices
- Enters the total draft amount in the Customer Ledger table (F03B11) as a new document with a document type of R1
- Sets the payment status of the draft to D (draft accepted)

When you create drafts, the system creates a journal entry to debit drafts receivable and credit an A/R trade account. After you create drafts, you approve and post journal entries to the general ledger.

This program updates and creates records in the A/R Ledger, Receipts Application Header (F03B13), and Receipts Application Detail (F03B14) tables.

Abbreviated Column Heading

- PI indicates Payment Instrument.

Processing Options for Pre-Authorized Drafts

```
Mode

1. Enter a '1' to run the report in
    final mode.  If left blank, the
```

report will run in proof mode and no drafts will be created.

_____

Summary/Detail

2. Enter a ’1’ to create summary (one draft per customer / due date). ’2’ to create Payor summary drafts (one draft per Payor / due date). If left blank, detail draft will be created (one draft per invoice / due date).

_____

Pay Thru Date

3. Enter the Pay thru Date. If left blank, the system date will be used.

Pay Thru Date. _____

Draft Date

4. Enter the draft date. If left blank, the system date will be used.

Draft Date _____

Draft G/L

5. Enter the Draft G/L Date. If left blank, the system date will be used.

Draft G/L Date _____

6. Enter the Draft Due date. If left blank, the invoice due date will be used.

Draft Due Date _____

Receivable

7. Enter the override Draft Receivable Account. If left blank, AAIs will be used – Draft Receivable Account (RDIx) where “x” = Pay Instrument.

Draft Receivable Account Number _____

Journal Entry

8. Select G/L Entry Method: ’ ’ = Create Summary Total J.E.s. ’1’ = Create Detail J.E.’s (create one J.E. for each deposit item).

_____

```
Draft Amount

9. Enter the minimum amount required to
    create the draft.

      Minimum Draft Amount                    _____________

Negative

10. Enter a '1' to allow creation of
    draft with a negative amount.

                                              _____________

Statement

11.  Enter a '1' to use the statement
    number on the invoice record for the
    draft number, leave blank to use the
    Next Number for the draft number.

                                              _____________

Open Amount

12. Enter a '1' to create the draft
    record in the invoice file without
    an open amount.  Default of blank
    will create the draft record with
    open amount.

                                              _____________

Credit Card

13.  Enter a '1' to do credit card
    processing.  If left blank regular
    draft processing will be performed

      Credit Card Processing                  _____________

14.  Enter Prepayment Origination Flag

      Prepayment Origination Flag             _____________
```

Revising Drafts

After you enter drafts, you can revise and review them. Before you post the journal entries to the general ledger, you can also change them. You typically review drafts to:

- Review draft information based on specific criteria
- Verify information for a particular customer
- Revise draft information, such as the due date, payment instrument, or customer bank account

The following guidelines apply when you revise draft information:

- You cannot add invoices to a draft, unless there is an unapplied amount.

- You cannot change:
  - Payor
  - Currency
  - Company
  - Draft number
  - Draft date
  - Batch number
- You can change the Draft Due Date field only when it is in the acceptance and remittance stages.
- You can change the Draft Amount field only when the draft is in the acceptance stage and the unposted stage.
- You can only change the G/L Date field at the draft acceptance stage when it is unposted. If you select a posted draft from Work With Drafts, the system displays this field as blank. You must enter a new G/L date for additional tasks, such as applying payments to invoices.
- You can change the following fields at draft acceptance, regardless of whether the draft is posted:
  - Payment Instrument
  - Customer Bank Account Number
  - Bank Transit
  - Bank Name
  - Draft Due Date

▶ To revise draft information

From the Draft Daily Operations menu (G03B161), choose Draft Inquiry.

On Work with Drafts

1. Locate drafts. You can complete the following fields, and click Find to limit your search:
   - From
   - Through
2. Choose the draft you want to review and click Select.
3. On Draft Entry, change any of the following fields and click OK.
   - Draft Due Date
   - Draft Amount
   - Payment Instrument

- G/L Date
- Customer Bank Acct No
- Bank Transit
- Bank Name

Field	Explanation
Draft Due Date	The date that the item was debited or credited to the bank account.
Draft Amount	The actual amount of the receipt or payment.
Payment Instrument	The user defined code (00/PY) that specifies how payments are made by the customer. For example: C Check D Draft T Electronic funds transfer
G/L Date	A date that identifies the financial period to which the transaction will be posted. The company constants table for general accounting specifies the date range for each financial period. You can have up to 14 periods. Generally, period 14 is for audit adjustments.
Customer Bank Acct No	The bank account number for a company, customer, or supplier.
Bank Transit	The routing and transit number for a particular bank account. The combination of account number and transit number must be unique.
Bank Name	A name or remark that describes an element in the J.D. Edwards systems.

See Also

- *Reviewing Invoice Information* for other methods of locating drafts

Voiding Drafts (Void/NSF)

If you enter a draft in error, or a customer's bank account does not have sufficient funds available to pay the draft, you can void or delete the draft, or designate the draft as having non-sufficient funds (NSF).

You can use the void/NSF feature at any stage of draft processing, and you have the option to renew the draft. Using draft renewal, you can create a new draft to pay the same invoices, for example, if you need to charge back amounts, such as bank fees. Otherwise the process will reopen these invoices. If there are applicable taxes, you can manually create journal entries using the current Journal Entry program.

When you need to delete a draft, you can do so only after you enter it and before you post the journal entries for it. Otherwise, you must use the void/NSF feature.

Before You Begin

❑ Ensure that you have set up the Void/NSF AAI (RD5) for voiding and designating drafts as NSF

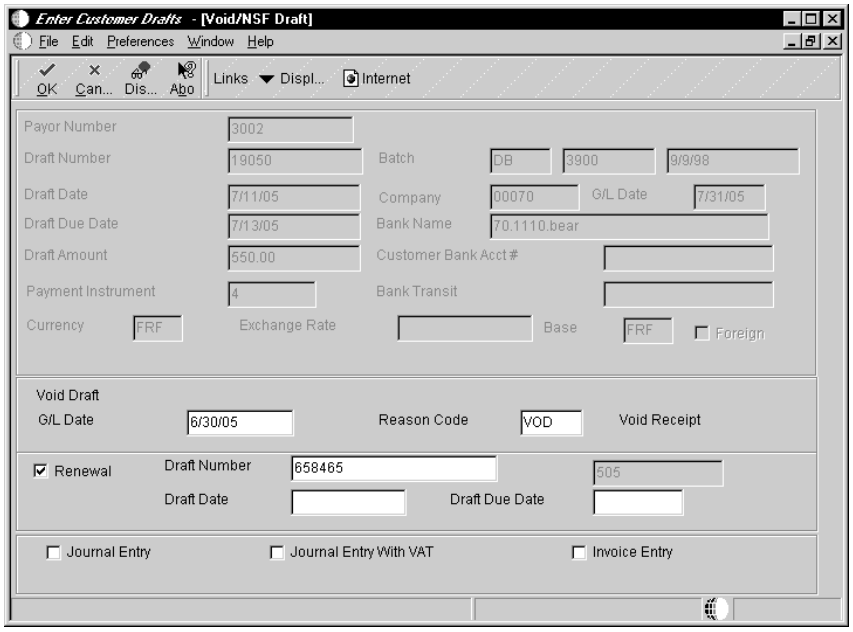
See Also

- *Entering Invoice Match Receipts*
- *Entering Basic Journal Entries*

▶ To void drafts

From the Draft Daily Operations menu (G03B161), choose Enter Customer Drafts.

1. On Work With Drafts, follow the steps to locate drafts.
2. Choose the draft you want to void.
3. From the Row menu, choose Void/Delete or NSF.
4. Click OK on the Confirm Delete message box.



5. On Void/NSF Draft, complete the following fields:
   - G/L Date
   - Reason Code

6. To specify renewal information, complete the following fields:
   - Renewal
   - Draft Number
   - Draft Date
   - Draft Due Date
7. To create additional journal entries for bank fees, click the following option:
   - Journal Entry
8. To create additional journal entries with VAT (value added tax), click the following option:
   - Journal Entry With VAT

   Depending on the journal entry option you select, the appropriate journal entry form appears when you click OK. You can create journal entries for bank fees or any applicable taxes. You must do this manually.
9. To create invoices for charging bank fees, click the following option:
   - Invoice Entry

   If you click the Invoice Entry option, the Standard Invoice Entry form appears when you click OK.
10. Click OK.

    If you specified draft renewal, the Draft Entry form displays the new draft that was created. On Draft Entry, you can change invoice information as necessary.

    If you do not specify draft renewal, the Draft Entry form does not appear.

Field	Explanation
Reason Code	A code which represents an explanation as to why an invoice or receipt was voided.
Draft Number	This field is the check number as entered by the user in cash receipts.
Draft Date	For manual payments, the payment date and the G/L date are the same. The system uses the Payment-G/L Date to retrieve the correct exchange rate from the Exchange Rates table (F0015).

Working with Draft Remittance

You remit (deposit) the draft to your bank so that it can collect the funds from your customer's bank. Draft remittance is an optional step in the draft process.

Working with draft remittance consists of:

- ❑ Creating bank registers for A/R drafts
- ❑ Reviewing and revising bank registers for A/R drafts
- ❑ Remitting drafts
- ❑ Understanding contingent liability

You can remit the draft either electronically or on paper in the form of a bank register. Generally, you must have complete bank account information for your customer in order to use an electronic format. When you do not have complete bank account information for your customer, you can print a bank register to send to your bank.

You can manually create a bank register to use when remitting drafts. Alternatively, you can choose to have the system select the drafts to remit. When you select the drafts to remit, the system groups drafts that have the same due date and payment instrument into a single statement in the register.

You can arrange to collect funds from the draft in one the following ways:

- Wait until the funds become available on the due date specified by the draft.
- Request an advance from your bank before the due date of the draft. This is called discounting the draft. Typically, banks charge a fee when they advance funds for a draft before its due date. You must account for this fee separately during draft collection.

Creating Bank Registers for A/R Drafts

You can manually create a bank register to use when remitting drafts. This is an optional step in the draft process.

When you create a bank register, you select the drafts to include in the register. Bank registers should include only drafts that you will remit electronically or in the form of a printed register. They can include either regular drafts or discounted drafts, but only one transaction currency for the entire register.

You can have only one register per bank account. If a bank register exists, you can add drafts to it or remove drafts from it. You must completely process one register before you create another.

When you create a bank register, the system:

- Changes the pay status of selected drafts from D (draft accepted) to # (selected for payment).
- Changes the pay status of removed drafts from # (selected for payment) to D (draft accepted).
- Updates the G/L bank account of selected drafts.
- Creates a bank register (batch) containing the drafts you selected. The register number is the batch number concatenated with a five-digit number.

This program updates information in the Receipts Application Detail table.

Example: Bank Register

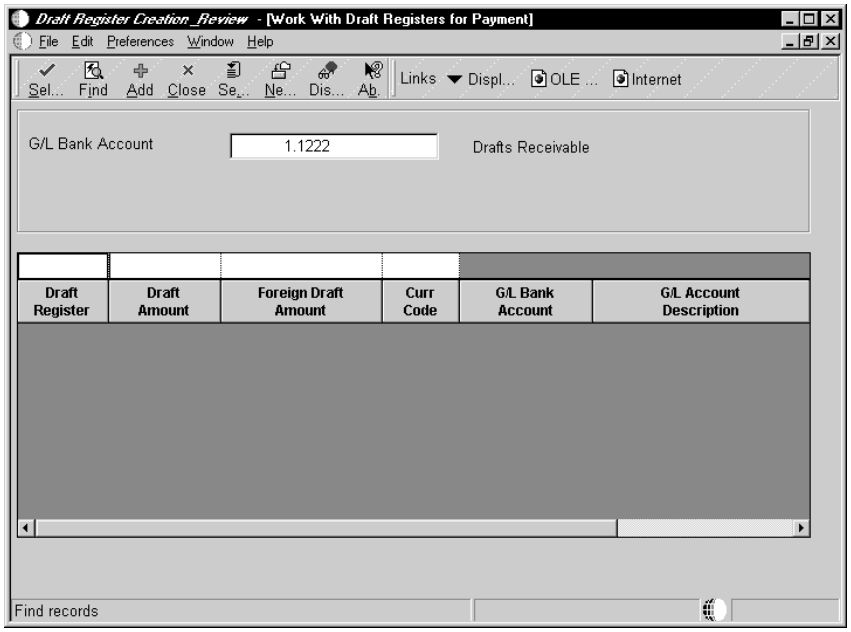
The following example shows how the system groups drafts on the basis of payment instrument and due date.

Draft Due Date	Draft Payment Instrument	Draft Amount	Due Date	Payment Instrument	Register Amount
07/01/05	0	300.00	07/01/05	0	500.00
07/01/05	0	200.00			
07/01/05	2	300.00	07/01/05	2	300.00
08/15/05	2	100.00	08/15/05	2	350.00
08/15/05	2	250.00			

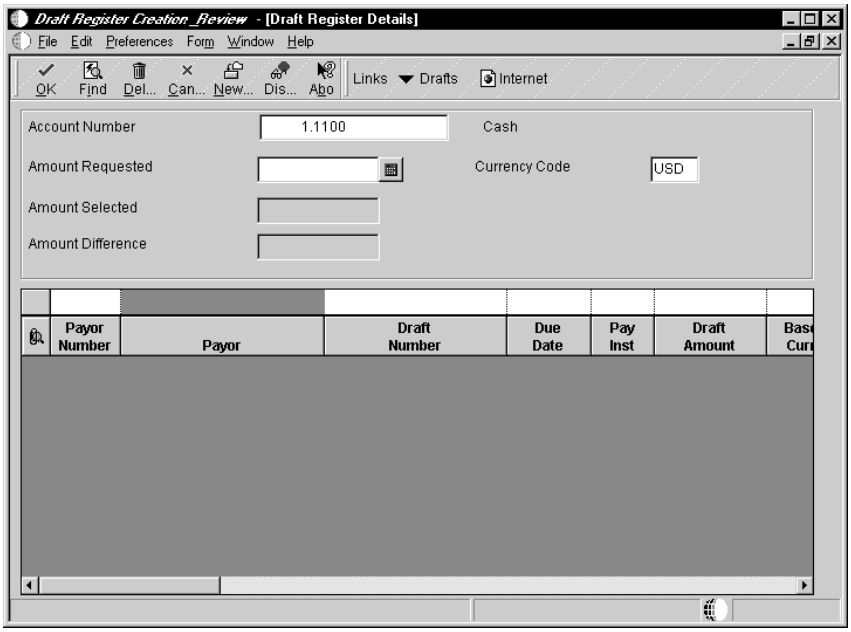
To create bank registers for A/R drafts

From the Draft Remittance and Collection menu (G03B162), choose Draft Register Creation and Review.

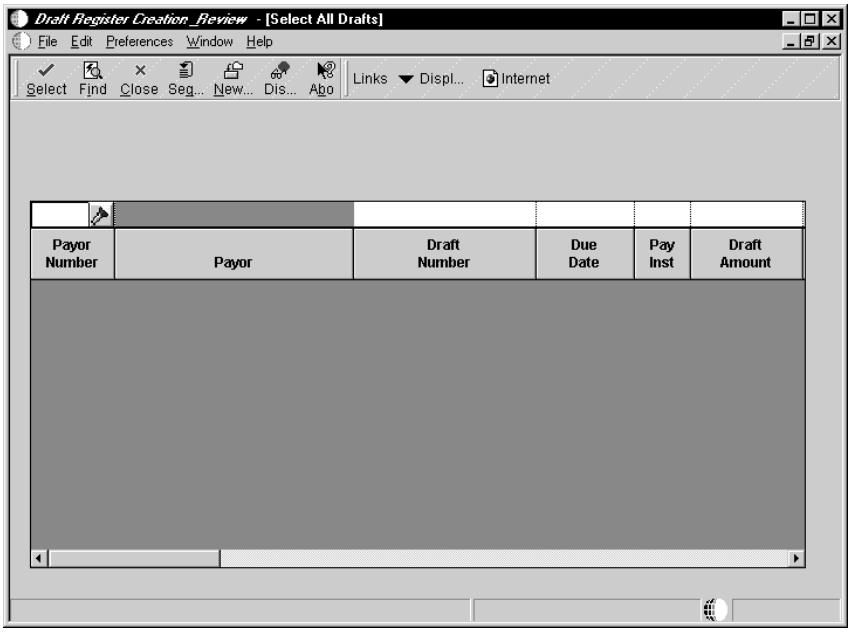
On Work With Draft Registers for Payment



1. To determine whether a bank register exists, complete the following field and click Find:
   - G/L Bank Account
2. Click Add to create a new bank register.



3. On Draft Register Details, complete the following fields:
   - Account Number
   - Currency Code
4. Complete the following optional field:
   - Amount Requested
5. From the Form menu, choose Drafts.



6. On Select All Drafts, highlight the individual drafts that you want to pay from this account, and click Select.
7. On Draft Register Details, click OK.

Field	Explanation
Account Number	A field that identifies an account in the general ledger. You can use one of the following formats for account numbers: • Standard account number (business unit. object .subsidiary or flexible format) • Third G/L number (maximum of 25 digits) • 8-digit short account ID number • Speed code The first character of the account indicates the format of the account number. You define the account format in the General Accounting Constants program.
Amount Requested	The gross amount of an invoice or voucher pay item, including tax. The total amount for a voucher or invoice is the accumulation of the open pay items. The accounting distributions must balance to the gross amount less recoverable VAT.

Reviewing and Revising Bank Registers for A/R Drafts

You can use Draft Register Creation and Review to change registers for a specific bank account and date range.

Because you can have only one register per bank account, locating a bank account shows its register. Draft Register Creation and Review shows information for active registers. That is, you can review information only for registers you have created but not yet remitted to your bank.

This program displays and updates information in the Receipts Header table (F03B13).

▶ To revise A/R draft bank registers

From the Draft Remittance and Collection menu (G03B162), choose Draft Register Creation and Review.

On Work With Draft Registers for Payment

1. Complete the following field and click Find:
   - G/L Bank Account
2. Review the information in the following fields:
   - Draft Amount
   - Due Date
3. Highlight the draft register and click Select.
4. On Draft Register Details, review the information in the following fields:
   - Payor
   - Payment Instrument
   - Company
   - Bank Transit
   - Cust Bank Acct #
5. To add a draft to the register, choose the Drafts from the Form menu and follow the steps for creating a bank register.
6. To delete a draft from the register, highlight the draft you want to delete and click Delete.

See Also

- *Creating Bank Registers for A/R Drafts*

Remitting Drafts

From the Draft Remittance and Collection menu (G03B162), choose Draft Remittance.

You remit (deposit) drafts to your bank so that it can collect the funds from your customer's bank. You can remit drafts either electronically or on paper in the form of a bank register. Generally, you must have complete bank account information for your customer in order to use an electronic format. When you do not have complete bank account information for your customer, you can print a bank register to send to your bank.

You can run this batch process in either proof or final mode.

Proof mode

In proof mode, the system:

- Selects accepted drafts. That is, drafts that have been accepted but not yet submitted to your bank for collection.
- Verifies the G/L date against the company G/L period.
- Prints reports.

Final mode

In final mode, the system works in the same way as proof mode except that it also:

- Changes the payment status of the draft to G (draft deposited not due).
- Creates journal entries to debit drafts remitted and credit drafts receivable when posted.
- If you select an electronic version, creates a tape table that you can copy to tape or diskette and send to your bank.

J.D. Edwards recommends that you run this process in proof mode before running it in final mode. This allows you to review and correct errors prior to updating records. If the system finds errors when running the report in final mode, it prints an error message on the report and does not create journal entries.

After you remit drafts, you approve and post journal entries to the general ledger. The system creates a journal entry to credit drafts receivable and debit drafts remitted.

This program updates and creates information in the A/R Ledger, Receipts Register, and Receipts Application Detail tables. The electronic versions of this program write information to the Magnetic Draft Remittance table (F03672). This table indexes records by user ID, program ID, version ID, and payment ID.

Before You Begin

❑ Copy, backup or delete any existing bank tape files that you have not run in final mode. The system adds the old records to the table file if you do not remove them.

See Also

- *Electronic Formats and the Euro* in the *Euro Implementation Guide* for information about country-specific formats that handle draft remittance in the euro

Processing Options for Draft Remittance

Proof/Final

1. Enter a '1' to run in Final Mode. This will update the draft to remitted status. Default of blank would print the report only

_____

As Of Date

2. Enter "As Of" date to process. All drafts due on or before this date will be processed. If left blank, the current system date will be used.

_____

Bank

3. Enter a blank to indicate the process is without a Register, '1' to indicate the process is with Register.

_____

4. Enter the G/L Bank Account that the drafts will be remitted to. Note: If an account is entered here then the processing option 3 should indicate that it is without register.

_____

G/L Remittance

5. Specify which G/L Account from AAIs to use for Drafts: Remitted "blank" = Cashed (RD2x) '1' = Discounted (RD3x) '2' = Contingent (RD4x)

_____

6. Enter an override Drafts Remitted Account number. The AAIs will be ignored if an account is entered here.

_____

7. Enter an account number to override RD4 AAIs Account Number. If left blank a RD4 AAIs will be use.

_____

G/L Date

8. Enter the G/L Date for the Journal Entries created. If left blank, the system date will be used.

_____

Maximum

9. Enter the Maximum Amount of the accumulated drafts.

_____

Minimum

10. Enter the Minimum Amount for the Remittance Process.

_____

Paper/Tape

11. Enter the Program and Version to do the Paper Or Tape Remittance.

_____
_____

Custom Report

12. Enter a Program ID and Version ID to submit a custom remittance report

Program ID _____
Version ID _____

What You Should Know About Processing Options

Custom Report (12) The program for which you specify program ID and version ID is a client-specific, custom program.

Data Selection for Draft Remittance

You can change the data selection for Payment Instrument. The DEMO versions of this report are set to select drafts using G/L Bank Account. You can add other selection criteria. For example, you can select drafts on the basis of the payment instrument.

If you encounter errors when running Draft Remittance, do the following:

- Verify that you selected the correct version.
- Verify that the G/L date you entered for processing option is correct
- Verify that the data selection includes the draft you are attempting to include
- If you used Draft Selection for Bank Payment to create a register manually, verify that the "as of" date you entered in the processing options is the same as or later than the latest draft due date in the register

Understanding Contingent Liability

You can request an advance from your bank before the due date of the draft. This is called discounting a draft. When a draft is discounted, some countries require businesses to recognize a contingent liability until the maturity date of the draft, as follows:

- Before the due date of the draft, recognize the draft as cash and offset the amount as a contingent liability
- On the due date of the draft, close the contingent liability

You create journal entries for contingent liability when you remit a draft. When you collect the draft, the system reverses these journal entries.

To create journal entries for contingent liability, use the G/L Remittance processing options for Draft Remittance. When you use one of these processing options to specify a G/L account for contingent liability, the system creates two sets of journal entries:

- Debit drafts remitted and credit drafts receivable. This is the journal entry required by all remittances.
- Debit the G/L bank account and credit drafts contingent liability. This is the additional journal entry required for contingent liability.

When your bank collects the draft, the system recognizes the existence of the contingent liability and clears the contingent liability account.

Working with Draft Collection

From the Draft Remittance and Collection menu (G03B162), choose Draft Collection with Status Update.

Your bank collects the funds for the draft from the customer's bank on the due date of the draft. Your bank informs you if it cannot collect the funds. On or after the due date, both you and your customer recognize the transfer of cash. You update the status of the draft in your records to show that it has been collected.

Some companies prefer to close the draft on the draft due date, while others wait until the payment appears on their bank statement. Depending on your company policy, do one of the following:

- Run Status Update with Journal Entries on the draft due dates to create journal entries.
- Run Status Update without Journal Entries on the draft due dates using a pay status code of something other than P (paid). After you verify that payments have been collected, run Status Update with Journal Entries.

Additionally, your bank might assess fees for draft collection. Typical fees include charges for incomplete bank information, discounted drafts, and commissions. In addition, the tax regulations in certain countries might require that VAT be assessed on these fees. You account for all fees by creating a separate journal entry on Journal Entry With VAT Tax.

You can run this batch process in either proof or final mode.

Proof mode

In proof mode, the system:

- Selects drafts with a remitted to bank status. That is, drafts that have been remitted but not yet collected.
- Prints a report that shows the drafts to be updated. It shows all drafts that have a payment status of G (draft deposited not due) with a due date that you specify in a processing option.

Final mode

In final mode, the system works in the same way as proof mode except that it also:

- Changes the pay status of drafts to P (paid) or to another value that you choose.
- After you collect drafts, you approve and post journal entries to the general ledger. You must run the program using this option in order to close your drafts. The system creates a journal entry to debit a cash account and credit drafts remitted.
- If the draft was created with a contingent liability, the system clears that account.

This process updates records in the A/R Ledger, Receipts Register, and Receipts Application Detail tables, and creates records in the Receipts Application Detail table.

Processing Options for Draft Collection with Status Update

```
Proof / Final

1.  Enter a '1' to run in the Final
    Mode.  Default of blank will print
    the report only.
```

_____

```
As Of Date

2. Enter the "As of" date to
    process.
        All drafts due on or before this
    date
        will be processed.  If left
    blank,
        the current system date will be
    used.
```

_____

```
G/L Date

3. Enter the G/L date for the
    Journal
         Entries.  If left blank, the
    system
         date will be used.
```

_____

```
4.  Enter a '1' to calculate the G/L
    Date
     by adding the Float Days for the
     bank account to the Net Due Date.
     Leave blank to use the option above
    to calculate GL Date
```

5. Enter a “1”, if you want to calculate G/L Date entering Float days and to select drafts by pay instruments. If you use this option, all of the option above will be ignored.

6.Enter number of float days to add the the Drafts Due Date to calculate G/L Date. If you select option above, you must enter number of float days.

7.Enter payment instrument type to select drafts by Pay Instruments. If option ’5’ is selected, you must enter a valid Pay Instruments Type.

Payment Instrument

Pay Status

8. Enter the Pay Status to update the
the draft records. If left blank, the pay status will be updated with ’P’ (Paid).

Pay Status Code

9. Enter a ’1’ to update the pay status of the draft in the Journal Ledger File without closing the Drafts. A blank would close the Draft.

Exchange Rate

10. Enter the currency exchange rate to be used. This rate is between the currency being processed and the currency of the bank account. If left blank, the rate will be derived from the exchange rate information.

Exchange Rate Override

Data Selection for Draft Collection with Status Update

Typically, you select drafts for collection on the basis of payment instrument.

See Also

- *Entering Journal Entries with VAT* in the *General Accounting Guide*.

Approving and Posting A/R Drafts

The system creates journal entries for the following draft operations:

- Draft acceptance – debit drafts receivable account and credit an A/R trade account
- Draft remittance – debit drafts remitted and credit drafts receivable
- Draft collection – debit a cash account and credit drafts remitted

You can post these journal entries after each operation, at any time during the draft cycle, or at the end of the draft cycle.

Approving and posting A/R drafts consist of:

- ❑ Reviewing and approving journal entries for A/R drafts
- ❑ Posting journal entries for A/R drafts

Reviewing and Approving Journal Entries for A/R Drafts

From the Draft Daily Operations menu (G03B161), choose Draft Journal Review.

You review journal entries to verify that they debit and credit the correct G/L accounts. After you review journal entries, you might need to approve them prior to posting. This depends on whether your company requires management approval before posting a batch.

All J.D. Edwards journal review programs work the same way. Draft Journal Review only displays records with a batch type of DB (drafts).

See Also

- *Reviewing Invoices*
- *Approving Invoice Batches*

Posting Journal Entries for A/R Drafts

From the Draft Daily Operations menu (G03B161), choose Post Drafts to G/L

After you review and approve journal entries, you must post them to the general ledger. The posting process debits and credits G/L accounts.

All J.D. Edwards post programs work the same way. The Post program for A/R drafts has the processing option for batch selection set to DB (draft receipts). You should not change this.

See Also

- *Posting Invoices*

Automatic Debits

You can automatically debit (withdraw funds from) a customer's bank account by creating a tape or diskette file for electronic funds transfer (EFT) by the bank.

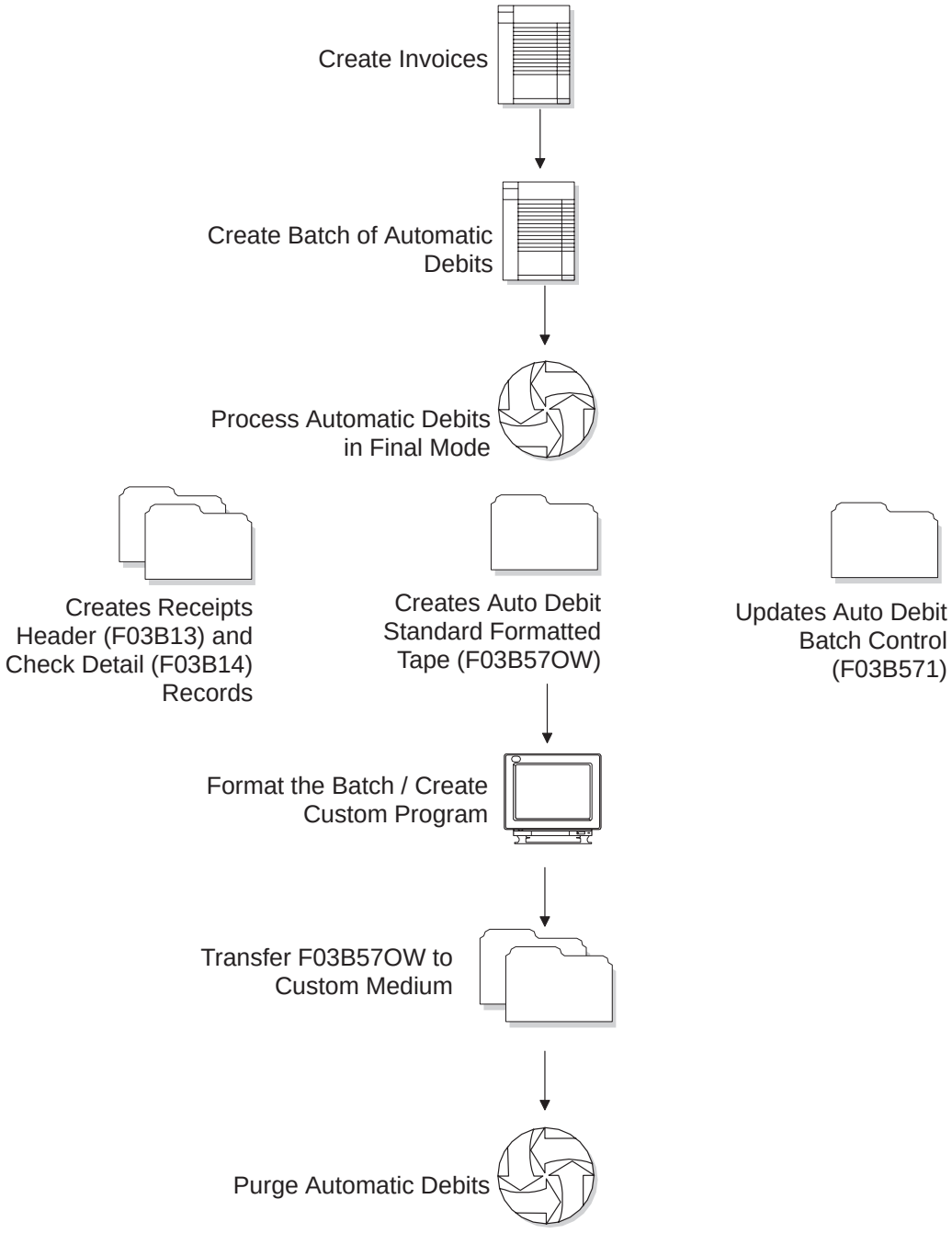
Automatic debits work well in situations where you invoice predefined amounts every month. You can also use automatic debits with invoice amounts that vary with each billing period.

Automatic debits consists of:

- Working with automatic debits

The following graphic illustrates the information flow when using automatic debits:

Automatic Debits Information Flow



Working with Automatic Debits

You can use the automatic debit process to automatically withdraw funds from a customer's bank account. When you use the automatic debit process, you:

- Identify those customers who have agreed to the automatic debit process
- Select the customers' invoices to be paid
- Update customers' accounts after collecting the appropriate funds
- Format automatic debit information to meet country-specific bank requirements (optional)

When you use automatic debits, the system builds an Automatic Debit Batch Control table (F03B571) and the Auto Debit Invoice Select and Build table (F03B575).

Before You Begin

❑ On Customer Master Revisions, specify A (Automatic Debits, Accounts Receivable only) in the Payment Instrument field and choose the Auto Receipt option. Option A is not hard coded, and you can use other values. See *Creating Customer Records.*

❑ On Set Up Bank Accounts by Address, verify that you have a G/L bank account for automatic debits set up for your customers. See *Setting Up Bank Account Addresses.*

On Set Up G/L Bank Account, verify that a Next Auto Debit Number is specified for the bank account to which the automatic debits will be credited. See *Setting Up G/L Bank Account Information*.

❑ On A/R Constants, choose the Auto Receipt option. See *Setting Up A/R Constants*.

Working with automatic debits includes the following tasks:

❑ Creating a batch of automatic debits

❑ Processing a batch of automatic debits in final mode

❑ Formatting a batch of automatic debits

❑ Purging a batch of automatic debits

See Also

- *Electronic Formats and the Euro* in the *Euro Implementation Guide* for information about country-specific formats that handle auto debits in the euro

Creating a Batch of Automatic Debits

To create a batch of automatic debits, you use processing options and data selections to specify which invoices you want to include in the batch for final processing. When you submit your selections, the Create Auto Debit Batch program:

- Validates the selection of invoices that are to be automatically debited to customers.
- Generates an automatic debit batch header in the Automatic Debit Batch Control table (F03B571). The Auto Debit Invoice Selection and Build table (F03B575) includes all of the invoices that match your data selection criteria.
- Generates a record in the batch control table (F03B571) to identify the automatic debit batch. This record appears on the Work with Auto Debit Batches form.
- Prints a report that lists the selection of invoices that will be included in the final automatic debit process.
- Updates the Customer Ledger table (F03B11) if you run this in final mode. When you initially create a batch of automatic debits, the automatic debits process is running in proof mode, and no updates are recorded.

You can create unlimited automatic debit batches. The system stores the automatic debit batches in the Automatic Debit worktable until you purge the batches from the worktable.

You can automatically format automatic debit information to meet country-specific bank requirements. To do this, specify the bank file format program in the Bank File processing option. Alternatively, you can manually format a batch of automatic debits after you process the batch by entering the program on the Revise Auto Debit Controls form.

The program you use to create a batch of automatic debits is the same program that you use to process the automatic debits in final mode. When you create a batch of automatic debits, you should run the program in proof mode so that you can verify that the information in the worktable is complete and correct before updating the A/R Ledger table using final mode.

Additional Information Regarding Automatic Debits

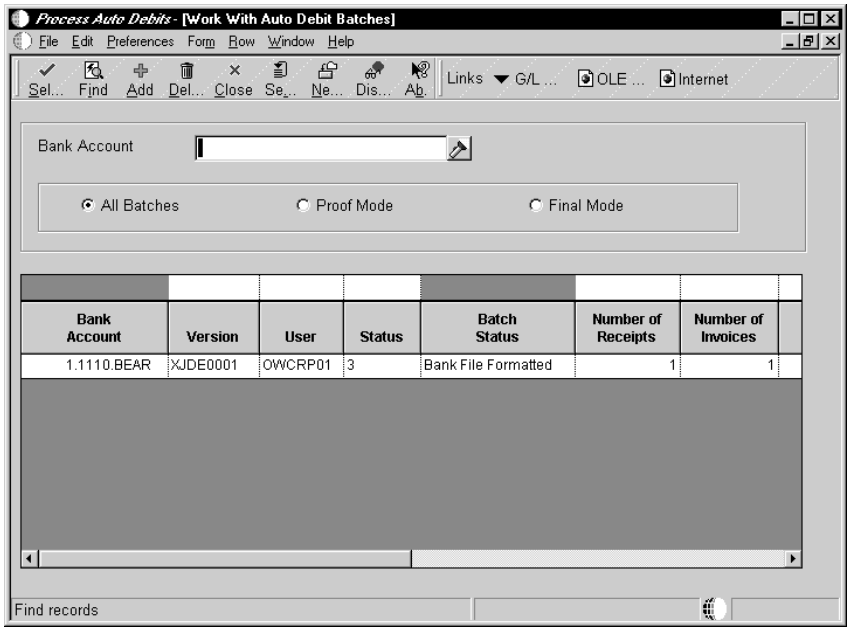
If at any time during the automatic debit process you discover an error in a batch, you can delete the batch and create a new batch in the Automatic Debit worktable. For example, you would need to create a new batch in the worktable if you make a change to customer, invoice, or bank account information. These changes *do not* automatically update existing batches of automatic debit information in the worktable.

When you delete an automatic debit batch, the system voids or deletes any payment records and journal entries that were created for the batch and reopens the invoices associated with the batch. The invoices are then eligible to be included in a new automatic debit batch.

▶ To create a batch of automatic debits

From the Automatic Debiting (G03B131) menu, choose Process Auto Debits.

On Work With Auto Debit Batches



1. Click Add.
2. On Work with Batch Versions, create a new version or run an existing version of the Create Automatic Debit Batch program.

Processing Options for Create Automatic Debit Batch

```
Processing

1.  Enter a '1' to run the Auto Debit
    Selection in Final Mode.  If left
```

blank, only a proof report will be produced.

Final Processing Mode _____

2. Enter the “As Of” Date to process. All invoices will be processed that have a Comparison Date on or before the As Of date. If left blank, the system date will default.

As Of Date _____

3. Enter the type of date to compare against the As Of Date. (blank = Net Due Date; ’D’ = Discount Due Date; ’I’ = Invoice Date; ’G’ = GL Date; ’S’ = Statement Date)

Type of Comparison Date _____

Bank Account

4. Enter the override G/L Bank Account to be used for ALL processed invoices. If left blank, the bank account will be retrieved using the AAIs setup for that company.

GL Bank Account _____

Discounts

5. Enter a ’1’ if ALL discounts are to be processed. If left blank, the Cutoff Date will be used to validate the available discount.

Process All Discounts _____

6. Enter the Cutoff Date for applying discounts. Discounts will not be taken if the Discount Due Date is prior to this date.

Discount Cutoff Date _____

GL Defaults

7. Enter a G/L Date. If left blank, the system date will be used.

G/L Date _____

8. Select G/L Entries Method (blank equals Create Summary Total Journal Entries; ’1’ equals Create Detail Journal Entries which will create one journal entry per deposit item.)

Create Detail Journal Entries _____

Amount Limits

9. Enter the MINIMUM amount that can be selected for payment via Automatic Debits. Amounts under this will not be selected.

   Enter Minimum Amount _____

10. Enter the MAXIMUM amount that can be selected for payment via Automatic Debits. Amounts over this will not be selected.

   Enter Maximum Amount _____

Bank File

11. Enter the name of the program to format the bank file.

   Bank Format Program _____

12. Enter the name of the version to format the bank file.

   Bank Format Version _____

BACS

13. Enter a '1' if BACS Processing is to be used for this Auto Debits batch. If left blank, BACS Processing will NOT be performed for this batch.

   BACS Processing _____

14. Enter the BACS Processing Date.

   BACS Processing Date _____

15. Enter the number of BACS days to be added to the BACS Processing Date in order to calculate the expiration date.

   Number of BACS Days _____

16. Enter the Workday Calendar name.

   Workday Calendar _____

What You Should Know About Processing Options

Program names for the bank file (11)

Use the following formats for the Bank File processing option:

- R03B575AD – Austrian format
- R03B575DD – German format
- R03B575DH – Dutch format
- R03B575FD – French format
- R03B575GB – United Kingdom format
- R03B575SD – Swiss format

Note: On the Work With Auto Debit Batches form, the Row exit for Copy to Diskette is available for the Swiss format only.

Data Selection and Data Sequence

You must specify data selection values to ensure that the Automatic Debiting program selects the invoices that you want for the automatic debit batch. At a minimum, you must specify a payment instrument to identify the invoices that are eligible for payment by the automatic debit process.

Processing a Batch of Automatic Debits in Final Mode

After you create a batch of automatic debits, you can process the batch in final mode. To do this, select your batch from the Work with Auto Debit Batches form.

When you process a batch of automatic debits in final mode, the program:

- Creates Receipts Header (F03B13) and A/R Check Detail (F03B14) records (batch type of RB) that you must post to the Account Ledger table (F0911).
- Assigns a payment number using Next Numbers for automatic debits.
- Changes the invoice pay status to P (paid).
- Updates the Status field in the Auto Debit Batch Control table (F03B571) from 1 to 2 (1 = proof mode, 2 = final mode).
- Produces a statement of the invoices that are automatically debited, based on your processing option selections.
- Produces a report that lists the invoices that were included in the final automatic debit process.
- Creates the Auto Debit Standard Formatted Tape worktable (F03B57OW) for the tape or diskette for your bank. This is the table that must be formatted.

▶ To process a batch of automatic debits in final mode

From the Automatic Debiting (G03B131) menu, choose Process Auto Debits.

On Work with Auto Debit Batches

1. To locate a batch of automatic debits, complete any of the following fields:
   - Bank Account
   - User
2. To display batches by mode, click one of the following options:
   - All Batches
   - Proof Mode
   - Final Mode
3. Click Find to display the batches that meet your criteria.
4. Choose the batch you want to work with.
5. From the Row menu, choose Final Mode.

After you process automatic debits, you can review the resulting journal entries on Auto Debits Journal Review. Then, post the entries to the general ledger.

Formatting a Batch of Automatic Debits

You can format automatic debit information in the Auto Debit Standard Formatted Tape (F03B57OW) table to meet country-specific bank requirements. To do this, specify the bank file format program on the Revise Auto Debit Controls form.

After you format the automatic debit batch, you can create a custom program to copy the formatted information to the appropriate media for your bank or use a country-specific program supplied in OneWorld. This program moves the information from the Auto Debit Standard Formatted Tape (F03B57OW) and creates a table used by the customer's bank.

You enter this program into the processing option to automatically format the F03B57OW table. Likewise, you can enter it into the Revise Auto Debit Controls form to manually format the F03B57OW table. When you complete this process, the system changes the Status field of the Auto Debit Batch Control table (F03B571) from 2 to 3.

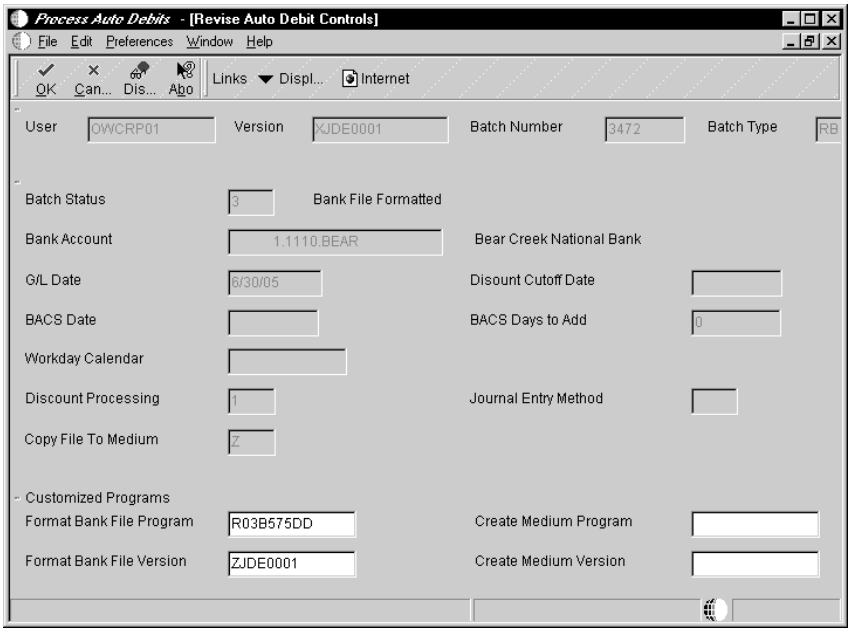
If you are using a custom program, ensure that it updates the Status field in the F03B571 table. J.D. Edwards recommends that you use on of the supplied programs as a template if you are creating a custom program for this purpose.

To format the batch of automatic debits

From the Automatic Debiting (G03B131) menu, choose Process Auto Debits.

On Work with Auto Debit Batches

1. Locate a batch of automatic debits.
2. Choose the batch you want to work with and click Select.



3. On Revise Auto Debit Controls, verify that the selections are correct for the following fields:
   - Format Bank File Program
   - Format Bank File Version
   - Create Medium Program
   - Create Medium Version

   You can change the values in these fields, if necessary.
4. Click OK.
5. On Work with Auto Debit Batches, choose Format Bank File from the Row menu.

   Note: the Row menu for Copy to Diskette is available only for the Swiss format (R03B575SD)

Field	Explanation
Format Bank File Program	The name of an executable program. For OneWorld: This name is the system name of a form that is associated with an application. To determine the system name of a form, open the form and choose About OneWorld from the Help menu. . . . . . *Form-specific information* . . . . . . The program name of the country-specific bank file format. For example, use R03B575DD for the German format.
Format Bank File Version	A sequence number that identifies versions of a menu selection. For example, where multiple versions of a report menu selection are set up, this sequence number identifies each of those versions. . . . . . *Form-specific information* . . . . . . The version for the country specific-bank file format program you specify in the Format Bank File Program field.
Create Medium Program	The program that performs an existence check for a specified Address Book number. . . . . . *Form-specific information* . . . . . . The program used to copy data from the Auto Debit Standard Formatted Tape File (F03B57OW) to the appropriate medium. This is a client-specific, custom program.
Create Medium Version	You are allowed to set up multiple versions of certain menu selections (e.g.- reports). This sequence number identifies each of those versions. . . . . . *Form-specific information* . . . . . . The version for the client-specific, custom program used in the Create Medium Program field.

Purging a Batch of Automatic Debits

You can purge automatic debit batches once the process is complete. This step is optional. Purge automatic debit batches only after you have successfully completed the automatic debit process. When you purge a batch of automatic debits, the system clears the invoices for that batch from the Auto Debit Batch Control table (F03B571). Once you purge automatic debit information, you cannot recover the information and there is no audit trail.

You should purge automatic debit batches only when the Status field in the F03B571 table is a 4, otherwise you will see a dialogue box to confirm the purge. When the purge is complete, the system changes the Status field to 5.

▶ To purge a batch of automatic debits

From the Automatic Debiting (G03B131) menu, choose Process Auto Debits.

On Work with Auto Debit Batches

1. To locate a batch of automatic debits, complete any of the following fields:
   - Bank Account
   - User
2. To display batches by mode, click one of the following options:
   - All Batches
   - Proof Mode
   - Final Mode
3. Click Find to display the batches that meet your criteria.
4. Choose the batch.
5. From the Row menu, choose Purge.

Deduction Processing

When you receive payment from customers, a customer may reduce the amount of a payment for unknown reasons, or for reasons that might be associated with a specific invoice or a group of invoices, such as damaged goods. The amount by which a customer's payment is reduced is known as a deduction. The flexibility of the Accounts Receivable system enables you to process deductions and provide statistical information for internal and customer analysis.

Whether you generate the deduction at the time of receipt entry, or from Customer Ledger Inquiry, the functionality of deduction processing remains the same.

Deduction processing consists of:

- ❑ Setting up activity codes for deductions
- ❑ Working with deductions

What Are Some Common Reasons for Deductions?

Deductions are usually taken by customers as compensation or for the lack of products or services. Some common reasons that a customer might take a deduction are:

- Damaged or defective merchandise
- Shortages in a shipment
- Promotional allowances
- Disputed amounts
- Billing errors

How Do You Resolve Issues Related to Deductions?

The process of resolving a deduction can be very intensive. First, you must research the deduction for validity. Then, you must determine which action to take to record the disposition in the Accounts Receivable system. For example, you might decide that the customer's reason for a deduction is invalid. Therefore, you create a chargeback to re-invoice the customer for the deduction amount.

When researching a deduction, you might not be able to immediately resolve the disposition. However, you want to record the cash received and apply the customer's payment to the appropriate invoices without committing to a disposition for the deduction. Later, you can resolve the issue related to the deduction as a separate task.

Researching an issue related to a deduction might consist of:

- Reviewing the invoice for billing errors, shipment errors, and so on
- Requesting information from the customer for further clarification
- Contacting internal departments, such as the sales or credit departments, for additional information about the customer's account

During your research, you can record the activities that are administered against a deduction. To do this, you use the Deductions Activity Entry form to document the result of each activity. This provides an audit trail that shows how you processed the deduction.

What Happens to the Open Amounts Associated with Deductions?

While you research the issue related to a deduction, the open amount associated with it is not available for receipt application. In fact, when a deduction is taken against a specific invoice, you close out that invoice and the system creates a new invoice (R5 document) as a placeholder record for the deduction amount. Deductions are included in the customer's open balance and left open until it is resolved.

What Actions Can You Take to Resolve Deductions?

After you research the issue relating to a deduction, you determine which action to take to resolve the deduction. Some examples of resolutions follow:

- Create a chargeback invoice for the customer for the deduction amount
- Write off the deduction amount
- Apply the deduction to a credit memo
- Treat the deduction as an unearned discount
- Reverse the deduction

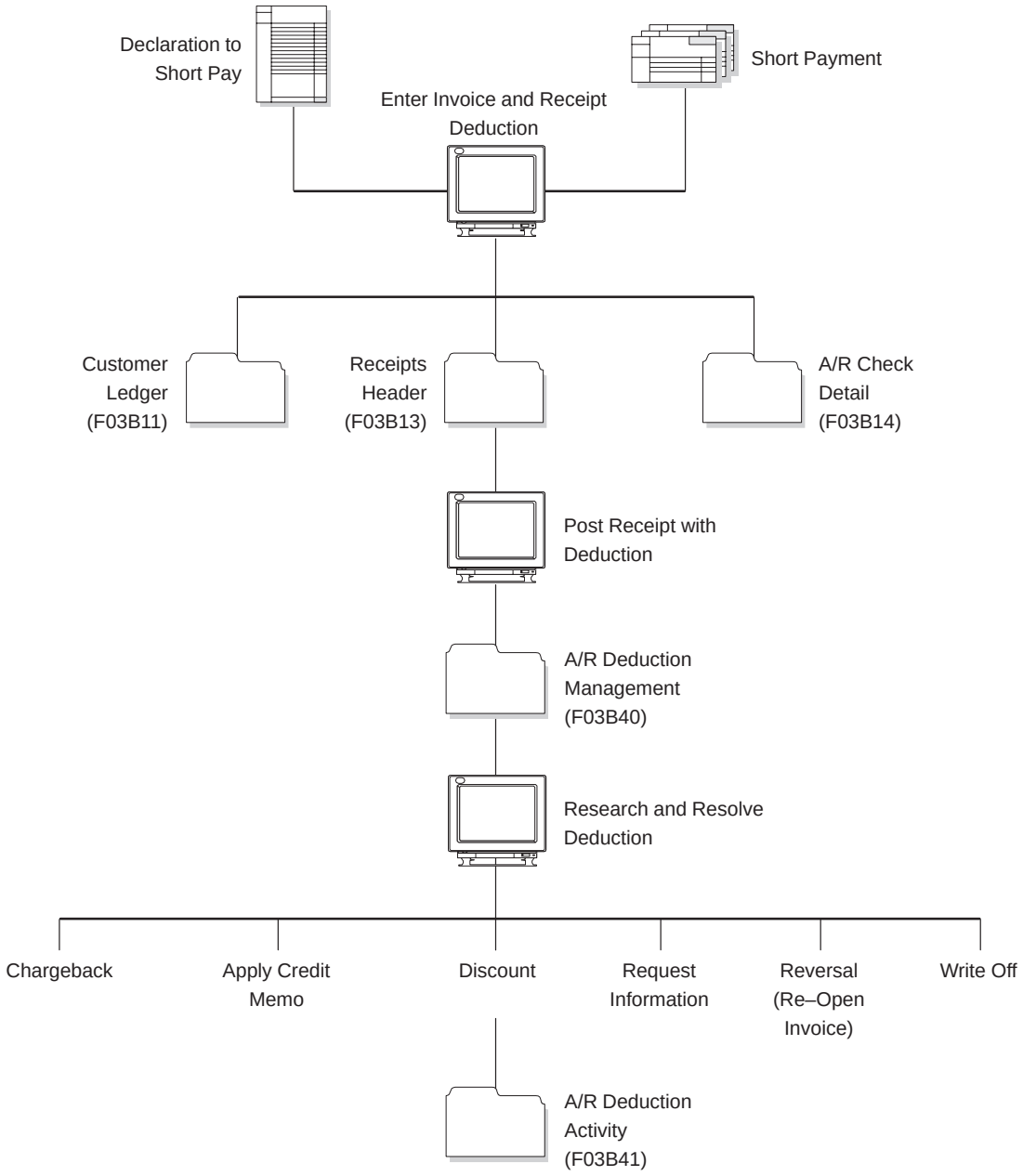
After you resolve the deduction, the system creates an audit trail of information that allows you to see how your deductions manager handles customers who regularly take deductions off their invoices.

Who Processes Deductions?

Depending on your internal procedures, you can designate who has the authority to process deductions. For example, your credit and collections department might require a deductions manager to resolve issues related to deductions. You specify this information in the customer master record.

The following graphic illustrates how the system processes deductions.

Deductions Processing



Setting Up Activity Codes for Deductions

Before researching and resolving a deduction, you can set up additional activity codes to indicate the type of activity for which the system uses to resolve the deduction.

The A/R system provides default activity codes. However, you might want to set up additional codes that meet the specific needs of your organization. For example, you can set up additional activity codes for write-offs to correspond with specific write-off reason codes.

You can use activity codes to:

- Provide an audit trail for research tasks
- Resolve the deduction

The codes you use to assign an action to the deduction (such as a chargeback, discount, or write-off) are written to the Receipts Application Detail (F03B14) table. Each action creates a record in the A/R Deduction Activity table (F03B41).

Note: You must post receipts before deduction records can be created.

Before You Begin

❑ Setup the deductions AAI (RN). See *Working with AAIs* for more information about setting up AAIs.

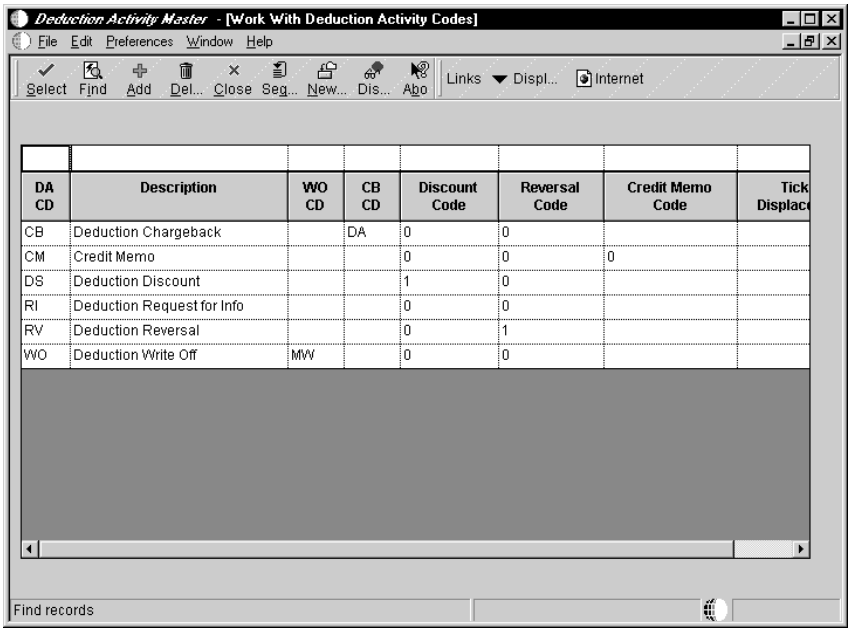
You do not need to set up an AAI for chargeback reason codes and write-off reason codes. These generate an invoice. If you wish to create an AAI to track specific chargebacks or write-offs based on the reason code, you need to complete the G/L Offset field on the Deductions Activity Form with the reason code when you assign the action to the deduction. You must set up an AAI for RCxxxx for chargebacks and RCxx for write-offs (where xxxx and xx correspond to the value of the G/L Offset field in the grid on the Deductions Activity Entry form).

Discount activities always use the accounting information associated with the AAI RKD for discounts taken.

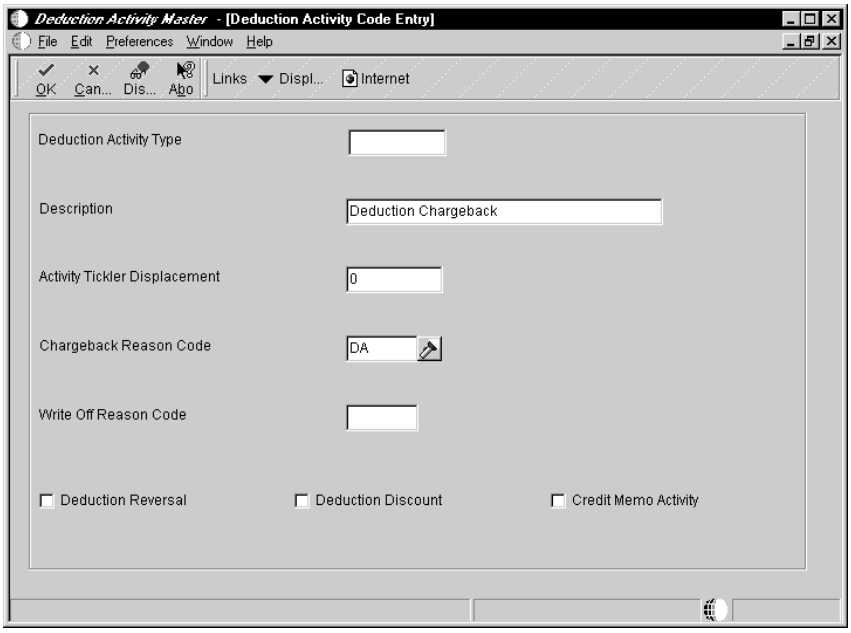
▶ To set up activity codes for deductions

From the Credit and Collections Setup menu (G03B411), choose Deduction Activity Master.

On Work With Deduction Activity Codes



1. Click Add.



2. On Deduction Activity Code Entry, complete any of the following fields:
   - Deduction Activity Type
   - Description
   - Activity Tickler Displacement
   - Chargeback Reason Code
   - Write Off Reason Code

3. Choose one of the following options:
   - Deduction Reversal
   - Deduction Discount
   - Credit Memo Activity
4. Click OK.

Field	Explanation
Deduction Activity Type	A code that classifies a group of activities.
Description	A user defined name or remark.
Activity Tickler Displacement	You can set the displacement in number of days for the tickler date. For example, if you want a system notification in 2 weeks, set the Tickler displacement to 14.
Chargeback Reason Code	A code that identifies the reason for a chargeback applied to the invoice during receipt entry. Typical reason codes are: DA Disputed amounts DD Disallowed discount amount
Write Off Reason Code	A code that identifies the reason for a write-off applied to the invoice during receipts entry. Typical reason codes are: BD Bad debt DC Damaged goods MW Minor amount write–off TF Tax or freight dispute You also define these codes in the Automatic Accounting Instructions so the system can make the adjusting entries in the general ledger.
Deduction Reversal	An option that instructs the system to reverse the deduction and to not create new entries. Using this option sets the invoice back to its original status.
Deduction Discount	An option that instructs the system to create an activity that will settle the deduction as a discount.
Credit Memo Activity	An option that indicates the deduction activity is a credit memo.

Working with Deductions

When you receive payment from customers, a customer might reduce the amount of their payment for reasons that might be unknown or related to a specific invoice. For example, a customer might take a deduction for damaged merchandise, billing errors, or discount problems. Therefore, you must be able to research and process deductions so that you can resolve the issue with the customer and accurately account for the deduction in the Accounts Receivable system.

Working with deductions consists of:

- ❑ Entering deductions associated with invoices
- ❑ Entering deductions associated with receipts
- ❑ Researching and resolving deductions
- ❑ Creating a credit memo activity
- ❑ Voiding activities and deductions

Whether you generate the deduction at the time of receipt entry, or from the Customer Ledger Inquiry form, the functionality of deduction processing remains the same.

Depending on the type of deduction, you use the following methods to enter and access information about deductions:

Customer Ledger Inquiry	Use the Work with Customer Ledger form to enter deductions for disputed items that are not associated with a short payment from a customer. These types of deductions are associated with an invoice.
Receipts Entry	Use the Standard Receipts Entry form to enter deductions that are associated with customer receipts, such as a short payment. You can also use this method to create a stand-alone deduction, in which the deduction is not associated with a specific invoice. See *Creating Stand-Alone Deductions* in Manual Receipts Processing for information about stand-alone deduction entries.

Before You Begin

- ❑ Assign the Deductions Manager in the customer master record. See *Creating Customer Records.*
- ❑ Ensure you have set up the Deductions AAI (RN). This is the offset account used for deductions.

Entering Deductions Associated with Invoices

If a customer notifies you before payment about a problem with an invoice, you can access the Customer Ledger Inquiry form to display the disputed item. Then, you can enter a deduction against the disputed item into the Deduction Management system. This enables your manager of the deduction to research and resolve the deduction at a later time.

When you enter a deduction associated with an invoice:

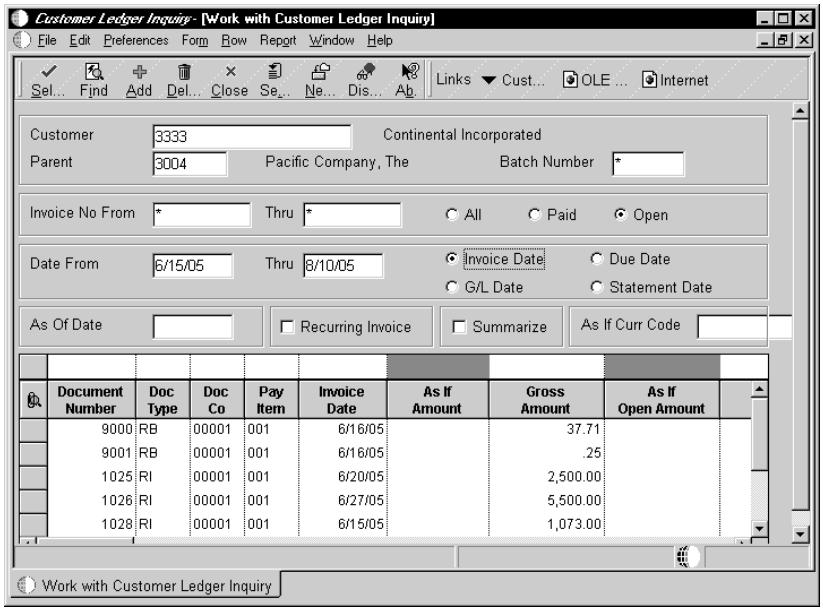
- The open amount of the invoice is reduced by the amount of the deduction, or the invoice is closed if the deduction equals the total amount. If the invoice is closed, the system assigns a pay status of P to it.
- The system creates a posted R5 document for the amount of the deduction and displays it on the Work with Customer Ledger Inquiry form. The R5 is a temporary placeholder that indicates that an open balance remains for the customer. It contains an audit trail to the original invoice.

- The system generates a zero-dollar deduction receipt in the Receipts Header table (F03B13). The system also creates a corresponding receipt detail record in the A/R Check Detail table (F03B14) with one detail line and the amount of the deduction (no payment amount). To update the A/R Deduction Management table (F03B40), you must post the unposted receipt records so that you can review and resolve the deductions at a later time.

▶ To enter a deduction associated with an invoice

From the Customer & Invoice Entry menu (G03B11), choose Customer Ledger Inquiry.

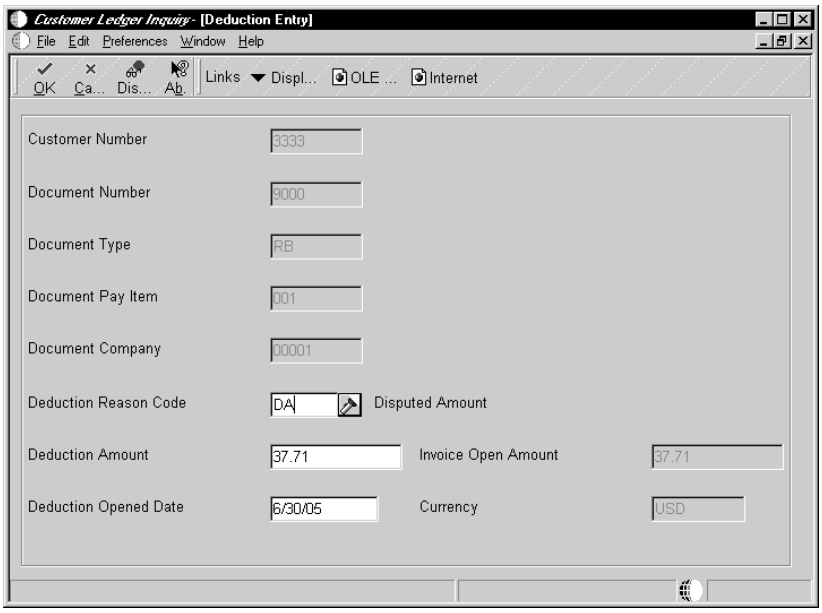
On Work With Customer Ledger Inquiry



1. Locate the appropriate invoice.
2. To display the open items for a customer, complete either of the following fields:
   - Customer Number
   - Parent Number
3. To display a specific invoice or a range of invoices, by invoice date, or open items only, complete the following fields:
   - Invoice No From
   - Thru
   - Date From

- Thru
- Open

4. Click Find.
5. Choose the appropriate invoice.
6. From the Row menu, choose Deduction Entry.



7. On Deduction Entry, complete the following fields, and click OK:
   - Deduction Reason Code
   - Deduction Amount
   - Deduction Opened Date

   After you enter the deduction, the system reduces the open amount of the invoice by the amount of the deduction, and generates an unposted receipt record in the F03B13 and F03B14 tables.

   You must post the receipt in order to generate records into the Deduction Management system for future processing. After you enter and post deductions associated with invoices, you can review the reason code assigned to the disputed invoice on the Work With Deductions form. To review the reason code, locate the disputed invoice on Work With Customer Ledger Inquiry and choose Work with Deduction from the Row menu.

Field	Explanation
Deduction Reason Code	A code that identifies the reason for a deduction that the system applies to the invoice during receipts entry. The deduction reason code is associated with the UDC table 03B/CR. Typical reason codes are: DG Damaged Goods SS Short Shipment UD Undefined Deduction
Deduction Amount	The amount of the deduction. This amount does not necessarily need to be associated with a given invoice.
Deduction Opened Date	This is the date in which a deduction has been opened for tracking.

Entering Deductions Associated with Receipts

When a customer reduces the amount of their payment, you can enter the amount by which the customer's payment is reduced as a deduction. Many times, a customer does not include a reason for the reduction amount. In this case, you can apply the receipt accordingly and create a deduction in the Accounts Receivable system for the amount that the customer did not pay.

When you enter a deduction associated with a receipt, the system does the following:

- Applies the amount of the receipt and the deduction to the associated invoice, or the invoice is closed if the deduction equals the total amount. If the invoice is closed, the system assigns a pay status of P to it. This reduces the original invoice's open balance.
- Creates a posted R5 document in the A/R Ledger Inquiry table (F03B11) for the amount of the deduction. This document contains an audit trail to the original invoice.
- Creates a posted R5 document for the amount of the deduction and displays it on the Work with Customer Ledger Inquiry form. The R5 is a temporary placeholder that indicates that an open balance remains for the customer. It contains an audit trail to the original invoice.
- The system generates a zero-dollar deduction receipt in the Receipts Header table (F03B13). The system also creates a corresponding receipt detail record in the A/R Check Detail table (F03B14) with one detail line and the amount of the deduction (no payment amount). To update the A/R Deduction Management table (F03B40), you must post the unposted receipt records so that you can review and resolve the deductions at a later time.

▶ To enter deductions associated with receipts

From Manual Receipts Processing (G03B12), choose Standard Receipts Entry.

On Customer Receipts Inquiry

1. Click Add to access Receipts Entry.
2. On Receipts Entry, follow the steps to enter receipts with deductions.

See Also

- *Entering Receipts with Deductions*

Researching and Resolving Deductions

After entering a deduction, you must research the reason for the deduction and resolve it accordingly. For example, the deduction manager might contact the customer to determine whether the reason for the deduction is valid or if additional information is needed before assigning a disposition to it.

If a deduction requires further research or action, you can enter a tickler date. When you do so, the system automatically sends a reminder to the Deduction Manager to follow up on the deduction at a later time.

You can change the details related to the activities of an unposted deduction. When you make a change, the system logs it on Deductions Activity Entry.

After researching a deduction, you must determine which action to take to resolve the problem. To do so, you might use one of the following resolutions:

- Write off the deduction. The system closes the open amount of the R5 invoice deduction record and generates (in a new batch) an unposted receipt record in the F03B14 table. When you post, the system updates the balance of the write-off account specified by the RAxx AAI (where xx equals the reason code). The system posts the offset to the account specified by the RN AAI.
- Create a chargeback. The system closes the open amount of the R5 invoice deduction record and generates a new RB invoice document. The system generates an unposted F03B14 receipt record in a new batch. When you post the chargeback the system updates the appropriate A/R trade account specified by the RCxxxx AAI (where xxxx equals the value of the G/L offset code) and the deduction trade account associated with the RN AAI.
- Create an unearned discount. The system closes the open amount of the R5 invoice deduction record and generates an unposted F03B14 receipt record in a new batch. When you post the receipt, the system updates the

account balance associated with the RKD AAI for the discount amount, and the RN AAI for the deduction offset.

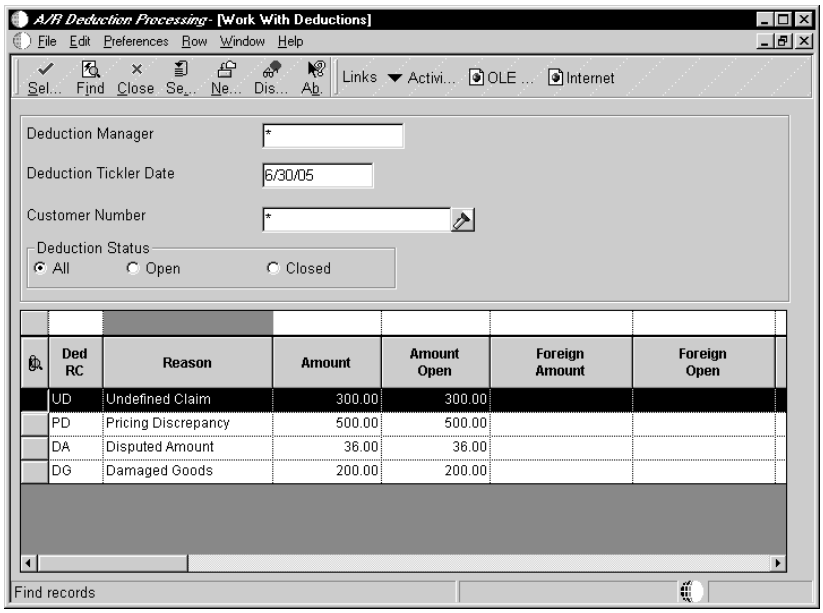
- Apply the deduction to a credit memo. If a credit memo exists for the customer, you can apply the deduction to one or more credit memos and reduce the amount of the credit memo by the total or partial amount of the deduction. The system generates F03B14 records, one for the amount of the deduction and one for the amount of the credit memo. When you post these records the system creates the proper accounting offset entries to the A/R trade and deduction offset accounts. See *Creating a Credit Memo Activity*.
- Request additional information. With this resolution method, you do not specify an amount when assigning the resolution activity code. The associated invoice remains closed and the system leaves the amount of the deduction open in the Deduction Management system so that you can resolve it after you receive the requested information.
- Reverse the deduction. You can create an activity to reverse the deduction and re-open the invoice for the amount of the activity. This amount can be the entire amount of the deduction or a partial amount. If the reversal is entered in error, void the activity. You cannot reverse a stand-alone deduction because there is no invoice associated with it.

Whether you write off the deduction, treat it as an unearned discount, or create a chargeback, the system closes the deduction record (R5) and assigns a Pay Status of P (paid). For audit trail purposes, the R5 records remain in the customer's ledger information.

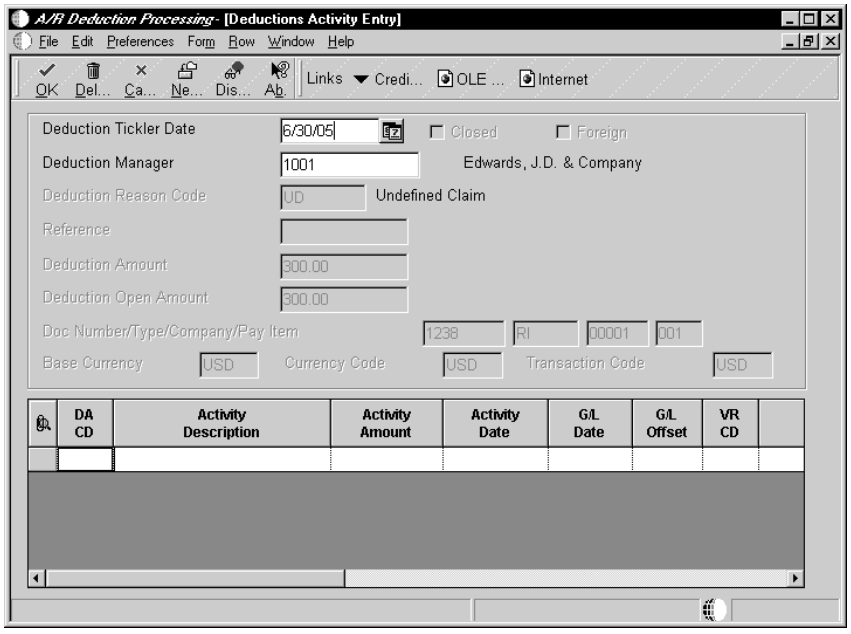
To research and resolve deductions

From the Manual Receipts Processing menu (G03B12), choose A/R Deduction Processing

On Work With Deductions



1. Click Find to display all deductions or complete the following fields to limit the information that the system displays:
   - Deduction Manager
   - Deduction Tickler Date
   - Customer Number
2. Choose the deduction that you want to research and resolve and click Select.



3. On Deductions Activity Entry, complete the following optional fields:

   - Deduction Tickler Date

     If you leave this field blank, the system uses the G/L date of the deduction as the default value.

   - Deduction Manager

4. To override default information for the deduction, complete any of the following fields in the detail area:

   - DA CD (Deduction Activity Code)
   - Activity Amount
   - Activity Date
   - G/L Date
   - G/L Offset

   When resolving a deduction, you can assign multiple resolution activities. For example, you might decide to create a chargeback for part of the deduction and then write off the remaining amount. To do this, you enter the deduction reason and amount for each portion of the deduction in the detail area of Deductions Activity Entry.

5. Click OK.

Field	Explanation
Activity Amount	The amount associated with the deduction activity. Depending on the activity code, this amount can be a discount, write-off, or chargeback.
Activity Date	The date associated with a deduction activity.

See Also

- *Entering Receipts with Deductions*

Creating a Credit Memo Activity

If a credit memo exists for the customer, you can apply the deduction to the credit memo and reduce the amount of the credit memo by the total or partial amount of the deduction. The system generates F03B14 records, one for the amount of the deduction and one for the amount of the credit memo. When you post these records the system creates the proper accounting offset entries to the A/R trade and deduction offset accounts.

▶ To create a credit memo activity

From the Manual Receipts Processing (G03B12) menu, choose A/R Deduction Processing.

On Work With Deductions

1. Click Find to display all deductions, or complete the following fields to limit the information displayed on the form:
   - Deduction Manager
   - Deduction Tickler Date
   - Customer Number
   - All
   - Open
   - Closed
2. Choose a deduction and click Select.
3. On Deductions Activity Entry, choose Credit Memos from the Form menu.
4. On Select Credit Memos, complete the following field and click Find:
   - Credit Memo Activity Code
5. Select the credit memos in the detail area. A check mark appears next to the credit memos you select.

6. Click Close.

   The credit memos you selected appear on the Deductions Activity Entry form.

7. On Deductions Activity Entry, complete the following fields as necessary:
   - DA CD (Deduction Activity Code)
   - Activity Date
   - G/L Date
   - Activity Amount
   - G/L Offset

Field	Explanation
Credit Memo Activity Code	The reason code used to indicate what type of A/R Deduction Activity (F03B41) record that was entered, such as a chargeback, a write-off, or a discount. This activity record is logged against a deduction and can be user defined.
DA CD	The reason code used to indicate what type of A/R Deduction Activity (F03B41) record was entered, such as a chargeback, a write-off, or a discount. This activity record is logged against a deduction and can be user defined.
G/L Date	A date that identifies the financial period to which the transaction will be posted. The company constants table for general accounting specifies the date range for each financial period. You can have up to 14 periods. Generally, period 14 is used for audit adjustments.

Field	Explanation
G/L Offset	The table of Automatic Accounting Instruction accounts that allows you to predefine classes of automatic offset accounts for Accounts Payable, Accounts Receivable, and other systems. G/L offsets might be assigned as follows: • Blank or 1210– Trade Accounts Receivable • RETN or 1220 – Retainages Receivable • EMP or 1230 – Employee Accounts Receivable • JIB or 1240 – JIB Receivable (See A/R Class Code – ARC) • Blank or 4110 – Trade Accounts Payable • RETN or 4120 – Retainage Payable • OTHR or 4230 – Other Accounts Payable (See A/P Class code – APC) If you leave this field blank during data entry, the system uses the default value from the Customer Master by Line of Business table (F03012) or the Supplier Master table (F0401). The post program uses the G/L Offset class to create automatic offset entries. NOTE: Do not use code 9999. It is reserved for the post program and indicates that offsets should not be created.

Voiding Activities and Deductions

You void deductions if you generate one in error or if you assign an activity to the deduction in error. In either case, the system creates unapplied cash for the line item of the receipt when you use the void function.

For example, you receive a check for 650.00 to pay the following two invoices:

- Invoice 123 for 400.00
- Invoice 124 for 300.00

The system pays invoice 123 in full and pays 124 in full, creating an R5 deduction record for an open amount of 50.00.

If you void the 50.00 deduction, the system reduces the open amount of the R5 document to zero and creates an unapplied receipt (RU) document for 250.00. The system re-opens invoice 124 for 300.00. Invoice 123, to which 400.00 was applied, remains paid and closed. You then must apply the RU document against the invoice and decide how to account for the shortage.

The same result occurs if you assigned an activity to the deduction before you voided the deduction. For example, if you assigned a write-off activity to the 50.00 deduction, and you voided the activity, the system re-opens invoice 123 for 300.00 and creates unapplied cash for 250.00. You then must apply the RU document against the invoice and decide how to account for the shortage.

If you assigned a reversal activity to reverse the deduction, the system re-opens the invoice for the amount of the deduction (50.00 using the example above) and does not create the record for unapplied cash (RU).

Voiding activities and deductions consists of the following tasks:

- Voiding an activity
- Voiding a deduction

▶ To void an activity

From the Manual Receipts Processing (G03B12) menu, choose A/R Deduction Processing.

On Work With Deductions

1. Click Find to display all deductions, or complete the following fields to limit the information displayed on the form:
   - Deduction Manager
   - Deduction Tickler Date
2. Choose the deduction that you want to void and click Select.

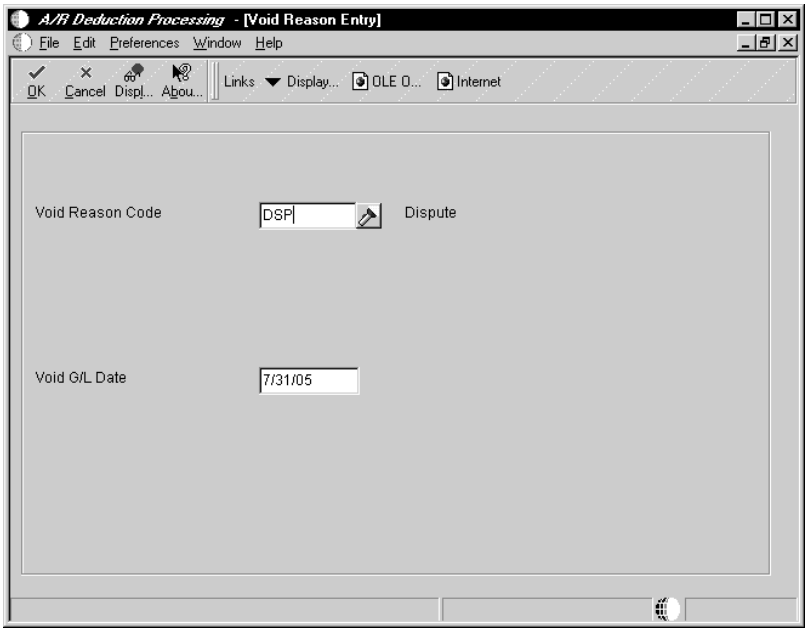
   If only one activity is displayed, you can choose Void from the Row menu.
3. On Deduction Activity Entry, choose the activity that you want to void and click Delete.
4. Click OK.

▶ To void a deduction

From the Manual Receipts Processing (G03B12) menu, choose A/R Deduction Processing.

On Work With Deductions

1. Click Find to display all deductions, or complete the following fields to limit the information displayed on the form:
   - Deduction Manager
   - Deduction Tickler Date
2. Choose the deduction that you want to void.
3. From the Row menu, choose Void.



4. On Void Reason Entry, complete the following fields, and click OK:
   - Void Reason Code
   - Void G/L Date

Field	Explanation
Void Reason Code	A code which represents an explanation as to why an invoice or receipt was voided.
Void G/L Date	A date that identifies the financial period in which the voided transaction is posted. The company constants for General Accounting specifies the date range for each financial period. You can have up to 14 periods. Generally, period 14 is for audit adjustments.

Credit and Collections Management

Managing credit and collections information effectively is fundamental to an Accounting department. The Accounts Receivable system offers a variety of credit and collection features to help you collect revenue and manage your customer accounts, and to keep track of your customers' payment habits.

These features include automatic notification when a customer's invoices are past due or credit limits are exceeded. You can set up delinquency notices with different text, depending on the aging associated with the invoice. You can set up policies that you can modify to fit your customer base and delinquency fees that escalate proportionately to the amount of time that invoices are past due.

Credit and collections management consists of:

- ❑ Setting up credit and collections information
- ❑ Setting the processing options for credit analysis refresh
- ❑ Working with delinquency notices and fees
- ❑ Updating accounts using Credit Analysis Refresh
- ❑ Managing accounts for credit and collection activity
- ❑ Creating credit reporting tapes
- ❑ Updating A/R information for customer analysis

The following list describes the various ways to effectively manage credit and collections information for your customers:

Credit information

When managing credit information, you can access a variety of customer information from a centralized online location. For example, you can:

- Review a summary of an account's credit status and identify whether it's over its credit limit
- Change and update credit limits and credit review dates
- Create a future tickler message or reminder
- Enter or review notes or memos about a customer
- Create daily lists of customers who require credit attention
- Review a complete history of open and closed items by a specific credit manager, sales location, or account representative
- Access and review current aging information for a customer

Collections information

When managing collections information, you can:

- Analyze your customer accounts and implement collection decisions quickly by accessing various A/R information
- Monitor and work your customer accounts that are past due or have tickler messages scheduled for review
- Display customized lists of customers so that you can review and document collection issues and commitments
- Generate delinquency notices for past-due accounts
- Assess delinquency fees on overdue invoices
- Review and approve delinquency notices and delinquency fees
- Review periodic and statistical information for a customer
- Review and analyze a customer's payment trends and transaction history
- Review an activity log for a customer to determine how much effort is spent on collection efforts
- Generate a collection report for outside agencies

Setting Up Credit and Collections Information

Before you can manage the activity of a customer's account for credit and collection purposes, you must set up various types of information, such as letters and text for delinquency notices, Address Book records for managers, and policies for customers.

Complete the following tasks:

- ❑ Set up letter text for delinquency notices and statements
- ❑ Set up credit and collection managers
- ❑ Set up policies
- ❑ Assign credit and collections information

Before You Begin

- ❑ Specify how the Accounts Receivable system ages your customer's invoice information using Accounts Receivable constants. For example, you define the following information that the system uses to determine whether an account is delinquent, and if it is, the number of days it is delinquent:

  - The aging method
  - The date that the aging is based on
  - The beginning and ending aging categories

  See *Setting Up A/R Constants* for information about setting up A/R aging information.

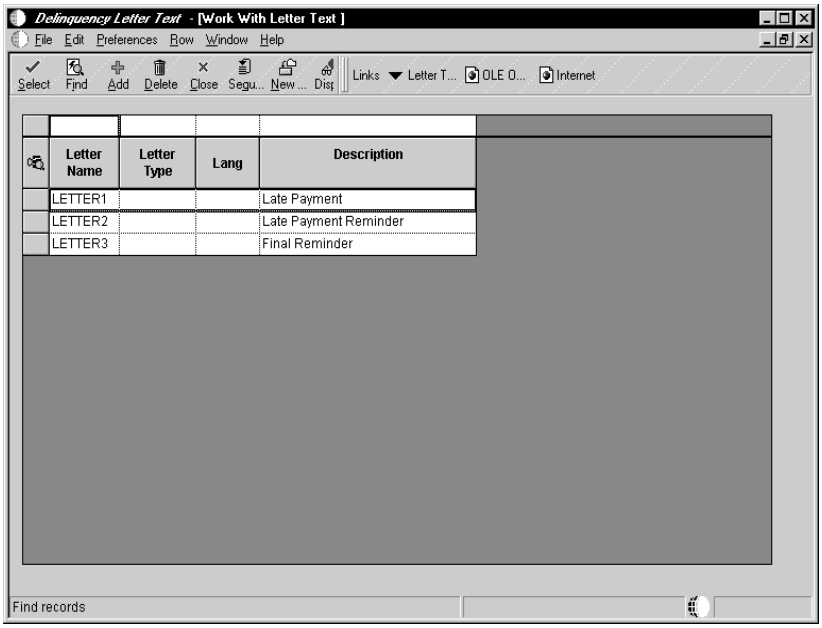
Setting Up Letter Text for Delinquency Notices and Statements

You can create different levels of letters for delinquency notices that vary in severity. For example, when the system is flagged to generate a delinquency notice, it prints the information you specify in the language you designate. You also use this program to specify text to print on statements.

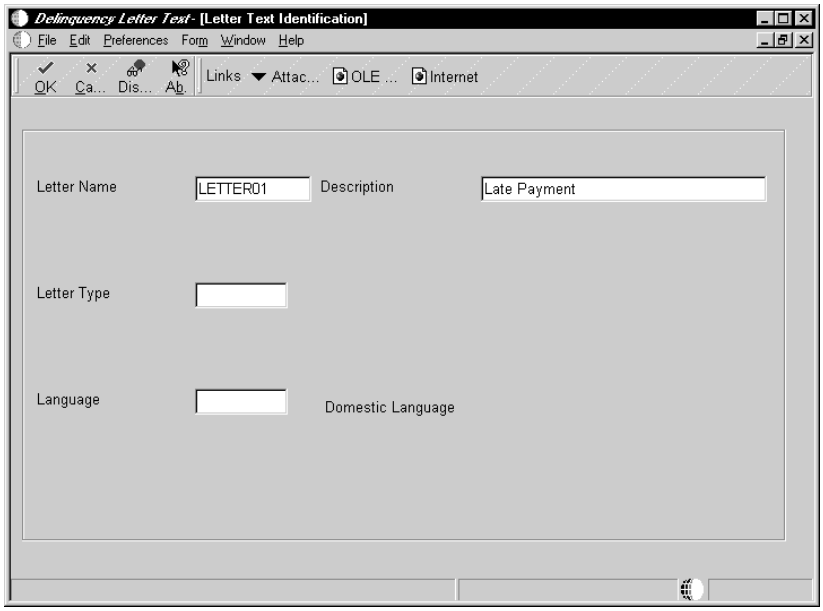
▶ To set up letter text for delinquency notices and statements

From the Credit & Collections Setup menu (G03B411), choose Delinquency Letter Text.

On Work With Letter Text



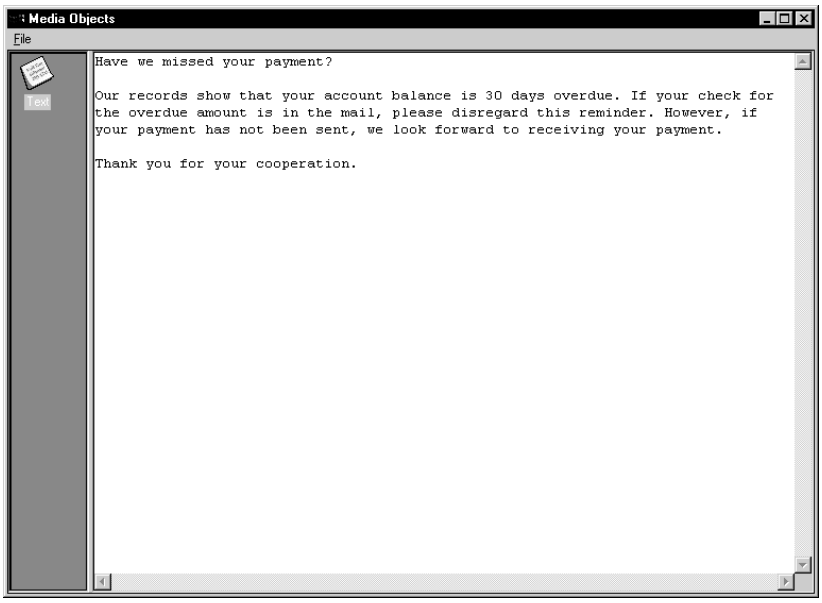
1. Click Add to access Letter Text Identification.



2. On Letter Text Identification, complete the following fields:
   - Letter Name

     The letter names you create are case sensitive.

   - Description
   - Letter Type
   - Language
3. To specify the text, click Attachments from the Form menu.
4. On Media Objects, choose Add Text from the File menu and type the necessary message.



Do not use tabs to format the text. You should use spaces to format the text as you want it to appear on the delinquency notice.

5. To exit, choose Save and Exit from the File menu.

Field	Explanation
Letter Name	This is the name of the letter class, such as Letter1. This represents a group of letters that are associated by language. The letters with this name are the same level of severity or grouping.
Letter Type	A field used to organize letters by type, such as for delinquency notices or statements, and for whom they are used, such as a particular customer base. You can also use the Letter Type to distinguish the severity of content used in the text of the letter. For example, if you use three types of letters, type 3 may be the most severe.
Language	A user defined code (system 01/type LP) that specifies a language to use in forms and printed reports. Before any translations can become effective, a language code must exist at either the system level or in your user preferences.

Setting Up Credit and Collection Managers

To ensure that the workflow messages that the system generates are distributed correctly, set up credit and collection managers in the Address Book and add their Address Book numbers to the user defined codes (UDC) tables. You must ensure that the number, name, or description of the manager is set up in the following user defined code lists:

- 01/CR (credit manager)
- 01/CM (collection manager)

Setting up credit and collection managers consists of:

- Adding managers to the Address Book
- Adding managers to the UDC tables

▶ To add managers to the Address Book

You must add a new Address Book record for your manager so that the Workflow Management system can deliver messages. You can designate this record to be your credit manager or your collection manager, or both. You do not need to create separate Address Book records if one manager performs both duties. However, the address book number or numbers for the managers must be established in both user defined code tables.

See Also

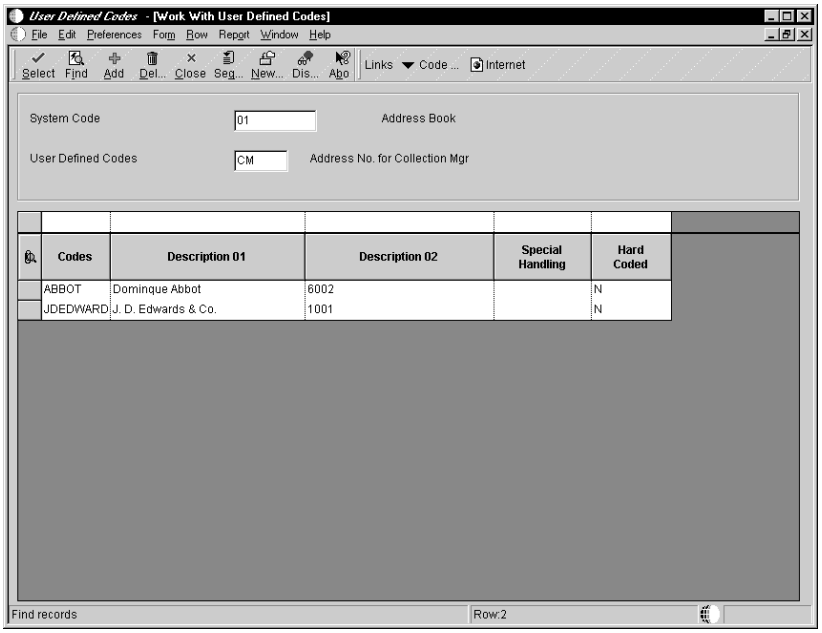
- *Working with Address Book Records* for detailed information about adding Address Book records.

▶ To add managers to the UDC tables

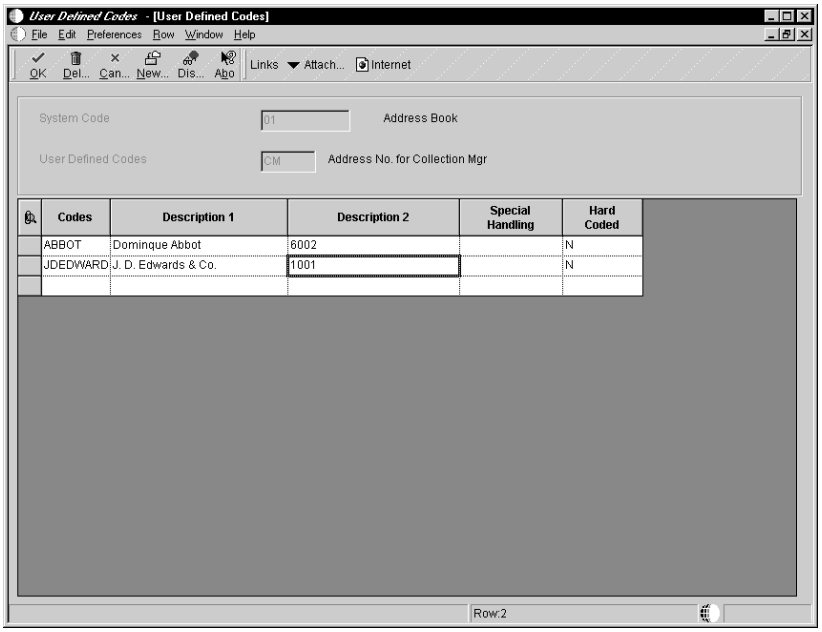
Enter UDC on the fast path command line to access the Work With User Defined Codes form.

Completing this task is necessary for the system to be able to send workflow messages to the appropriate person.

On Work With User Defined Codes



1. Access the appropriate user defined codes list (01/CR or 01/CM).
2. Click Select.



3. On User Defined Codes, complete the following fields:
   - Codes

     You can enter a 10–digit, alphanumeric value to represent the manager.

- Description 1

  Typically, Description 1 is the name of the manager.

- Description 2

  Use Description 2 for the managers Address Book number.

See Also

- *Working with User Defined Codes*

Setting Up Policies

To prompt your customers to pay their overdue account balances, you must set up rules that the system uses to automatically process delinquent accounts. You can define multiple sets of rules that apply to different classes of customers, or rules that are specific to a customer. Each set of rules that you set up is a policy.

A policy is a common set of rules that the system applies equally to a class of customers. For this class of customers, you can control the rules at multiple levels. To limit the amount of setup that is required by the system to process delinquent customers, you can set up policies based on the common methods in which your customers should be treated.

Within each policy, you can specify when the system applies fees to delinquent invoices and how it generates notifications based on various levels of delinquency.

When setting up policies, you:

- Define a policy
- Set up fee instructions
- Set up notification rules

When you set up policies, you should define the most general (default) rules first, then define specific instructions for the exceptions. For example, you can define the following types of policies:

Standard policy	This is the default policy that you can apply equally to most customers.

Standard policy with exception	This is the standard policy with instructions to override specific default information. For example, you can set up this policy to specify a different aging category or threshold percentage. Use this policy for high risk customers or new customers.
Standard policy for a specific company or line of business	You might want to treat customers differently by company or line of business. This is the standard policy with instructions to override default information for a specific company.
High risk policy	This is a policy that you can set up for customers who must be treated in a specific manner, but is not specific to a company. This type of policy enables you to manage the situations that require special handling, such as high-risk customers.
Premier policy	This is the policy you use for customers that do not require fees or notices. The system does not generate fees and notices for customers set up with this policy

Setup Considerations

After you associate a policy with a customer, either manually or by allowing the system to automatically enter the default policy established for company 00000, the association remains in affect until you assign a different policy to the customer. You must set up a blank policy for company 00000 for the system to use as the default policy.

If you assign a policy to a customer at the company level after using the default policy, the company's customers are not switched automatically to the new policy. You must do this manually by changing the policy name in the Customer Master. You cannot change a blank default policy with another blank policy established at the company level. Changing the policy name ensures that automated correspondence and fees do not change for existing customers.

The system stores information about policies in the following tables:

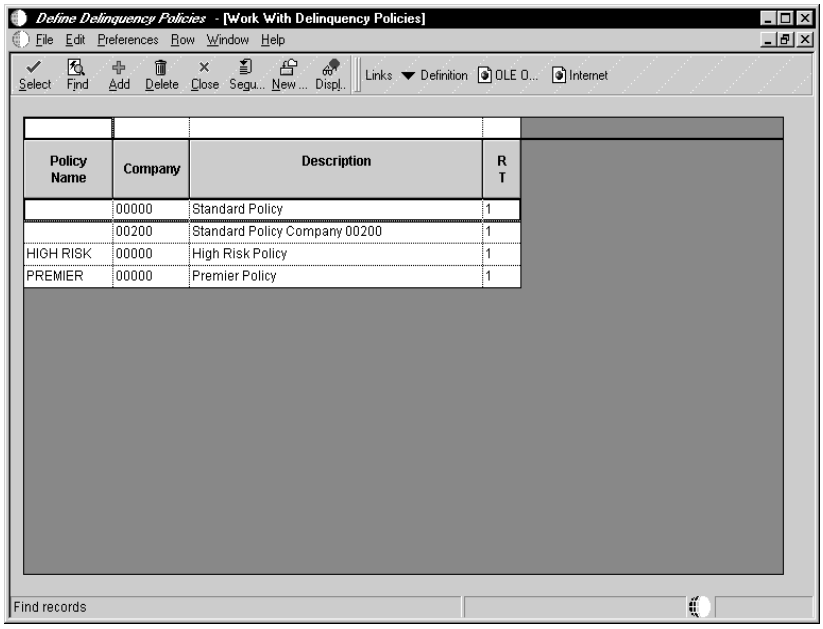
- A/R Delinquency Policy Master (F03B25)
- A/R Delinquency Policy Notifications (F03B26)
- A/R Delinquency Policy Detail – Fees (F03B27)
- Letter Text Information (F03B28)
- Generic Text Information (F0016D)

To define a policy

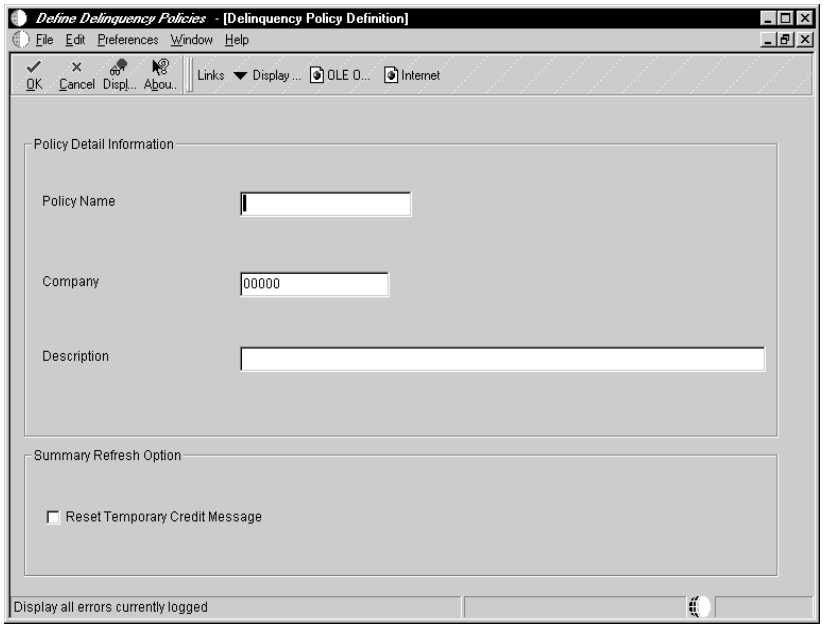
From the Credit & Collections Setup menu (G03B411), choose Define Delinquency Policies.

Before you specify how you want the system to assess delinquency fees and generate delinquency notices for overdue customer accounts, you must define a policy.

On Work With Delinquency Policies



1. Click Add to define new policy information.



2. On Delinquency Policy Definition, complete the following fields:
   - Policy Name
   - Company
   - Description
3. To automatically reset the temporary credit message for the customer when policy considerations are met, click the following option:
   - Reset Temporary Credit Message
4. To complete the next policy, click OK.
5. To return to Work With Delinquency Policies, click Cancel.

Field	Explanation
Policy Name	This field is used to group policies under a common name, such as “Standard.” For example, you might assign a policy to customers that do not pay their invoices on time. This instructs the system to treat the group of customers the same way during delinquency processing.

Field	Explanation
Company	A code that identifies a specific organization, fund, entity, and so on. The company code must already exist in the Company Constants table (F0010) and must identify a reporting entity that has a complete balance sheet. At this level, you can have intercompany transactions. NOTE: You can use Company 00000 for default values, such as dates and automatic accounting instructions (AAIs). You cannot use Company 00000 for transaction entries. . . . . . *Form-specific information* . . . . . . The company does not have to be associated with a line of business.
Description	A remark or explanation that describes the policy. The system displays the policy description on the Work With Policies form.
Reset Temporary Credit Message	A code that specifies whether the system resets the temporary credit message for a customer. If this option is turned on, and the customer meets the requirements of the assigned policy, the system resets the temporary credit message. This code is used when you run the A/R Credit/Cash Management build to create or update the Open A/R Summary Worktable (F03B15).

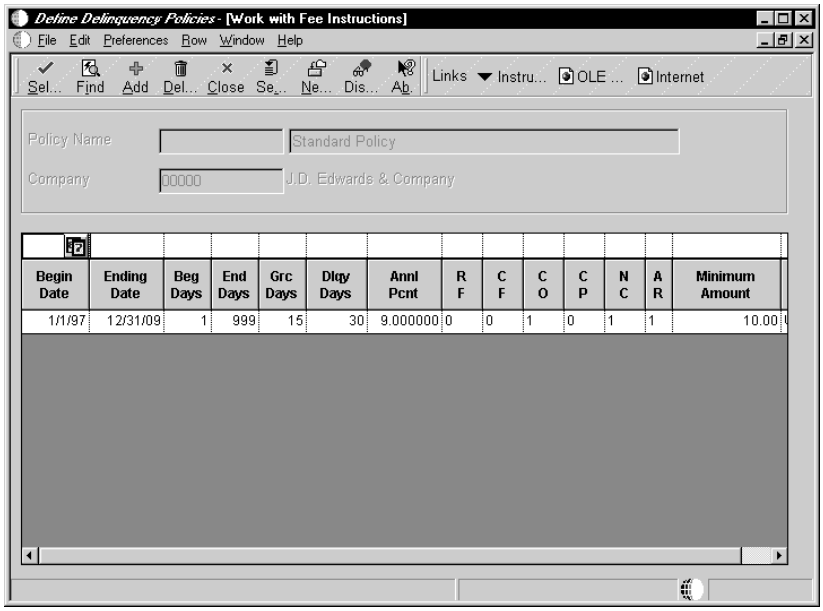
▶ To set up fee instructions

From the Credit & Collections Setup menu (G03B411), choose Define Delinquency Policies.

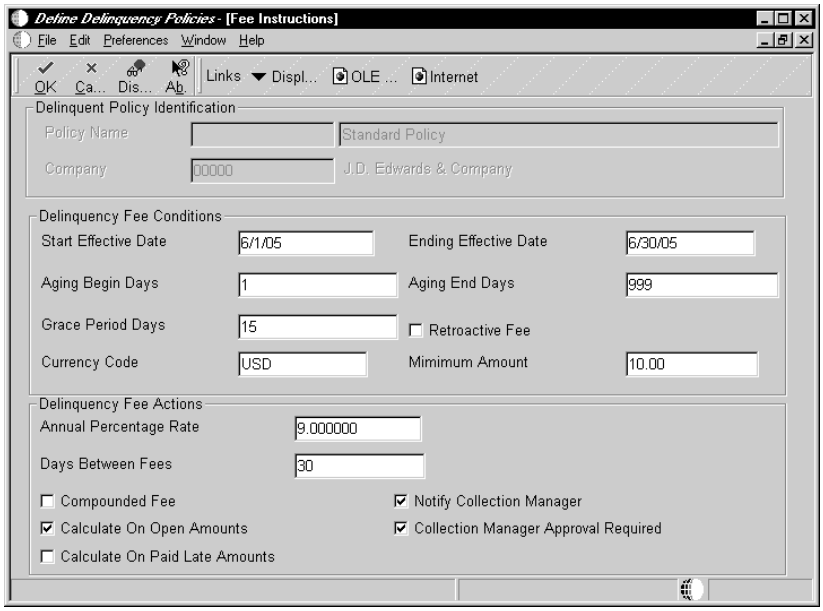
After you define a policy, you can set up fee instructions that the system uses to assess fees for delinquent invoices.

On Work With Delinquency Policies

1. Locate the policy for which you want to set up instructions.
2. From the Row menu, choose Fees.



3. On Work with Fee Instructions, click Add to define the fee instructions.



4. On Fee Instructions, complete any of the following fields to define the conditions of the delinquency fees:

   - Start Effective Date
   - Ending Effective Date
   - Aging Begin Days

You can cause fees to increase as an invoice becomes more delinquent by creating multiple fee instructions. Specify the appropriate begin days and end days to cause a specific instruction to create a fee for only the days you specify beyond the start of the fee period.

For example, you might set up the instructions to charge a 15% rate for days 1 through 30, and an 18% rate from days 31 through 60.

Additionally, you can schedule rate changes in advance. To do so, enter additional instructions with the appropriate effective dates.

- Aging End Days
- Grace Period Days
- Mimimum Amount
- Currency Code

5. To calculate fees based on the due date of an invoice, click the following option:
   - Retroactive Fee

     The invoice must exceed the grace period to activate the retroactive fee.
6. To define how the fee is calculated, complete the following fields:
   - Annual Percentage Rate
   - Days Between Fees
7. To define various actions that the system takes when assessing delinquency fees, click any of the following options:
   - Compounded Fee
   - Calculate On Open Amounts
   - Calculate On Paid Late Amounts
   - Notify Collection Manager
   - Collection Manager Approval Required
8. To complete the fee instructions, click OK.
9. To return to Work With Fee Instructions, click Cancel.

Field	Explanation
Start Effective Date	The date on which delinquency processing becomes active. The system does not process delinquent transaction unless they fall within this date and the Ending Effecting Date.

Field	Explanation
Aging Begin Days	This specifies when the system begins calculating fees for the delinquent account. Depending on the rules of the policy, the system calculates the late fee when the account is delinquent for more than the number of days specified in this field, but when it does not exceed the number specified as the Aging End Days.
Aging End Days	This specifies when the system no longer calculates fees for a delinquent account. Depending on the rules of the policy, the system calculates the late fee when the account is delinquent for less than the number of days specified in this field, but when it exceeds the number specified as the Aging Beginning Days.
Grace Period Days	This specifies when the system begins calculating late fees for an overdue invoice. If this number is greater than the difference between the due date and the delinquency processing date, the system does not calculate finance charges on the invoice.
Mimimum Amount	This is the minimum amount that the system uses to generate delinquency fees. If the fee for the invoice pay item is calculated to be less than the amount specified in this field, the system does not generate the fee.
Currency Code	A code that indicates the currency of a customer's or a supplier's transactions. . . . . . *Form-specific information* . . . . . . The currency used applies only to the minimum amount of unpaid open amounts.
Retroactive Fee	This option specifies whether the system calculates delinquency fees based on the due date or when the grace period days expires past the due date. To calculate the fee based on the due date, this option must be set. The invoice must exceed the grace period to activate the retroactive fee.
Annual Percentage Rate	This is the annual percentage rate that the system uses to calculate delinquency fees on the open amount of an overdue invoice. For example, if the annual percentage rate is 12%, the amount of the delinquency fee that the system calculates on the open amount is 1% per month. The system stores the percentage as a whole number, such as 12.0 percent.
Days Between Fees	A number that the system uses to determine how often delinquency fees are calculated on overdue invoices. If you specify 30 days, for example, and an invoice is due on the first of the month and delinquency processing occurs on the 20th, the system generates a fee. However, the system will not generate a fee again until another 30 days has elapsed, so you might want to set this value at 25 days to ensure the system calculates the fees once a month.

Field	Explanation
Compounded Fee	This option determines whether the system includes any previous unpaid delinquency fees when calculating current fees. If you set this option, the system includes unpaid fees in the calculation.
Calculate On Open Amounts	This option determines whether the system calculates delinquency fees on past-due amounts that remain open. This enables you to assess fees on a regular basis for items that remain outstanding without depending on the receipt of payment. You can use this option by itself if you are content in receiving payment, even though it's late, and not bother with calculating additional fees on resolved amounts. If this option is not set, the system does not calculate fees on open invoices assigned to this policy.
Calculate On Paid Late Amounts	This option determines whether the system calculates delinquency fees on invoices that are paid after their due date. If you activate this option, the system generates delinquency fees on invoices paid late.
Notify Collection Manager	This option specifies whether to notify the assigned collection manager when a delinquency notice is generated or a delinquency fee is generated for an overdue invoice.
Collection Manager Approval Required	This option specifies whether the delinquency fees that the system calculates on overdue invoices require approval from the assigned collection manager. If you set this option, the collection manager must approve fees in order for them to be generated.

▶ To set up notification rules

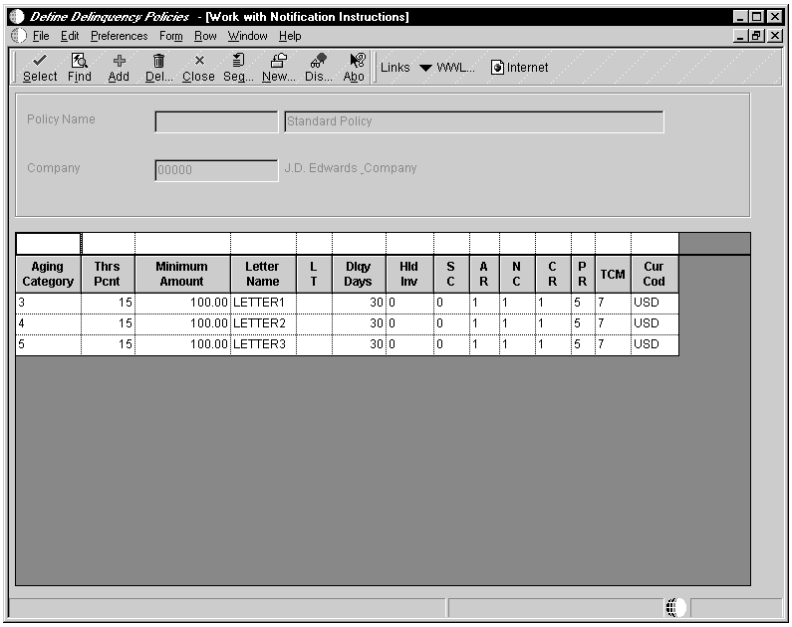
From the Credit & Collections Setup menu (G03B411), choose Define Delinquency Policies.

After you define a policy, you can set up notification rules that the system uses to generate delinquency notices for customers with overdue invoices. For example, you can control the level of severity of delinquency notices by aging category. You can also choose not to generate notices for customers who do not achieve at least the minimum amount of unpaid open amounts.

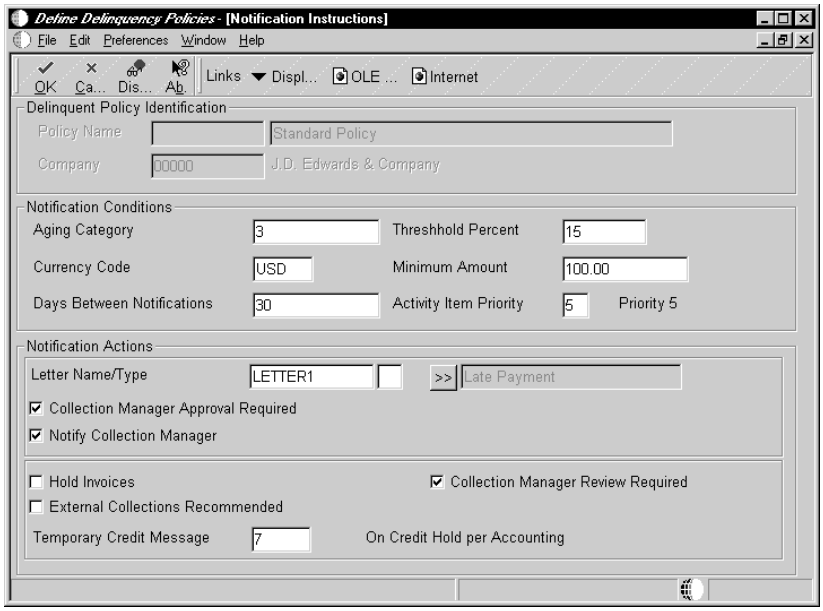
The system generates fees at the pay item level and notices at the customer level.

On Work With Delinquency Policies

1. Locate the policy for which you want to set up rules.
2. From the Row menu, choose Notification.



3. On Work with Notification Instructions, click Add to create the instructions.



4. On Notification Instructions, to define the conditions of the delinquency notices, complete the following field:
   - Aging Category
5. To define more conditions of the delinquency notices, complete any of the following fields:
   - Threshhold Percent
   - Currency Code

- Minimum Amount
- Days Between Notifications

6. To assign the text associated with the notice, complete the following field:
   - Letter Name/Type
7. To specify the actions that the system uses for collection purposes, click any of the following options:
   - Collection Manager Approval Required
   - Notify Collection Manager
   - Hold Invoices
   - Collection Manager Review Required
   - External Collections Recommended
8. Complete the following optional field:
   - Temporary Credit Message
9. To complete the notification instructions, click OK.
10. To return to Work With Notifications, click Cancel.

Field	Explanation
Aging Category	This is the aging category that applies to the policy.
Threshhold Percent	This is used in conjunction with the aging category to determine whether the terms of the policy are met. Unless the amount in the aging category exceeds the percentage of the total open amount for the customer, the system does not generate the delinquency notice.
Minimum Amount	This is the amount that the system uses as the basis for generating delinquency notices. If the total open amount is greater than the minimum policy amount, the system generates the delinquency notice for the customer. If the total amount is less than the minimum policy amount, the system does not generate a delinquency notice.
Letter Name/Type	A field that refers to a predefined letter in the Letter Text table (F03B28). This field is case sensitive, so you must enter the letter name as it was created in the table, such as Letter1. These letters can be associated by language and level of severity. Letter Type is used to organize letters by type, such as for delinquency notices or statements, and for whom they are used, such as a particular customer base. You can also use the Letter Type to distinguish the severity of content used in the text of the letter. For example, if you use three types of letters, type 3 may be the most severe.

Field	Explanation
Hold Invoices	A code in WorldSoftware, or an option in OneWorld software, that allows you to put all A/R invoices for a customer on hold. The following codes are valid for WorldSoftware: blank No, do not hold invoices. Y Yes, hold invoices. Do not allow entry of new A/R invoices. (You can still enter receipts and sales orders) For OneWorld software use the following: On Hold invoices. Off Do not hold invoices. This code is maintained in the Customer Master by Line of Business table (F03012).
Collection Manager Review Required	This field determines if an customer account requires a Collection Manager Review.
Notify Collection Manager	This option specifies whether to notify the assigned collection manager when a delinquency notice is generated or a delinquency fee is generated for an overdue invoice.
External Collections Recommended	This option determines whether an overdue invoice is turned over to an external collections agency.
Temporary Credit Message	A user defined code that identifies a temporary credit status. Generally, the code is assigned when an account becomes past due. If the rules of the policy broken, this code is updated in the Customer Master by Line of Business table (F03012) after you run the Credit Analysis Refresh (R03B525).

Assigning Credit and Collection Information

Before the system generates delinquency fees or notices for a customer who is late in paying their invoices, you must assign a policy to the customer in the customer master record. You can do this for an existing customer or when you enter credit and collections information for a new customer.

You can:

- Assign credit and collection information to customers
- Review customers associated with a policy

If you do not manually assign a policy to a customer, the system automatically assigns the default policy (standard) for company 00000.

Before You Begin

❑ If you process A/R transactions by company, set the OneWorld A/R by Line of Business option in the advanced A/R constants. See *Setting Up A/R Constants.*

See Also

- *Creating Customer Records*

▶ To assign credit and collections information to customers

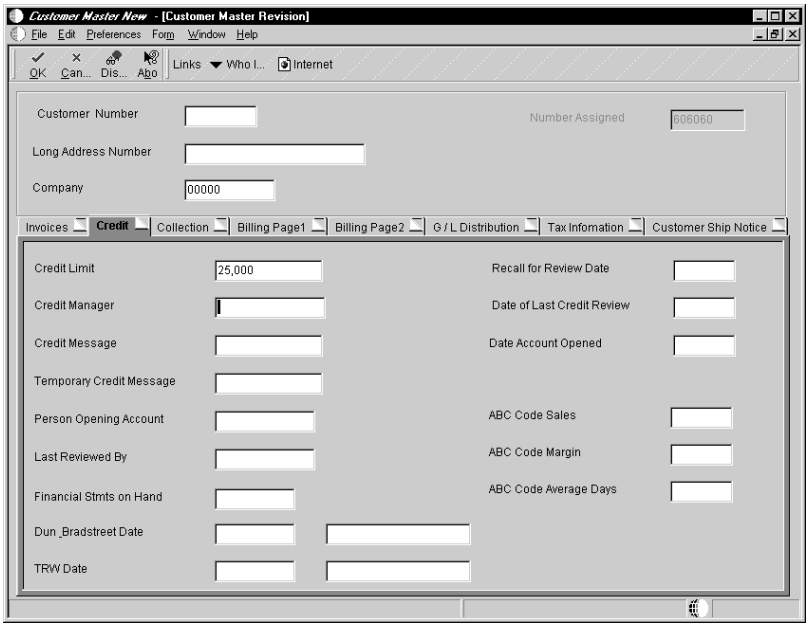
From the Customer and Invoice Entry menu (G03B11), choose Customer Master Information.

Before the system generates workflow messages and updates credit information, you must assign various types of credit and collection information to the customer. In the customer master record, you can designate:

- Customer's credit limit
- Credit and collection manager assigned to that customer account
- If notices will be generated
- If the customer can be placed on the collection report for external collections
- A credit and collections policy for the customer

On Work with Customer Master

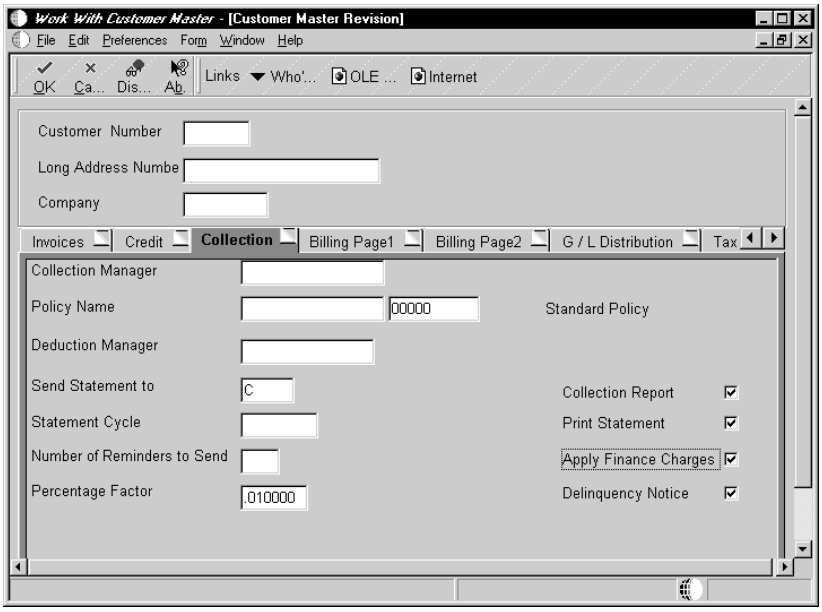
1. Locate the customer and click Select.
2. To enter credit information, click the Credit tab.



3. Follow the steps to enter credit information for the customer.

   See *Creating Customer Records* for more information.

4. To assign a policy to a customer, locate the existing customer on Work With Customer Master.
5. On Customer Master Revision, click the Collection tab.



6. Complete the following field:
   - Policy Name

7. Ensure that the following options that apply are activated and click OK:
   - Collection Report
   - Print Statement
   - Apply Finance Charges – Y/N
   - Delinquency Notice

   Note: the following fields are used in WorldSoftware only:

   - Number of Reminders to Send
   - Percentage Factor

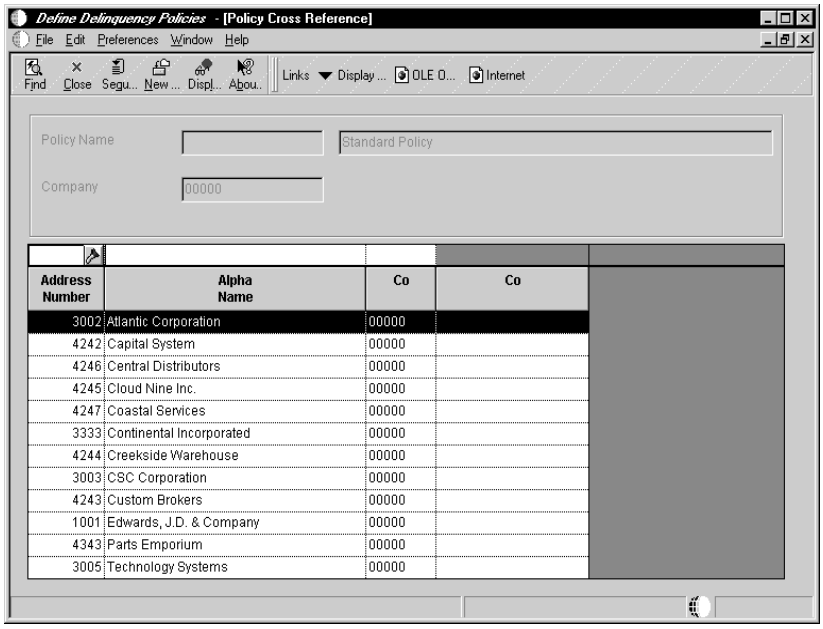
▶ To review customers associated with a policy

From the Credit & Collections Setup menu (G03B411), choose Define Delinquency Policies.

After setting up delinquency policies and assigning them to your customers, you can review which customers are associated with each policy. For example, you can use the Policy Cross Reference form to review which customers are associated with your Standard policy.

On Work With Delinquency Policies

1. Locate a policy.
2. From the Row menu, choose X-Ref to access Policy Cross Reference.



Setting the Processing Options for Credit Analysis Refresh

For the Accounts Receivable system to automatically process delinquency notices and create fees on overdue customer account balances, you must update delinquency information by running the A/R Credit/Cash Management Build (R03B525). You can use the processing options in conjunction with the associated policy to define the way the system processes notices and fees.

▶ To set the processing options for Credit Analysis Refresh

From the Automatic Delinquency Processing menu (G03B22), choose Generate Delinquency Fees.

1. On Work With Batch Versions, locate a version.
2. Choose Processing Options from the Row menu.
3. Set the processing options as required by your company.

Processing Options: Credit Analysis Refresh

Aging Tab

Use these processing options to specify how the Accounts Receivable system ages your customer's invoice information. For example, you define the following information that the system uses to determine whether an account is delinquent, and if it is, the number of days it is delinquent:

- The aging method
- The date that the aging is based on
- The beginning and ending aging categories

Depending on the As Of date, Date Type, and Aging Method you specify, the system determines which aging category to assign each open invoice. If the invoice is assigned to an aging category for which a delinquency policy has been established, the system generates a notice.

1. A/R Company Constants

If you enter a 1 the system retrieves the aging specifications from the A/R Company Constants (F0010). If you leave this field blank, the system uses the values that you specify in the Aging processing options (options 2 – 12). If the "as of" date in the company constants is blank, the system uses the "as of" date from the processing options.

2. Date: Age As Of

The "as of" date is a cutoff date used for aging Accounts Receivable invoices. The system compares the "as of" date to one of several dates associated with an invoice to determine which aging category the invoice open amount is to be applied.

If you leave this field blank, the system uses the current date as the default value to age open balances. Or, you can enter an "as of" date for the system to use for this purpose.

3. Date Type

The date type is a user defined code (H00/AG) that indicates the date you want the program to use for aging calculations. The valid values are:

Blank Use the Due Date.
1 Use the Invoice date.
2 Use the G/L Date.
3 Use the Statement Date.

4. Aging Method (1,2,3)

A user-defined code (H00/AH) that designates how the system calculates aging. If you calculate aging by aging days, you will need to indicate the number of days in each column. For example, column one could include invoices that are due in 1 – 30 days. Column two could include invoices that are due in 31 – 60, and so on.

If you calculate aging by fiscal period, you include invoices by periods as you define them. For example, you can define fiscal periods as extending from the sixteenth of the month to the fifteenth of the following month. Then, column one would include invoices for the first period, and column two would include invoices for the second period, and so on.

Note: Complete this processing option only if you enter a blank value in the A/R Company Constants processing option. Otherwise, these periods are determined by the Date Pattern chosen for each company as defined in Company Numbers and Names (G09411).

5. Aging Category 1

Use this processing option to specify the intervals the system uses as an aging category for the first aging column of the A/R aging reports.

For example, if you enter –30, the system calculates aging days from 30 days prior to the date determined by the Date: Age As Of processing option. If you enter 0, the system calculates aging days from the date determined by the Date: Age As Of processing option. If you enter 30, the system calculates aging days from 30 days after the date determined by the Date: Age As Of processing option.

6. Aging Category 2

Use this processing option to specify the intervals the system uses as an aging category for the second aging column of the A/R aging reports.

For example, if you enter –30, the system calculates aging days from 30 days prior to the date determined by the Date: Age As Of processing option. If you enter 0, the system calculates aging days from the date determined by the Date: Age As Of processing option. If you enter 30, the system calculates aging days from 30 days after the date determined by the Date: Age As Of processing option.

7. Aging Category 3

Use this processing option to specify the intervals the system uses as an aging category for the third aging column of the A/R aging reports.

For example, if you enter –30, the system calculates aging days from 30 days prior to the date determined by the Date: Age As Of processing option. If you enter 0, the system calculates aging days from the date determined by the Date: Age As Of processing option. If you enter 30, the system calculates aging days from 30 days after the date determined by the Date: Age As Of processing option.

8. Aging Category 4

Use this processing option to specify the intervals the system uses as an aging category for the fourth aging column of the A/R aging reports.

For example, if you enter 60, the system calculates aging days from 60 days after the date determined by the Date: Age As Of processing option. If you enter 90, the system calculates aging days from 90 days after the date determined by the Date: Age As Of processing option. If you enter 999, the system calculates aging days from 999 days after the date determined by the Date: Age As Of processing option. A long interval in this last processing option shows invoices that have been on hold for a long period of time.

9. Aging Category 5

Use this processing option to specify the intervals the system uses as an aging category for the fifth aging column of the A/R aging reports.

For example, if you enter 30, the system calculates aging days from 30 days after the date determined by the Date: Age As Of processing option. If you enter 60, the system calculates aging days from 60 days after the date determined by the Date: Age As Of processing option. If you enter 90, the system calculates aging days from ninety days after the date determined by the Date: Age As Of processing option.

10. Aging Category 6

Use this processing option to specify the intervals the system uses as an aging category for the sixth aging column of the A/R aging reports.

For example, if you enter 30, the system calculates aging days from 30 days after the date determined by the Date: Age As Of processing option. If you enter 60, the system calculates aging days from 60 days after the date determined by the Date: Age As Of processing option. If you enter 90, the system calculates aging days from ninety days after the date determined by the Date: Age As Of processing option.

11. Aging Category 7

Use this processing option to specify the intervals the system uses as an aging category for the seventh aging column of the A/R aging reports.

For example, if you enter 30, the system calculates aging days from 30 days after the date determined by the Date: Age As Of processing option. If you enter 60, the system calculates aging days from 60 days after the date determined by the Date: Age As Of processing option. If you enter 90, the system calculates aging days from ninety days after the date determined by the Date: Age As Of processing option.

12. Aging Category 8

Use this processing option to specify the intervals the system uses as an aging category for the eighth aging column of the A/R aging reports.

For example, if you enter 30, the system calculates aging days from 30 days after the date determined by the Date: Age As Of processing option. If you enter 60, the system calculates aging days from 60 days after the date determined by the Date: Age As Of processing option. If you enter 90, the system calculates aging days from ninety days after the date determined by the Date: Age As Of processing option.

13. Unapplied Receipts Aging

Use this processing option to specify the method for aging unapplied receipts. If you leave this blank, the system does not age unapplied receipts. Valid values are:

1 The system will use the aging method you specify in the Date Type processing option (Aging tab).
2 The system will age unapplied receipts to the Current aging column.
3 The system uses the balance forward method (input type 2) to age unapplied receipts. Using the balance forward method, the system applies the Unapplied Cash Receipt (RU) amount to the oldest open invoice or group of invoices in a customer's account. For example, if you have invoices in aging buckets 1 – 30, 60 – 90, and 150 – 180, the system applies the receipt to the 150 – 180 aging bucket until all receipts are applied.

14. Credit Amount Aging

Use this processing option to specify the method for aging credit amounts. If you leave this field blank, the system does not age credit amounts. Valid values are:

1 The system uses the aging method you specify in the Date Type processing option (Aging tab).
2 The system ages credit amounts to the current amount.
3 The system uses the balance forward method (input type 2) to age unapplied receipts. Using the balance forward method, the system applies the Credit Memo (RM) amount to the oldest open invoice or group of invoices in a customer's account. For example, if you have invoices in aging buckets 1 - 30, 60 - 90, and 150 - 180, the system applies the credit to the 150 - 180 aging bucket until all credits are applied.

Workfile Tab

Complete the Workfile processing option to specify whether the system generates the Open A/R Summary Workfile (F03B15).

1. Suppress Open A/R Summary Workfile

Use this processing option to update open amounts and associated aging information. It generates only the appropriate delinquency notices and assesses the necessary delinquency fees. Valid values are:

Blank The system updates open amounts and aging information in the Credit and Cash Management (F03B15) table. The system uses this table as a summary workfile for online inquiries.
1 The system does not update open amounts and associated aging information.

Notices Tab

Complete the Notices processing option to specify how the system generates delinquency notices. You can determine options such as generation mode (proof or final), which version to use, and the Remit To address.

1. Generate Delinquency Notices

Use this processing option to indicate how the system generates delinquency notices. If you leave this field blank, the system will not generate notices. Valid values are:

0 The system generates delinquency notices in proof mode. That is, the system does not update the F03B20, F03B21, and F03B11 tables.

1 The system generates delinquency notices in final mode. That is, the system writes records to the F03B20 and F03B21 tables. The following fields will also be updated in the F03B11 tables:

- RMDS – Total Number of Notices Sent.
- RDDJ – Date of Last Reminder Sent.

2. Notice Print Program

Use this processing option to specify the Delinquency Notice Print Program that the system should call if you selected the Generate Delinquency Notices (option 1). The system uses a user-defined code (03B, ST) for this purpose. If you leave this field blank, the default program is R03B20.

Note: A/R Delinquency Notices Print (R03B20) has processing options associated with it. To access these options, go into Batch Versions and enter R03B20 as the Batch Application. Select a version and choose Processing Options from the Row menu.

3. Version for Notices

Use this processing option to enter the delinquency notice version you specified in the Notice Print Program option. If you leave this field blank, the default version is ZJDE0001.

4. Remit To Address

The Remit To address is the address that the system prints on the Delinquency Notice so the customer knows where to remit their payment. These Address Book records are the customer records in the Address Book Master table (F0101).

- Leave this option blank to use the address of the company designated on the F03B11 Invoice Record.
- Enter A to use the value in the First Address Number field (AN81).
- Enter B to use the value in the Second Address Number field (AN82).
- Enter C to use the value in the Third Address Number field (AN83).
- Enter D to use the value in the Fourth Address Number field (AN84).
- Enter E to use the value in the Factor/Special Payee field (AN86).
- Enter F to use the value in the Fifth Address Number field (AN85).

5. Consolidate Companies

Use this processing option to specify how the system generates notices. Valid values are:

Blank The system generates a separate notice for each company, by customer.
1 The system generates notices that consolidate companies, by customer.

Fees Tab

Use the Fees processing option to specify how the system generates delinquency fees. You can determine options such as generation mode (proof or final), which version to use, and which payment terms code to use.

1. Print Fee Report

Use this processing option to indicate how the system generates delinquency fees. Valid values are:

Blank The system will not generate fees.
0 The system generates an A/R Finance Charge Proof report. The system does not update the F03B22, F03B23, F03B11, and F03B14 tables.
1 When the fee is processed, the system generates an RF invoice document in the amount of the fee, generates the F03B22 and F03B23 tables, and updates A/R Finance Charge Journal (R03B22), the F03B11 and F03B14.

2. Version for Fee Processing

Use this processing option to enter the version of the A/R Finance Charge Journal (R03B22) that the system should print. If you leave this field blank, the default version is ZJDE0001.

Note: The A/R Finance Charge Journal has associated processing options. To access these processing options, use Batch Versions and enter R03B22 as the Batch Application. Select a version and choose Processing Options from the Row menu.

3. G/L Date

Use this processing option to enter the G/L date that the system uses for the RF invoice records. The system generates these records when you process delinquency fees in Final Mode. If you leave this field blank, the system uses the current date.

4. Late Payment Delinquency Fees

Use this processing option to run the Late Payment Delinquency Fees program (R03B221). You should activate this program to calculate paid late amounts for established policies.

5. Version for Late Payment

If you entered 1 in the Late Payment Delinquency Fees processing option, use this processing option to specify the version you want the system to run. If you leave this processing option blank, the system runs version ZJDE0001.

6. Payment Terms Code

Use this processing option to select the Payment Terms Code for fee processing. Use the visual assist to select a code.

Working with Delinquency Notices and Fees

When customers are delinquent in paying their bills, you can send a simple reminder or apply a fee on overdue invoices to encourage them to pay the delinquent balance.

Working with delinquency notices and fees consists of the following tasks:

- ❑ Generating delinquency notices
- ❑ Working with delinquency fees

Before You Begin

- ❑ Set up the AAIs RFC and RFD for delinquency processing.

Generating Delinquency Notices

When you run A/R Credit/Cash Management Build (R03B525), you generate delinquency notices that you can review and approve.

If you set the Collection Manager Approval Required field in the policy, the collection manager must approve each notice before the system generates them for the customer. If a manager does not need to approve notices, the system creates a spool file for printing them.

When you generate delinquency notices, the system writes records in the A/R Notification History (F03B20) and A/R Notification History Detail (F03B21) tables.

Generating delinquency notices consists of:

- Creating delinquency notices
- Reviewing delinquency notices
- Approving delinquency notices

Before You Begin

- ❑ Ensure that you have a policy defined and attached to your customer record and that you have set up credit and collections information. See *Setting Up Credit and Collections Information*.

▶ To create delinquency notices

From the Automatic Delinquency Processing menu (G03B22), choose Print Delinquency Notices.

You create delinquency notice records by running a version of the A/R Credit/Cash Management Build (R03B525). The version assigned to the menu has pre-defined processing options set for delinquency notices. You can run this version in either proof or final mode.

When you run the A/R Credit/Cash Management Build (R03B525) to create delinquency notices, the system:

- Uses the customer's policy to determine the aging and letter to print.
- Prints one letter per customer, regardless of the number of invoices that are past due.
- Prints the letter applicable to the last aging category, if invoices fall in different aging categories that would produce different letters. For example, if one invoice is 30 days past due, which would print Letter1, and another invoice is 90 days past due, which would print Letter3, the system prints Letter3 and lists both past due invoices.
- Updates the Date of Last Sent Reminder (RDDJ) field and the Number of Reminders Sent (RMDS) field in the Customer Ledger table (F03B11) when you run the build in final mode.

Related Information

Aging

You can specify aging based on the A/R constants or the processing options for printing delinquency notices (R03B525). The system uses the Date: Age As Of field in conjunction with the Date Type and Aging Method fields to determine the appropriate aging category for the invoice. If the invoice is assigned to an aging category for which a delinquency policy has been established, the system generates a notice.

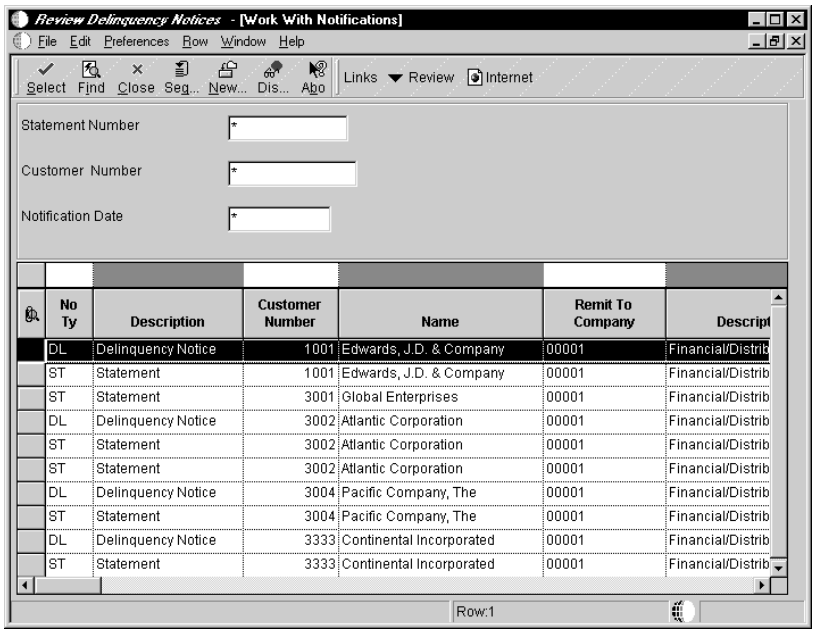
See *Setting the Processing Options for Credit Analysis Refresh* for detailed information about aging.

▶ To review delinquency notices

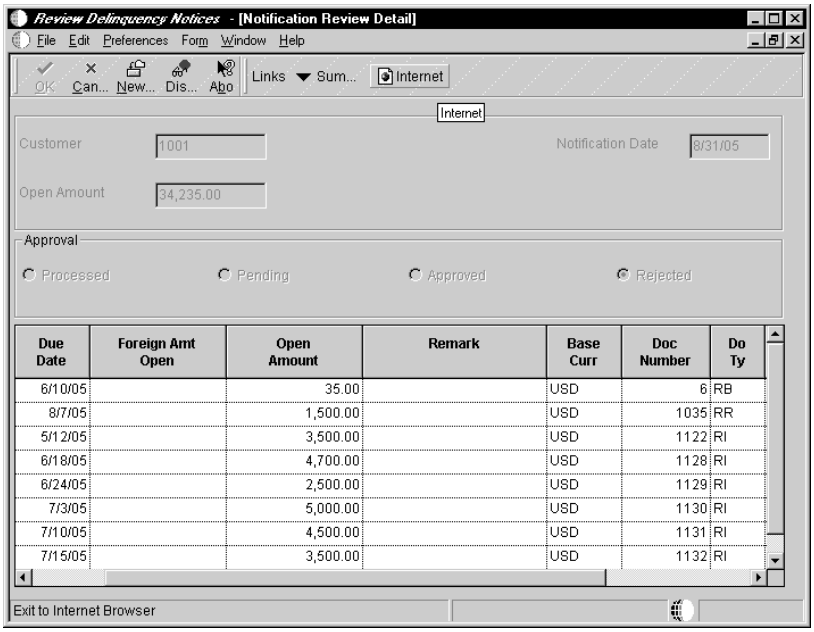
From the Automatic Delinquency Processing menu (G03B22), choose Review Delinquency Notices.

You can review all past-due invoices for which notices have been generated. When reviewing past-due invoices, you can reprint the original notice as a replacement for a lost notice or print an additional copy for the customer.

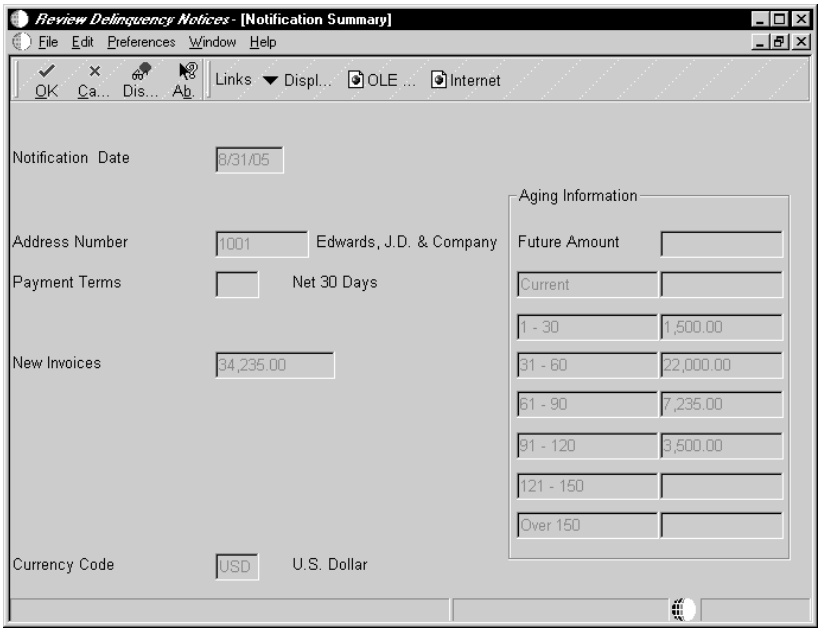
On Work With Notifications



1. To locate the delinquency notices that you want to review, complete the following fields and click Find:
   - Customer Number
   - Notification Date
2. Choose the notice you want to review and click Select.



3. On Notification Review Detail, review the past due invoices.
4. Choose Summary from the Form menu.



The Notification Summary form summarizes all the invoice detail information by aging category.

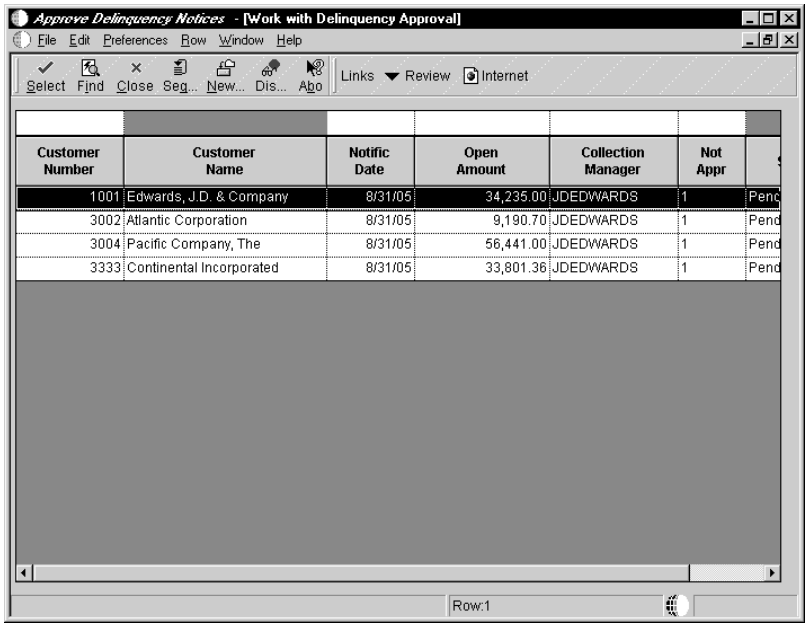
To approve delinquency notices

From the Automatic Delinquency Processing menu (G03B22), choose Approve Delinquency Notices.

For delinquency notices that require approval, you can change the notice from a Pending status to a Rejected or Approved status, or you can view a notification summary.

The system sends workflow messages to the collection manager defined in the customer master record. The collection manager can access the Work With Delinquency Approval form from these messages to approve or reject the notice.

On Work With Delinquency Approval

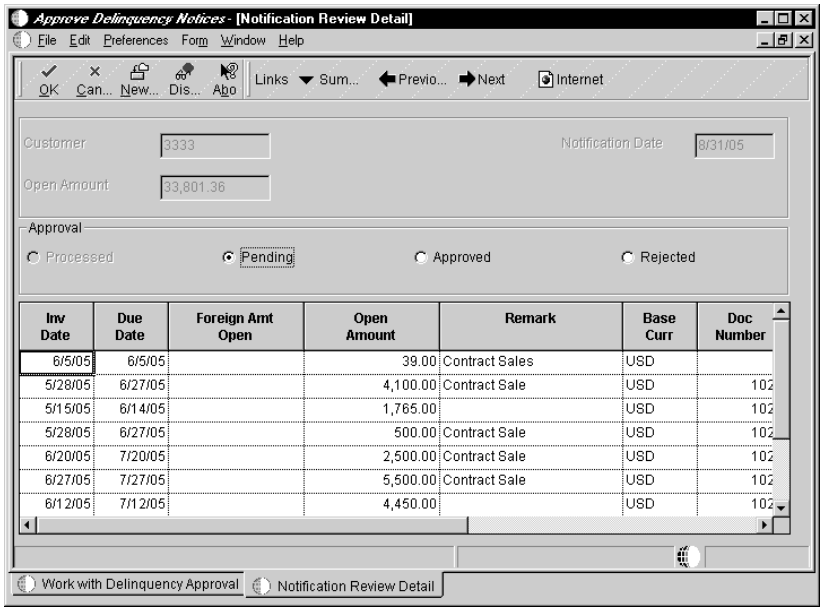


1. To locate the notices that you want to approve, complete the following fields and click Find:

   - Statement Number
   - Customer Number
   - Notification Date

   The system reads the A/R Notification History Table (F03B20) and displays all customers with a delinquency notice that have status of Pending.

2. Choose the notice you want to approve and click Select.



3. On Notification Review Detail, review the information and click one of the following options:

   - Approved
   - Rejected

   After processing delinquency notices, you cannot change these options.

4. Click OK.

   After you approve the notice and exit the Notification Review Detail form, the system generates a spool file for printing delinquency notices by running A/R Delinquency Notices Print (R03B20) program, using the version you set up in the processing options when creating notices. The system updates the appropriate fields in the Customer Ledger table (F03B11) and updates the status of rejected notices accordingly.

Field	Explanation
Approved	A code in WorldSoftware, or an option in OneWorld software, that determines if a delinquency notice or fee has been approved for processing. Valid values in WorldSoftware are: blank No Approval Necessary 1 Pending Approval 2 Approved 3 Rejected For OneWorld software, click one of the following options: • Pending • Approved (Changes the status of the notice from Pending to Approved.) • Rejected (Changes the status of the notice from Pending to Rejected.)

Working with Delinquency Fees

As part of your collection process, you can generate and approve delinquency fees. These fees are finance charges that you can assess on past-due open invoices, or invoices that have been paid late.

After the system creates fees, you must approve those fees that require review from the collection manager specified in the policy. Each fee that requires the collection manager's approval must be approved before the system applies it to the customer's account.

The system sends workflow messages to the collection manager defined in the customer master record. The collection manager can access the Work With Delinquency Fee form from these messages to approve or reject the late fees.

Working with delinquency fees consists of:

- Generating delinquency fees
- Approving delinquency fees

The system determines the percentage amount and rules for assessing fees based on the policy assigned to the customer. The system uses automatic accounting instructions for items RFC and RFD to determine the revenue and receivables trade accounts for posting fees.

To generate delinquency fees

From the Automatic Delinquency Processing menu (G03B22), choose Generate Delinquency Fees.

The Generate Delinquency Fee program is a version of the A/R Credit/Cash Management Build (R03B525). This version has the processing options set to generate fees. You can run this version in proof or final mode.

If you run this program in proof mode, a Finance Charge Journal will be produced detailing the invoices selected for a fee and the amount of the fee that will be produced when the program is run in final mode. The system calculates the fee using the following formula:

((Interest rate/YYY) x .01) x Invoice Amount x Number of days late.

YYY = 365 days (or number of days in a year)

When you run the program in final mode the system:

- Creates an delinquency fee (RF) document in the Customer Ledger table (F03B11) for the total amount of all fees generated for all eligible invoices for the customer.
- Creates a record in the A/R Fee Journal History table (F03B22) and the A/R Fee History Detail table (F03B23).
- Update the LFCJ (Last Fee Date) field in the Customer Ledger table (F03B11) and the A/R Check Detail table (F03B14).

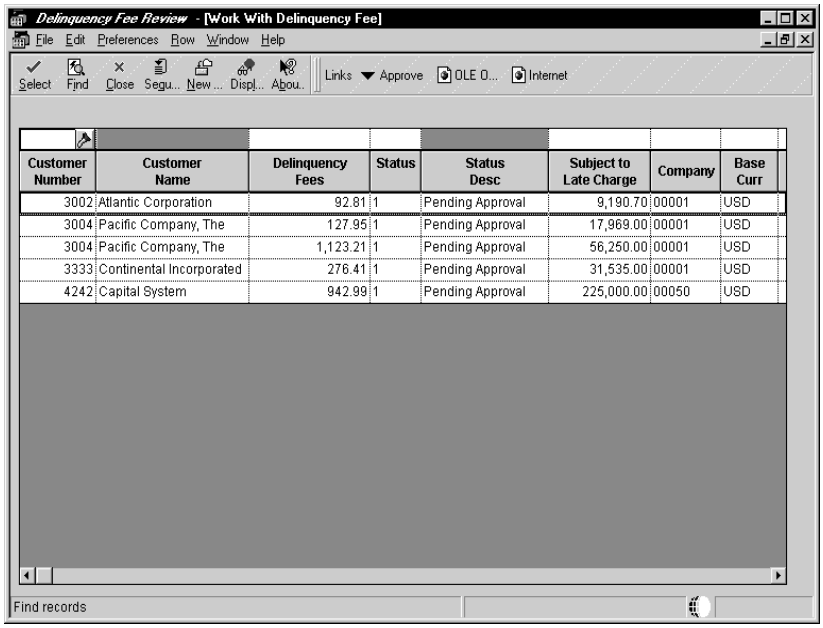
When you generate delinquency fees, the system:

- Uses the policy to determine whether to generate a fee based on the Begin and End Aging Days fields.
- Uses the policy to determine whether to calculate the fee on Open Amounts, Paid Late Amounts, or on fees previously generated, such as a compound fee.
- Uses the policy to determine the fee percent to be applied to the open amount of the invoices. The system prorates fees by day.
- Generates one fee per customer for all eligible invoices.

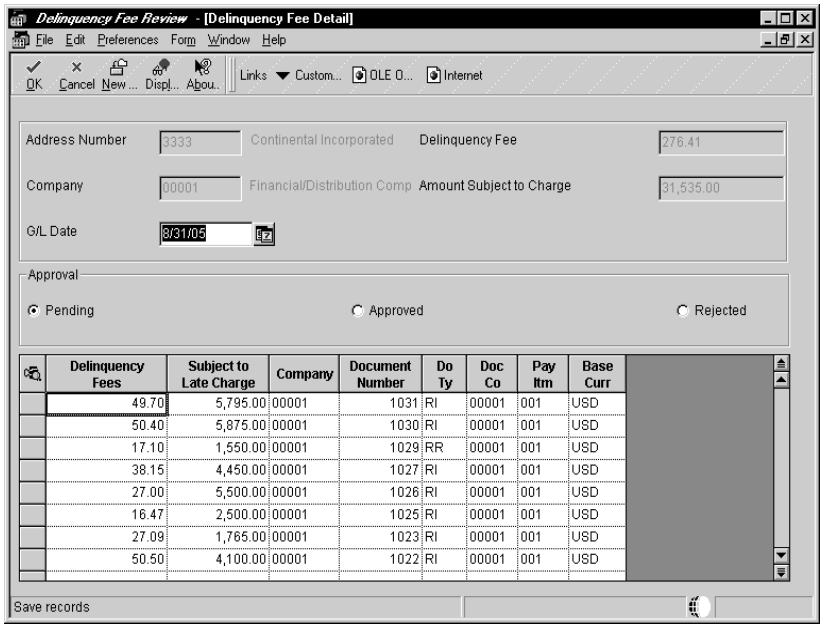
To approve delinquency fees

From the Automatic Delinquency Processing menu (G03B22), choose Delinquency Fee Review.

On Work With Delinquency Fee



1. Click Find to locate the account you want to review.
2. Choose the appropriate account that you want to review and click Select.



3. On Delinquency Fee Detail, review the information and click one of the following options:

   - Pending
   - Approved
   - Rejected

   You cannot set the Error option. When the system activates the Error option, you must go to the Work Center to locate and correct the error. Then you can approve the fee on Delinquency Fee Detail.

4. Click OK.

   After you approve the fees and exit the Work With Delinquency Fee form, the system automatically creates the delinquency fees. If you reject the fees, the system does not create delinquency fees.

See Also

- *Setting Up Credit and Collections Information*

Updating Accounts Using Credit Analysis Refresh

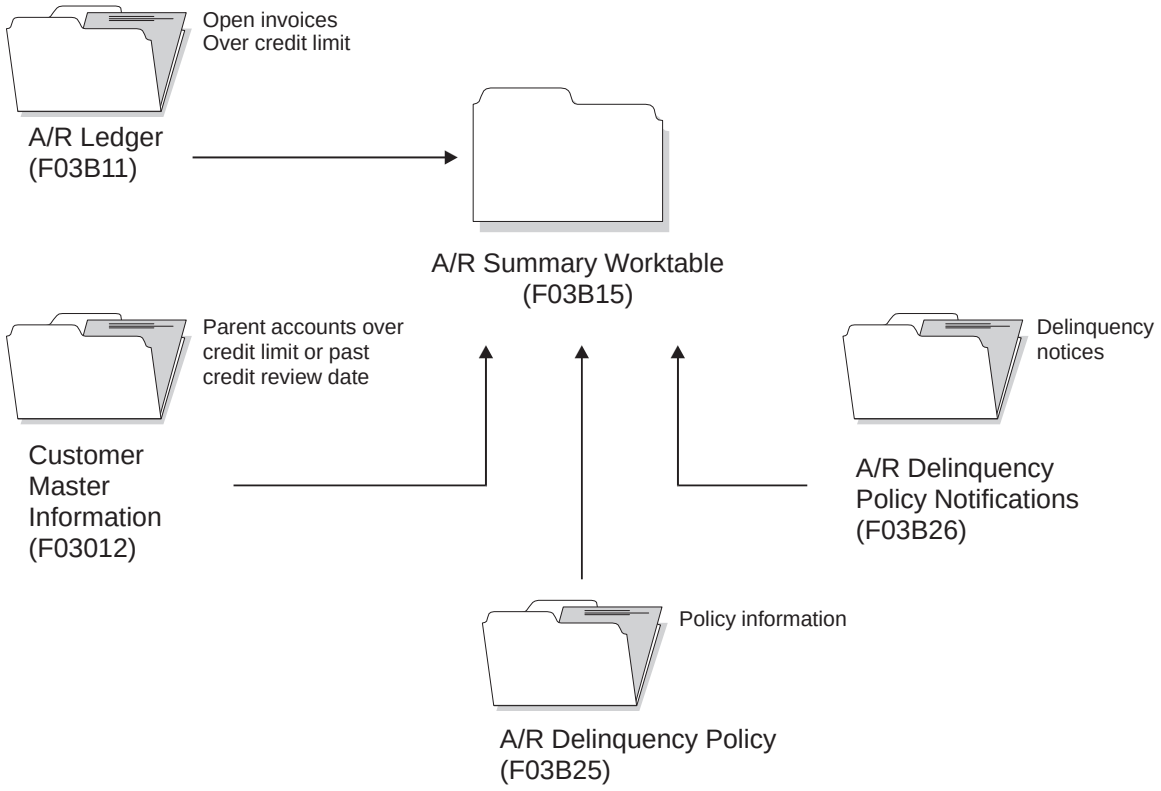
From the Credit and Collections Management menu (G03B15), choose Credit Analysis Refresh. Then, choose the A/R Credit/Cash Management Build version.

To effectively analyze and manage account activity for a customer, you must first update the customer's account information. To do so, run the Credit Analysis Refresh at the beginning or end of each business day. This ensures that the information that the system displays for the customer's account is current, and is helpful when analyzing the customer's account for credit and collection purposes.

When you run this batch process, the system:

- Summarizes all open invoice activity by customer account and company at both the parent and child levels, and writes this information to the Credit and Cash Management table (F03B15). You can then review this information on the Account Balances Inquiry form to determine the current status of an account.
- Sends a workflow message to the Collection Manager for accounts that require collection review by the collection manager. For example, the system can alert the collection manager when a delinquency fee is assessed on an overdue invoice or when a delinquency notice is generated for a customer.
- Sends a workflow message to the Credit Manager for accounts that require credit review. For example, the system might indicate that a customer has exceeded the credit limit or that a credit limit was changed.
- Updates the credit messages on the Customer Master Revisions form under the Credit tab.
- Gathers information from the following tables and updates the Credit/Cash Management worktable (F03B15):
    - A/R Ledger (F03B11)
    - Customer Master Information (F03012)
    - A/R Delinquency Policy (F03B25)
    - A/R Delinquency Notifications (F03B26)
    - A/R Delinquency Detail – Fees (F03B27)
- Generates a workflow message to notify you that the process is complete.

The following graphic illustrates the types of information that the system updates in the Open A/R Summary worktable:



Before You Begin

❑ Set the processing options for Credit Analysis Refresh. Ensure that the processing option to build the Open A/R Summary Worktable on the Workfile tab is set to 1. See *Setting the Processing Options for Credit Analysis Refresh* for more information.

See Also

- *Working with Delinquency Notices and Fees* for information about reviewing and processing delinquency notices and delinquency fees
- *Appendix D: Periodic Statistical Calculations* for information about how the system calculates amounts associated with the customer's balance and statistical history

Managing Accounts for Credit and Collection Activity

As part of your credit and collection efforts, you might want to review an account to determine how much effort is spent on collection reviews, determine which accounts are due for a credit review, or revise a customer's account to increase the customer's credit limit.

You can manage accounts for credit activity using the Enterprise Workflow Management system or the Account Balance Inquiry form. You work credit information for a customer at the parent level.

To manage your customer's credit activity, you can:

- ❑ Work accounts using Workflow Management
- ❑ Work accounts using Account Balance Inquiry
- ❑ Review parent/child account balances
- ❑ Manage account activities
- ❑ Revise credit information

Credit information is stored in the following tables until the system updates the A/R Credit/Cash Management worktable (F03B15):

- Customer Master by Line of Business (F03012)
- Customer Activity Log (F03B31)
- A/R Ledger (F03B11)

Before You Begin

- ❑ Run the Credit Analysis Refresh (R03B525) to update account information.

Working Accounts Using Workflow Management

To manage customer accounts for credit and collection purposes, you must be notified of the events associated with an account that requires immediate attention. For example, the collections manager should be notified when a customer's account becomes delinquent to determine whether to assess delinquency fees on overdue invoices or generate delinquency notices.

To accomplish this, the Accounts Receivable system provides several queues within the Enterprise Workflow Management system that lets you receive and respond to messages about specific A/R tasks. From these system-generated messages, you can access the appropriate application for action. This enables the credit manager or collections manager to efficiently perform the tasks necessary to work an account.

The following queues are set up in the Accounts Receivable system to facilitate the credit and collections workflow messages that are produced from the A/R Credit/Cash Management Build (R03B525):

Collection Management

This queue is for messages that alert the collection manager that an account needs to be reviewed for collection reasons. The system-generated messages within this queue are a result of the delinquency policies that you set up for the customer. The system uses the following messages for collections:

- Collection Review Required
- External Collections Recommended

Within the delinquency policy, you define the rules that the system applies to delinquent accounts to determine if an action is required. An action might be to create late fees or delinquency notices, or to simply flag the account for review.

Credit Management

This queue alerts the credit manager that an account is over its credit limit or that a credit limit was changed. The system generates an Over Credit Limit message from the Credit Granting/Management form.

From this workflow message, the credit manager can access the Credit Inquiry form to review and update the customer's credit limit.

Delinquency Notice Approval

This queue enables the collections manager to review the delinquency notices that the system generates before sending them to the customer.

From this workflow message, the collections manager can access detailed information to help determine whether to approve or reject the notices. The system stores the amount of the notice and the total amount past due with the message.

Delinquency Fee Approval

This queue enables the collections manager to review the delinquency fees that the system calculates on overdue account balances.

From this workflow message, the collections manager can access detailed information to help determine whether to approve or reject the delinquency fees. The system stores the amount of the delinquency fee and the total amount past due with the message.

Promises, Promises

This queue alerts the credit or collections manager of the promise messages entered for the customer, based on the tickler date. For example, a promise message might consist of a conversation between the collections manager and the customer about overdue invoices and when payment is expected.

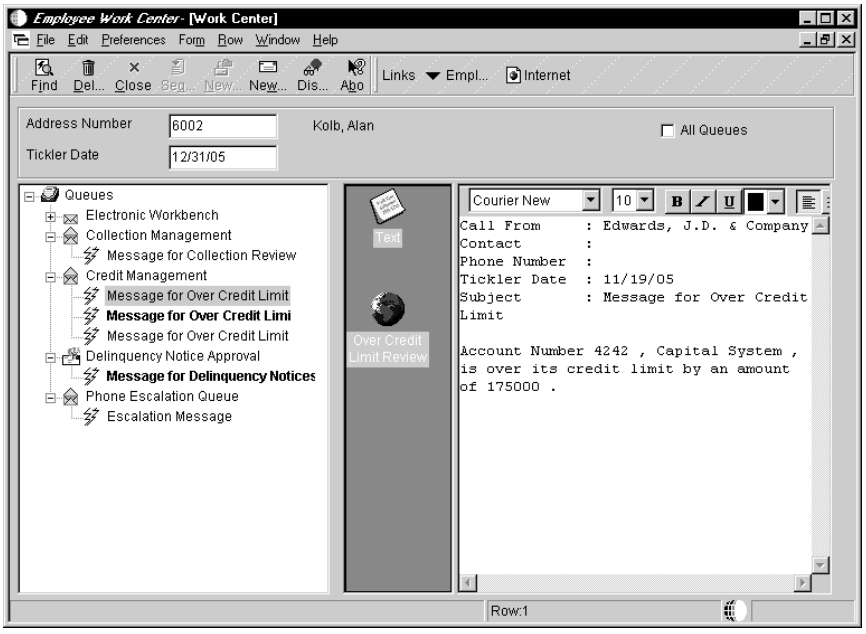
You cannot update the promise message from the workflow message. To do so, you must use the Account Activity Log.

If the account has a tickler message, but no longer has a past due balance, the system does not display the account for review. When the past due balance is paid, the account is considered closed. Messages are automatically deleted from the work center if you work the account from Account Balance Inquiry.

To work accounts using Workflow Management

From the Workflow Management menu (G02), choose Employee Work Center.

On Work Center



1. To locate the mailbox queues having mail for the credit and collections manager, complete the following fields and click Find:

   - Address Number
   - Tickler Date

2. Expand the Credit Management queue to view all credit messages.

   The system displays the first credit message.

3. To work accounts from the Work Center, click the OneWorld icon.

   Depending on the message, the system displays the appropriate form. For example, if credit approval is required, the system displays the Workflow Approval form. If the customer exceeds his credit limit, the system displays the Credit Inquiry form.

   You can delete the workflow message when you are finished.

See Also

- *Working with Queues* in the *Common Foundation Guide* for more information about queues
- *Printing the Collection Report* for information about reviewing a list of outstanding items for customers with past-due accounts

Working Accounts Using Account Balance Inquiry

When managing customer accounts for credit and collection purposes, you can quickly access and review various types of A/R information that facilitates decision making and customer analysis. For example, you might want to review the open balance of a customer's account as of a certain period or how much of a customer's balance is past due.

After you run the Credit Analysis Refresh program (R03B525) to update account information, you can work accounts by using the Account Balance Inquiry form and adding a tickler message. You can quickly review the current status of an account, such as the total open amount and the aging category in which it belongs.

When reviewing account balance information, the system displays the account's status as of the last time you ran the refresh or as of a specific date for "real-time" information. For example, you can specify today's date to review account information as current as today.

When reviewing accounts using Account Balance Inquiry, you can:

- Review accounts using Account Balance Inquiry
- Review account balance information
- Work an account for collection

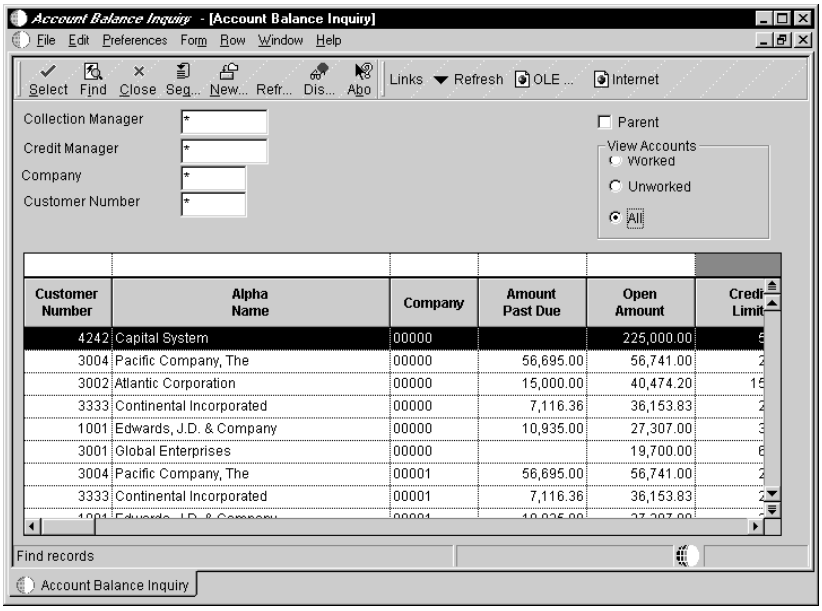
The system gathers account status information from the following tables:

- Credit/Cash Management (F03B15)
- Customer Master (F03012)
- A/R Statistical Summary (F03B16S)
- Customer Activity Log (F03B31)

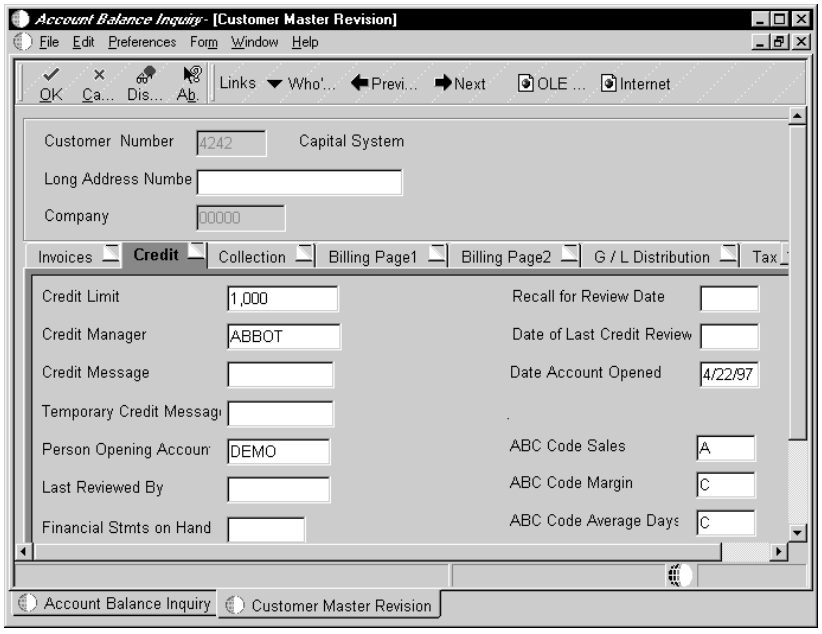
To review accounts using Account Balance Inquiry

From the Credit and Collections Management menu (G03B15), choose Account Balance Inquiry. Alternatively, you can access this form from the Customer and Invoice Entry menu (G03B11).

On Account Balance Inquiry



1. Click Find to display statistical information for all accounts, or complete the following fields to limit the information that the system displays:
   - Collection Manager
   - Credit Manager
   - Company
   - Customer Number
2. From the Row menu, choose Credit Info.



3. On Customer Master Revision, complete the following field and click OK:
    - Credit Limit

▶ To review account balance information

From the Credit and Collections Management menu (G03B15), choose Account Balance Inquiry. Alternatively, you can access this form from the Customer and Invoice Entry menu (G03B11).

On Account Balance Inquiry

1. Click Find to display account balance information for all accounts, or complete the following fields to limit the accounts that the system displays:
    - Credit Manager
    - Company
    - Customer Number
2. To view information by Parent, click the following option:
    - Parent

      When using the Parent option, you can view the child accounts summarized and displayed with the parent record. The Account Balance Inquiry form shows parent/child information for one generation. Use Parent/Child Balance Inquiry to view multiple generations of parent/child relationships.

3. To limit your search, click the following option:

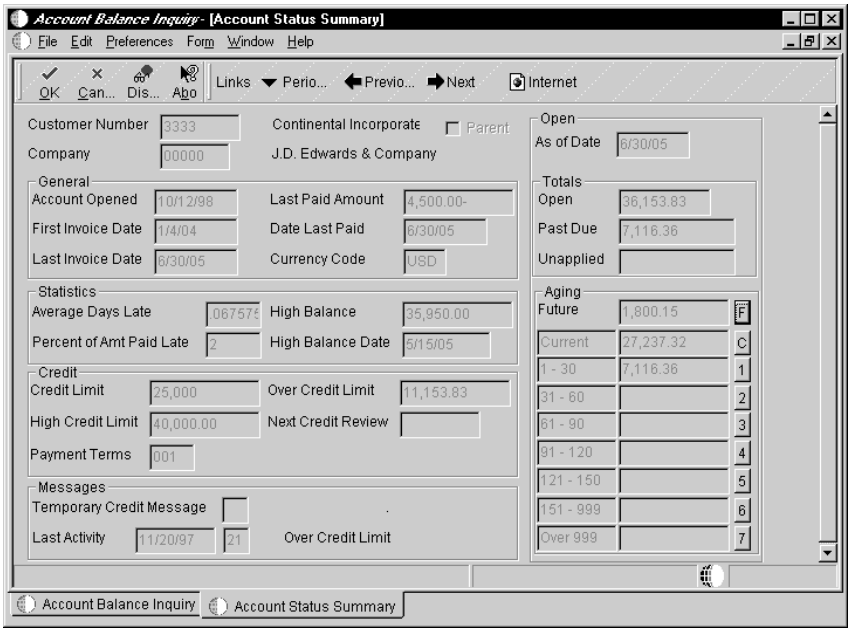
   - Account Worked Flag

     On this form, the Account Worked Flag appears under the View Accounts heading. You can view worked or unworked accounts, or all accounts.

4. To access summarized status information for an account, choose the appropriate account and click Select.

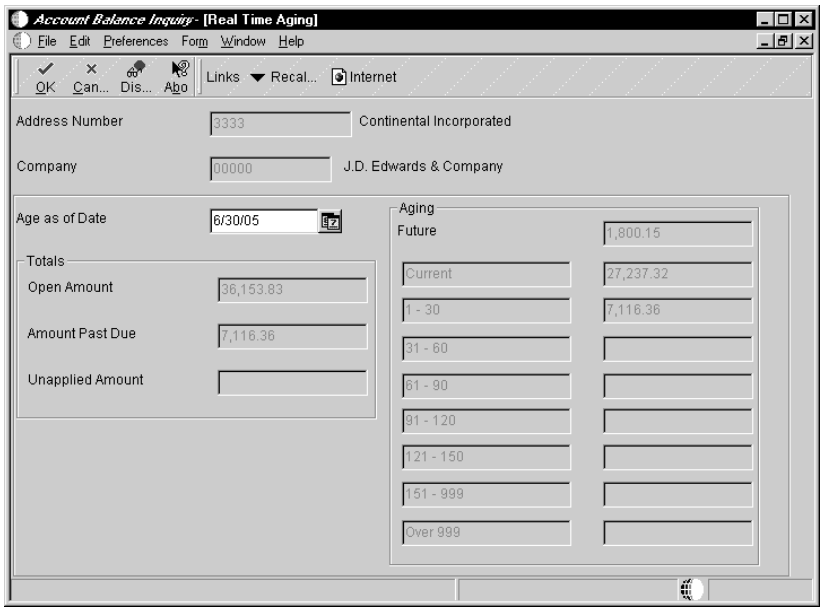
   When reviewing account status summary information, you can review other types of A/R information for the customer. On Account Status Summary, you can access:

   - Periodic statistics
   - Customer master information
   - Customer ledger information
   - Credit granting and management information
   - Account activity log
   - Who's who information
   - Promises, promises



   The statistic portion of this form contains information generated by running the Statistic History Build. Aging information is displayed through the end of each period.

5. To review account information as of a specific date, choose the account and then choose Real Time Aging from the Form menu.



6. On Real Time Aging, complete the following field:
   - Age as of Date
7. From the Row menu, choose Recalculate. The system recalculates and displays information from the date you entered.

See Also

- *Printing the Collection Report* for information about reviewing a list of outstanding items for customers with past-due accounts

▶ To work an account for collection

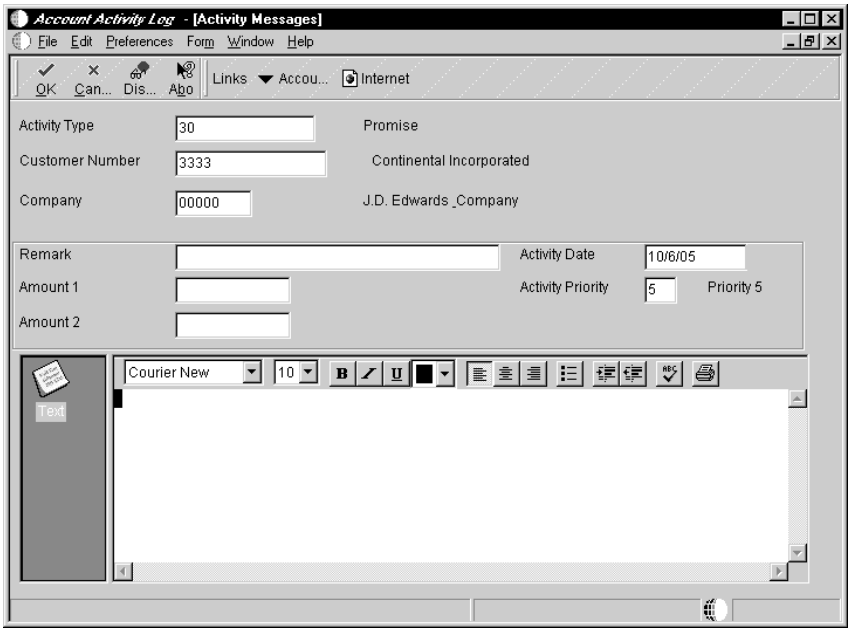
From the Credit and Collections Management menu (G03B15), choose Account Balance Inquiry. Alternatively, you can access this form from the Customer and Invoice Entry menu (G03B11).

You can use Account Balance Inquiry to work your accounts for collection. When you work an account, you enter a promise tickler message that details the account activity, such as a promise to pay.

When you run the Credit Analysis Refresh, the system includes all the customers with an open balance (regardless if the balance is past due) in the Credit and Cash Management table (F03B15) and displays the balances on the Account Balance Inquiry form. If the account has been worked for a particular invoice, that invoice won't be included in the refresh table until the tickler date is reached.

1. On Account Balance Inquiry, locate the account.

2. To review previous contacts made to the customer, choose Promises from the Row menu.
3. On Account Activity Log, click Add.



4. On Activity Messages, complete the following fields:
   - Activity Type
   - Customer Number
   - Company
   - Activity Date
   - Amount 1
   - Amount 2
5. Change the following fields to override the default information, if necessary:
   - Activity Date
6. In the detail area, click Add Text and enter the necessary text for the promise message, and click OK.
7. On Account Activity Log, click Find to refresh the account information on the form.

Field	Explanation
Activity Type	A code that classifies a group of action items.
Remark	A generic field that you use for a remark, description, name, or address.

Field	Explanation
Activity Date	The future reminder date. The system does not send the message until this date. The default value is today's date.
Amount 1	A number that identifies the actual amount.

Reviewing Parent/Child Account Balances

When reviewing a customer's account, you can review account balance information for a parent account and its associated children. For example, you might want to research the total open amount of a child account, or whether that child account has exceeded its assigned credit limit.

If you choose to review the balances of a parent account, the system does not limit the information it displays to the immediate children accounts. You can view account balances for grandchildren, great grandchildren, and so on, up to 25 levels of parent/child information. The total open amount for the parent includes all of its associated children's account balances.

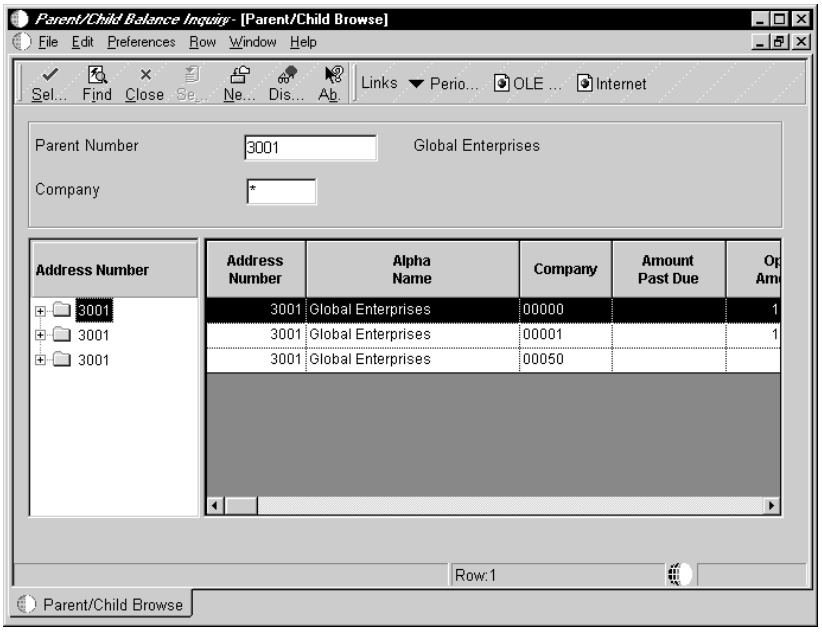
Before You Begin

- ❑ Set up the necessary parent/child relationships on Customer Master
- ❑ Run A/R Credit/Cash Management Build to ensure that your customer's account balances are current

To review parent/child account balances

From the Credit and Collections Management menu (G03B15), choose Parent/Child Balance Inquiry.

On Parent/Child Browse



1. Click Find to display account balance information, or complete the following fields to limit the information that the system displays:
   - Parent Number
   - Company
2. To display children and associated grandchildren for a parent account, double-click the appropriate file folder in the Address Number explorer.
3. To display summarized account status information, choose the appropriate account and click Select.
4. To review account balance information by parent or child, choose the account and access any of the following exits from the Row menu:
   - Periodic Statistics
   - Customer Master
   - Customer Ledger Information
   - Credit Information
   - Account Status

See Also

- *Reviewing Statistical Information*

Managing Account Activities

As part of your credit and collection efforts, you can use the Account Activity Log as a history to show patterns and trends of customer habits, and to assist you in making decisions about how an account is performing. It enables you to review a list of all the activities associated with a customer. For example, using the Account Activity Log, a manager can review an account to determine how much effort is spent on collection reviews.

When you manage account activities, you can:

- Review account activities
- Enter a promise message
- Print the Account Activity Log

From the list of activities associated with an account, you can access and review detailed information about a specific activity. For example, if the activity indicates *Over Credit Limit*, you can access credit review information that displays how much the customer has exceeded the credit limit and the customer's original credit limit.

If an account has a large number of delinquency processes or collection reviews associated with it, you might consider it a problem account. However, if very little activity is associated with an account, then you might consider it to be performing well.

The system displays activities for an account by tickler date and priority. The two amounts that are displayed on the Account Activity Log are associated with activities as follows:

Collection review required	For: • Amount 1. This is the amount based on the aging category generated from the policy. • Amount 2. This is the total amount that is past due.
Over credit limit	For: • Amount 1. This is the amount that is over the credit limit. • Amount 2. This is the amount of the credit limit.

Credit limit updated	For: • Amount 1. This is the updated amount of the credit limit. • Amount 2. This is the previous credit limit amount.
Promises	Both amounts are manually entered.
Delinquency notice sent	This is the amount based on the aging category generated from the policy.
Delinquency notice rejected	For: • Amount 1. This is the amount based on the aging category generated from the policy. • Amount 2. This is the total amount past due.
Delinquency fee applied	For: • Amount 1. This is the amount of the delinquency fee. • Amount 2: This is the total amount past due.
Delinquency fee rejected	For: • Amount 1. This is the amount of the delinquency fee. • Amount 2. This is the total amount past due.
All other activities	Both amounts are manually entered.

Before You Begin

❑ Run the A/R Credit/Cash Management Build version of the Credit Analysis Refresh. See *Updating Account Information*.

▶ To review account activities

From the Credit and Collections menu (G03B15), choose Account Activity Log.

Before you review or update an activity, you can review the activity log to view all activities associated with your customers. This enables you to quickly determine the amount of activity that is spent on credit and collection efforts.

For example, depending on how you set up activity types, the system might display any of the following activities:

- Statement sent to customer
- Credit limit updated

- Over credit limit
- Delinquency notice sent or rejected
- Delinquency fee assessed or rejected
- Promise message attached to customer's account

On Account Activity Log

1. Click Find to display all activities associated with all accounts, or complete any of the following fields to limit the information that the system displays:
    - Customer Number
    - Company
    - Activity Date
2. To review information about an activity, choose the activity and click Select.

▶ To enter a promise message

From the Credit and Collections menu (G03B15), choose Account Activity Log.

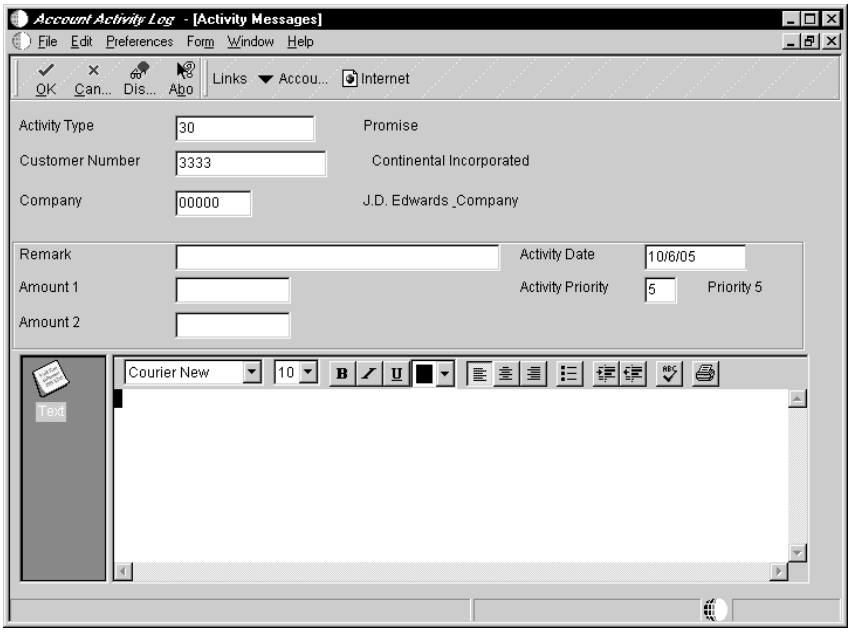
When managing account activities, you can enter or review promise messages for the customer. A promise message might contain detailed information about the action taken to collect overdue invoices on a customer's account.

For example, you might enter a promise message to document a conversation with a customer about the past-due account balance. You enter promise messages to better manage collection reminders, customer communications, and future actions.

When you enter a promise message for an account, the system suspends all messages until the tickler date has passed. Depending on the tickler date, the system generates a workflow message to notify you that the account requires attention. To update the promise message, you must use the Activity Log.

On Account Activity Log

1. Click Add.



2. On Activity Messages, complete the following fields:
   - Activity Type
   - Customer Number
   - Company
   - Activity Date
   - Amount 1
   - Amount 2
3. Change the following fields to override the default information, if necessary:
   - Activity Date
   - Activity Priority
4. In the detail area, click Add Text and enter the necessary text for the promise message, and click OK.

▶ To print the account activity log

From the Credit and Collections menu (G03B15), choose Print Activity Log.

In addition to reviewing credit and collections activities associated with a customer online, you can print the activity log. This enables you to review and manage account activities from a printed copy.

See Also

- *R03B31, Activity Log* in the Reports Guide for a sample report

Processing Options for Activity Log Report

```
Generic Text

1. Enter a '1' to print generic text
    associated with each activity. If
    left blank no text will be printed.

      Print Generic Text                    _____
      Generic Text                          _____
```

Revising Credit Information

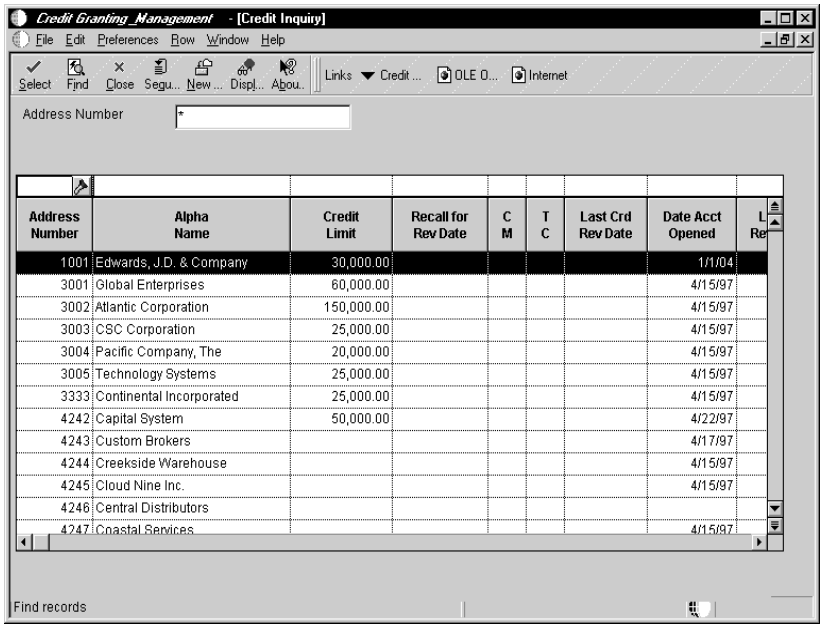
When you review and revise credit information, you locate an account to determine whether the account is over its credit limit or past its credit review date.

You can use the Query by Example (QBE) line to locate all the customer records that have a credit limit equal or greater than a specific value. You can also locate customer records that have a credit review date for the current month, or a specific credit message.

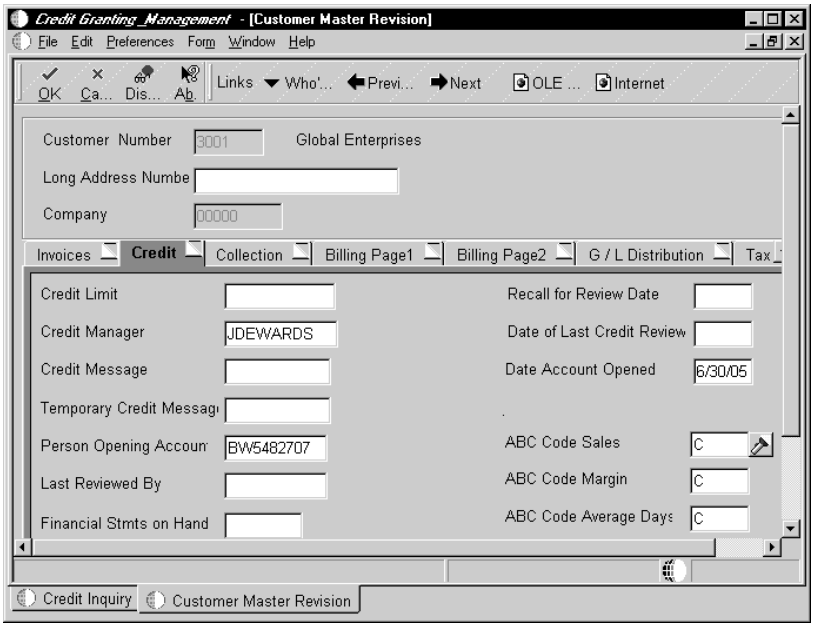
To revise credit information

From the Credit and Collections Management menu (G03B15), choose Credit Granting and Management.

On Credit Inquiry



1. Click Find to display all accounts, or complete the following field to limit the information that the system displays:
   - Address Number
2. To revise or complete new credit information, choose the customer and click Select.



3. Complete or change information in the following fields, and click OK:
    - Credit Limit
    - Credit Message
    - Temporary Credit Message
    - Recall for Review Date
    - Date Account Opened
    - Person Opening Account
    - Financial Stmts on Hand
    - Dun & Bradstreet Date
    - TRW Date

When you make a change to the Credit Limit and click OK, the system displays a Workflow Pending Review notification window. Click OK to submit the workflow message for approval.

Field	Explanation
Credit Limit	The credit limit for a customer. This value is used throughout the credit management programs.

Field	Explanation
Credit Message	A user defined code (00/CM) that displays information about a particular customer or supplier. Examples: 1 Over credit limit 2 Requires purchase order 3 Not on maintenance agreement 4 Notify the credit manager The customer master and the supplier master forms display credit messages for customers and suppliers when you enter or locate information.
Temporary Credit Message	A user defined code that identifies a temporary credit status. Generally, the code is assigned when an account becomes past due. If the rules of the policy are not met, this code is updated in the Customer Master Information table (F0301) after you run the Credit Analysis Refresh (R03B525).
Recall for Review Date	The review date for the customer's credit information.
Date Account Opened	The date the account was entered in the Address Book.
Person Opening Account	The person who entered the account in the Address Book. The system supplies the data for this field.
Financial Stmts on Hand	The date that financial statements are received.
Dun & Bradstreet Date	The date Dun & Bradstreet ratings were available.
TRW Date	The date in which TRW ratings were available.

Creating Credit Reporting Tapes

From the Credit and Collections Management menu (G03B15), choose TRW Credit Reporting Tape (R03B920) or Creditel Credit Reporting Tape.

As part of managing credit information for your customers, you might need to send a magnetic tape of A/R information to an outside credit agency. To do so, you must create the credit reporting tape.

When you create a credit reporting tape, the system:

- Updates the Credit and Cash Management (F03B15) table, depending on the processing options you set
- Reads information from the F03B15
- Formats your customer's A/R information to conform to the standards of the specific credit agency
- Updates the Credit Reporting Tape – TRW (F03B920) table or the Credit Reporting Tape – Creditel (F03B920C) table

It is your responsibility to copy the Credit Reporting Tape table to the appropriate medium and send it to one or more of the following credit agencies:

- TRW
- Dun & Bradstreet
- CREDITEL

These credit agencies, in turn, process the tape and establish credit rating information about your customers.

The system clears the credit reporting tables each time the program is run. The system does not add records to the tables.

What Are the Requirements for Credit Reporting Tapes?

The following information describes the credit agency's requirements for credit reporting tapes:

TRW

This credit agency requires that you:

- Include all of your customers, regardless of their balances. You can set a processing option to include customers who have a zero balance. This ensures that the system includes those customers who pay on time or have no open amounts.
- Specify an SIC (Standard Industry Code) for the company for which you are submitting a tape. Set up the SIC for the customer in the customer master record.
- Enter the four-character business code that you obtain from TRW in the processing options.
- Use a seven-character business code to describe the payment terms for the customer. To do this, set up a cross-reference between the three-character Payment Terms field on the user defined codes list (03B/PT) and the TRW definition.

Dun & Bradstreet

This credit accepts tapes that conform to the requirements of TRW. Use the TRW credit reporting tape program to process Dun & Bradstreet tapes.

CREDITEL

This credit agency has no special requirements.

Before You Begin

- ❑ Set the appropriate processing options.
- ❑ Run the Update A/R from Address Book program.
- ❑ Contact your credit reporting agency to obtain any necessary information.
- ❑ Ensure that you have a tape drive available to create magnetic tapes.

❑ Run the Credit Analysis Refresh program to create the A/R Cash Management worktable. Alternatively, you can set a processing option in the Create Credit Reporting Tapes program to base your credit reporting information on a temporary cash management table. This lets you submit the tape program without running Credit Analysis Refresh.

Recommendations

Submitting more than one version at the same time	If you try to submit more than one version of the Credit Reporting Tapes program, the system displays an error message because each version accesses the Credit Tape tables (F03B902 or F03B902C).
Creating credit tapes for multiple companies	To create a credit tape for multiple companies, set up separate versions of the Create Credit Reporting Tapes program.

Processing Options for TRW and Dun & Bradstreet

```
Options

      1. Contributor Number:                    _____________
      2. Business Category Code:                _____________
      3. A/R Cutoff Date:                       _____________
      4. Printed Amount Code:                   _____________

5. To rebuild the Credit/Cash Management
    File enter a version.

      Version:                                  _____________
```

Processing Options for Creditel

```
Company

1.  Enter your CREDITEL membership
    number.

      Membership Number                         _____________

2.  Enter the 'As Of' Date to be used as
    the A/R cutoff date.

      As of Date                                _____________

Build

1.  Enter the version to rebuild the A/R
    Credit/Cash Management workfile
    prior to creating the tape. If left
    blank the workfile will not be
    rebuilt.

      Version                                   _____________
```

Updating A/R Information for Customer Analysis

You can review which customers are due for a credit or collections review, which customers have overdue account balances, and the activity that occurred for your customers within a specific period of time.

Updating A/R information for customer analysis consists of:

- ❑ Updating invoice amounts
- ❑ Set up credit and collections date patterns
- ❑ Updating statistical information
- ❑ Reviewing statistical information
- ❑ Purging statistical history records

Updating Invoice Amounts

From the Periodic Processes menu (G03B21), choose Update PYE and YTD Amounts.

As part of your cash management activities, you might want to see the total invoiced amounts for your customers for the prior year and the current year. You can review these totals on the Account Statistical Summary form. To see accurate totals, run Update Prior-Year-End (PYE) and Year-to-Date (YTD) Amounts.

Generally, you run this batch process at the end of a calendar or fiscal year as part of your annual close, or when you convert from another system.

The system displays the PYE and YTD based on the currency you specified as the A/B Amount Code on the Customer Master Revisions form.

The system performs the following processes for all customers across all companies based on the beginning and ending date that you specify:

1. Retrieves the value from the Invoiced This Year field (ASTY) from the Customer Master table (F03012).
2. Updates the Invoiced Prior Year field (SPYE) in the Customer Master and the A/R Statistical Summary (F03B16S) tables, using the value from the Invoiced This Year field.

3. Reads the values of the ending balance for each A/R Statistical History record (F03B16), for each period of the new fiscal year.
4. Adds the values and updates the Invoiced This Year field in the Customer Master and A/R Statistical Summary tables. If there is no balance for the new year, the system clears the Invoiced This Year fields in the Customer Master and A/R Statistical Summary tables.

The processing time for this program depends on the amount of history retained in these tables.

Before You Begin

- ❑ Enter all invoices for all companies for the period or fiscal year
- ❑ Set up the necessary security so that only authorized personnel can run the Update PYE and YTD Amounts process
- ❑ Establish credit and collections date patterns for company 00000

Processing Options for Update PYE and YTD Amounts

```
Year

1. Enter the Fiscal Year to close.

      Fiscal Year                                    _____
```

Setting Up Credit and Collections Date Patterns

Before you can review account activity for a customer that occurred within a specific period of time, you must set up credit and collection date patterns. Date patterns represent the beginning date for the fiscal year and the ending date for each period in that year. The system must have a calendar, or a fiscal date pattern, which is associated with company 00000.

When managing credit and collections information for your customers, the system uses the date patterns that you specify to process and display statistical information. For example, the system uses date patterns to calculate the:

- Total amount invoiced for a customer within a given period
- Amount and number of invoices paid late
- Amount and date of a customer's high balance
- Number of days that sales are outstanding (DSO)

The system uses the date patterns when you run the Statistical History Update (F03B16). The system stores credit and collection date patterns in the Credit/Collection Date Pattern table (F03B08).

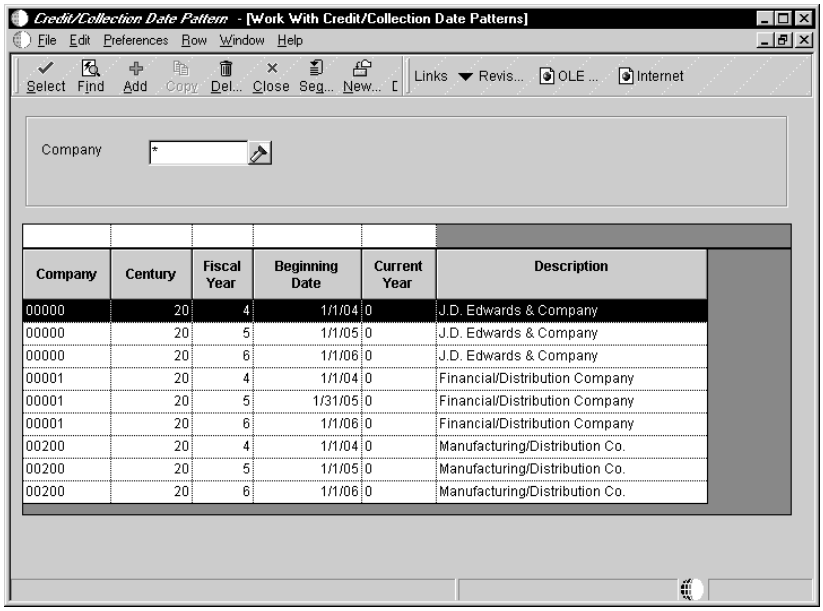
Set up credit and collection date patterns for the current year and the next fiscal year. Date patterns provide flexibility and the ability to specify different periods for special reporting needs, and you can set up an unlimited number of date patterns. For example, you might set up 52 periods to report a customer's status on a weekly basis.

If you do not specify a company when setting up credit and collections date patterns for the customer, the system uses the default information for company 00000 from the credit and collection date patterns. You do not need to set up date patterns for each company. Instead, set up date patterns for those companies that have unique reporting requirements.

▶ To set up credit and collections date patterns

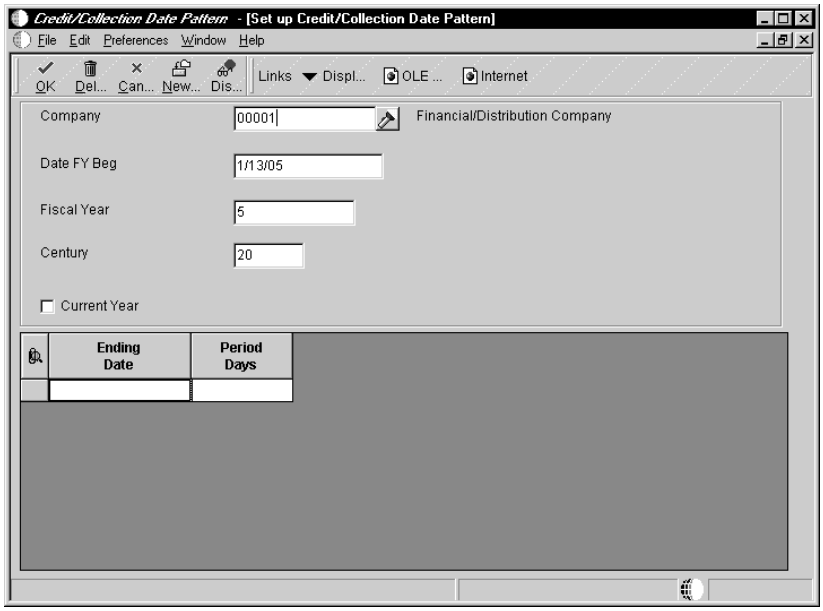
From the Credit and Collections Setup menu (G03B411), choose Credit/Collection Date Pattern.

On Work With Credit/Collection Date Patterns



Company	Century	Fiscal Year	Beginning Date	Current Year	Description
00000	20	4	1/1/04	0	J.D. Edwards & Company
00000	20	5	1/1/05	0	J.D. Edwards & Company
00000	20	6	1/1/06	0	J.D. Edwards & Company
00001	20	4	1/1/04	0	Financial/Distribution Company
00001	20	5	1/31/05	0	Financial/Distribution Company
00001	20	6	1/1/06	0	Financial/Distribution Company
00200	20	4	1/1/04	0	Manufacturing/Distribution Co.
00200	20	5	1/1/05	0	Manufacturing/Distribution Co.
00200	20	6	1/1/06	0	Manufacturing/Distribution Co.

1. Click Add to access Set Up Credit/Collection Date Pattern.



2. On Set Up Credit/Collection Date Pattern, complete the following fields:
   - Company
   - Date FY Beg
   - Fiscal Year

     When you run the Update Invoice Amounts process, the system automatically updates the fiscal year in the Credit and Collection date patterns.
3. To set the current year, click the following option:
   - Current Year
4. Complete the following fields for each period in the pattern, and click OK:
   - Ending Date
   - Period Days

Field	Explanation
Date FY Beg	The first day of the fiscal year.

Field	Explanation
Fiscal Year	A number that identifies the fiscal year. Generally, you can either enter a number in this field or leave it blank to indicate the current fiscal year (as defined on the Company Numbers and Names form). Specify the year at the end of the first period rather than the year at the end of the fiscal period. For example, a fiscal year begins October 1, 1998 and ends September 30, 1999. The end of the first period is October 31, 1998. Specify the year 98 rather than 99.
Current Year	A field to mark a Fiscal Year as the current year or the previous year. If you leave the field blank, the default value will be “0”. The valid values are as follows: 0 No update 1 Current year 2 Previous year For OneWorld software, the options are as follows: On Indicates the current year. Off The year is not indicated.
Ending Date	The date is used to define the last date within a Credit/Collection period. This date is used in the A/R Statistical History Refresh (R03B16) for tracking of periodic statistics.
Period Days	The number of days within a period. If you leave this field blank, the system uses the ending date.

Updating Statistical Information

From the Credit and Collections Management menu (G03B15), choose Statistics History Update.

As part of your customer analysis activities, you can update statistical information about your customer accounts, based on how you set the processing options. To do so, run Statistics History Update. This enables you to review the activity of a customer's account for a specific period, which is helpful for trending analysis and cash forecasting. The update includes information about both closed and open transactions, such as:

- Invoice amount
- Days sales outstanding (DSO)

When you run this batch process, the system looks at posted information only. The system also updates inception-to-date statistics for your customer accounts. This information is similar to the periodic statistics except that the system accumulates statistical information from the time the customer's account is opened. It includes the following type of information:

- Date of the first and last invoice
- Last receipt date

Running this batch process is time consuming. J.D. Edwards suggests that you run this process during off hours.

When updating statistical information, the system gathers information from the following tables:

- A/R Ledger (F03B11)
- A/R Adjustments (F03B112)
- Receipts Register (F03B13)
- Receipts Application Detail (F03B14)

After the system gathers the information, it updates the A/R Statistics History (F03B16) and the A/R Statistics Summary (F03B16S) tables. F03B11, F03B12, F03B13, and F03B14 records that have been included are marked with a 1 in the A/R Post to Cash Management (ISTC) field and are not read again. You can view a customer's statistical history on the Account Statistics Inquiry form.

The system stores summary information at the parent/child level. The parent record contains information that pertains to the account and all associated child accounts.

To run the update successfully, remember the following:

- Set the credit and collections date pattern for company 00000. This includes the G/L dates of all invoices and receipts in the database.
- Post all invoices and receipts that you want included.
- Do not run the Statistics History Update with data selection.
- The Statistics History Update does not include R5 deduction records.
- You cannot change the processing options for this program after initial processing.
- The system uses the aging criteria specified in the A/R constants.

Before You Begin

❑ Set up the necessary user defined codes in the 03B/RC (Reason Code) UDC list for calculating bad debt and minor write-off amounts.

❑ Post all necessary invoices and receipts.

Processing Options for A/R Statistical History Refresh

DSO

1. Enter DSO Calculation Method. (Blank = Count Back, 1 = Average Balance, 2 = Current Balance)

   DSO Calculation Method _____

2. Enter number of periods used in Average Balance and Current Balance methods. (if left blank, the default is 3).

   Number of Periods _____

Balance

3. Calculate Ending Balance and DSO. (“1” = Calculate, Blank = Do not calculate)

   Process Balance Flag _____

4. Calculate High Balance. (“1” = calculate High Balance, “blank” = do not calculate High Balance.)

   Calculate High Balance _____

Roll Balance

5. Enter the number of days to be used to calculate the Statistical History Balance. If left blank, the Statistical History Balance will be inception to date.

   Number of Days for Balance _____

6. Enter the date that the Statistical History Balance will be calculated thru. If left blank, today’s date will be used.

   Balance Thru Date _____

What You Should Know About Processing Options

The DSO Calculation Method

Once you have set this processing option to a specific method, you should not change it.

See *Appendix D: Periodic Statistical Calculations* for detailed information about the DSO Calculation Method.

Roll Balance dates (5, 6)

The Roll Balance processing options determine what information the system includes in the A/R Statistical Summary table (F03B16S). This table contains only the A/R Statistical History (F03B16) records that you specify in the dates in these processing options.

You enter the date in the Balance Thru Date processing option in conjunction with the number of days you specify in the Number of Days for Balance processing option. You must specify at least one date period of information to update the amount fields in this table. If you specify less than one date period, the system updates only date fields in the F03B16S, not amount fields.

For example, you enter an invoice with a G/L date of 10/01/98. Post the invoice and run the statistical build with the Roll Balance processing options blank. The system writes a record in the F03B16 table for the invoice, but you will not see amounts recorded in the F03B16S table. The difference between the date you enter in the Balance Thru Date processing option and the number of days you enter in the Number of Days for Balance must comprise at least one period (as defined by the date pattern) for the system to update amounts into the summary table (F03B16S). However, if the date you enter in the last processing option were 11/01/98, then the period amounts from October (in the F03B16 table) would be rolled into the F03B16S table and displayed on the Account Statistic History form.

For customers who want the summary to include information for one year, you should specify 365 days in the Number of Days for Balance processing option. Doing so limits the summary to one year. If you want to see inception-to-date information in the customer's summary, you can leave the processing option blank. This processing option works with the fiscal date patterned defined in Credit and Collections Date Patterns to determine what constitutes a period (calendar, fiscal, 4–4–5, and so on).

Reviewing Statistical Information

As part of your credit and collection activities, you can analyze the payment trends of a customer within a specific time period. For example, you can review the average number of days a customer is late in paying an invoice or review the total amount invoiced for a customer. In addition, you can review the following types of statistical history:

- Date that the account was opened
- Amount and number of invoices paid late

- Amount and date of a customer's high balance
- Number of days sales are outstanding (DSO)

When you review statistical information, the system displays information from the A/R Statistical History (F03B16) and A/R Statistical Summary (F03B16S) tables.

Before You Begin

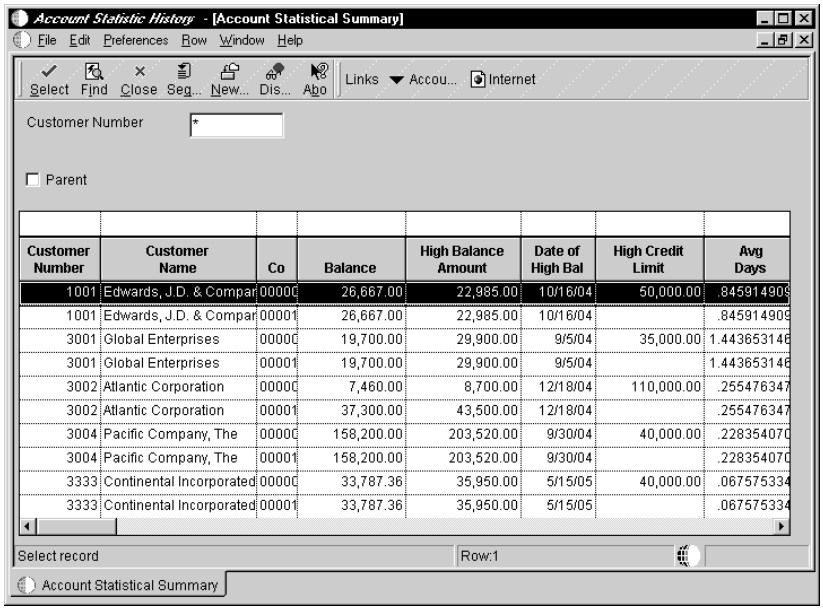
❑ Post all necessary invoices and receipts to ensure that the information the system calculates and displays on Account Statistical Summary is correct

❑ Run the A/R Statistical History Refresh (R03B16) to update the A/R Statistical History (F03B16) and A/R Statistical Summary (F03B16S) tables

▶ To review statistical information

From the Credit and Collections Management menu (G03B15), choose Account Statistic History. Alternatively, you can access this form from the Customer and Invoice Entry menu (G03B11).

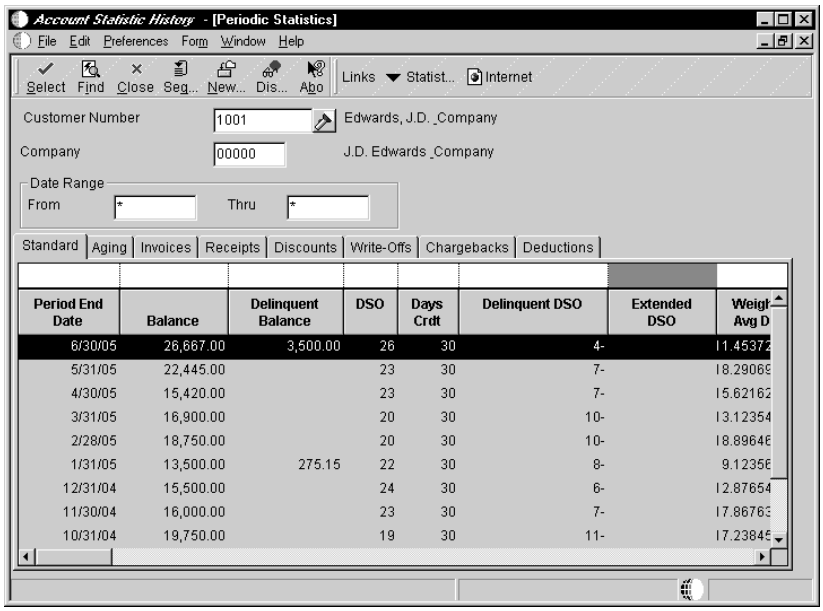
On Account Statistical Summary



1. Click Find to display statistical information for all accounts, or complete the following field to limit the information that the system displays:
   - Customer Number
2. To review periodic statistics for an account, choose the account and click Select.

The system displays each period on a separate line. The system displays the totals on the second to last line. The last line in bold, black text represents the average for the column. This average includes those periods that have no activity.

The system bases the aging information on the account status at the end of that period.



Related Tasks

Calculating bad debt and minor write-off amounts

To determine how the system calculates amounts for bad debt and minor write-offs, you must set up the necessary user defined codes in the 03B/RC (Reason Code) UDC list.

On Work with User Defined Codes:

- For bad debt, leave the Special Handling Code field blank.
- For minor write-offs, specify 1 in the Handling Code field.

See Also

- *Appendix D: Periodic Statistical Calculations* for information about how the system calculates statistical information
- *Printing the Collection Report* for information about reviewing a list of outstanding items for customers with past-due accounts

Purging Statistical History Records

From the Advanced & Technical Operations menu (G03B31), choose Statistical Purge Repost.

The A/R Statistical History Purge/Repost (R03B163) program purges F03B16 records. This program uses data selection to determine which F03B16 records you want to delete. It clears the F03B16 records and resets the ISTC field from 1 to 0 on the Customer Ledger (F03B11) invoice records.

You purge A/R Statistical History (F03B13) records when you want to start over. Do not run this using Company in the data selection, because the table is comprised of company specific totals and totals for all companies (company 00000).

There is no archive function for this program. For example, if you run the purge for a 2 month period, your data in the F03B16 would be out of sync with the data in the F03B16S table.

Processing Options for A/R Statistical History Purge/Repost

```
Options

1. To run the Statistical History Update
    following the purge, enter a
    version.

      Version:                                    _____________
```

A/R Reports

To effectively manage your accounts receivable information, such as customer account balances, you can:

- ❑ Print A/R standard reports
- ❑ Print analytical reports
- ❑ Print netting reports

Why Would You Print Standard Reports?

Print standard reports to review and manage open A/R balances and aging information for:

- All customers
- A specific customer
- A specific category code
- Multi-currency amounts

Why Would You Print Analytical Reports?

Print analytical reports to revise and analyze information about:

- Totals by customer and pay status
- Collections, such as unresolved matters and accounts that require immediate attention
- Credit limits, such exceeding assigned credit limit
- Customer trends and statistics, such as high balances and DSO (Days Sales Outstanding)

Printing A/R Standard Reports

You can print standard reports to review and manage A/R information, such as open account balances for all customers or specific customers.

This task includes:

- ❑ Printing the Open A/R Detail – Summarized with Currency report (R03B413B)
- ❑ Printing the Open A/R Detail with Remarks report (R03B4201A)
- ❑ Printing the Open A/R Foreign Amounts report (P03B429)
- ❑ Printing the Open A/R Detail with Aging report (R03B4201B)

When you print these reports, the system reads information from the following tables:

- Customer Master by Line of Business (F03012)
- A/R Ledger (F03B11)
- Receipts Register (F03B13)
- Receipts Application Detail (F03B14)

The processing time for these reports depends on the amount of history retained in these tables. You might want to print standard reports during off-peak hours.

Printing the Open A/R Detail – Summarized with Currency Report (R03B413B)

From the Accounts Receivable Reports menu (G03B14), choose Open A/R – Detail Summarized With Currency.

To review current summary information about your customer accounts and the associated currency information, print the Open A/R Detail – Summarized with Currency report. This report lists all open accounts in alphabetical order and shows a

summarized total for each customer's open items. This aging report lists totals by company and a grand total of all open A/R items.

The totals and aging amounts reflect those transactions that you specify in the data selection for the report.

Before You Begin

❑ Specify your aging categories for this report in one of the following:

- A/R constants. Specify the aging by due date.
- Processing options. Specify the aging method and the type of date (due date, invoice date, or G/L date).

See Also

- R03B413B, *Open A/R Detail – Summarized with Currency* in the *Reports Guide* for a report sample

Processing Options for A/R Summary with Currency

```
Aging

1. Enter a 1 to retrieve the aging
    specifications from the A/R
    constants. If left blank, the
    processing options will be used for
    aging. NOTE: If selected, all other
    aging processing options will be
    ignored.

      Age From Constants                    _____

2. Enter the As Of date to age open
    balances. If left blank, the current
    date is used as the default.

      As Of Date                            _____

3. Specify one of the following dates to
    age accounts from: D = Due Date, I =
    Invoice Date, G = General Ledger
    Date, S = Statement Date.

      Date to Age Accounts From             _____

4. Specify one of the following methods
    for aging calculations: 1 = Aging
    Days (default), 2 = Fiscal Periods,
    3 = Calendar.

      Aging Method                          _____

Aging Days

5. Enter the aging days for each
```

category (for aging method 1 only). Beginning 1:

Thru _____
Thru _____
Thru _____

Age Credits

6. Enter a 1 to age credits. If left blank, credits will be applied to the Current Aging Column.

Age Credits _____

Print Options

7. Enter a 1 to print the parent number on the report. If left blank, the parent number will not print.

Print Parent Number _____

8. Enter the category code number indicating which category code to print on the report. If a zero is entered no category code will print on the report. (FUTURE)

Category Code Number _____

9. Specify the system that is the source of the category codes: 1 = Address Book, 2 = Accounts Receivable. (FUTURE)

Source of Category Codes _____

10. Enter a 1 to print the credit limit for each customer listed on the report. If left blank, no credit limit will print. (FUTURE)

Print Credit Limit _____

Printing the Open A/R Detail with Remarks Report (R03B4201A)

From the Accounts Receivable Reports menu (G03B14), choose Open A/R Detail with Remarks.

To review open items, such as invoices, credit memos, and unapplied receipts, for every customer, print the Open A/R Detail with Remarks report. This report includes the remarks that are associated with each pay item. For example, during invoice entry, you might enter a remark to describe the type of service or product in which the customer is being billed. This report shows totals for each company and a grand total for all companies.

You can choose to print versions of this report that include:

- Discount information.
- Retainages.
- Customer receipts history. This includes both paid and open items for each customer. The information on this report version is similar to the information that you can view online on Customer Receipts Inquiry.
- Currency restatement. This includes the currency in which the system restates the amounts depending on what you specify in the processing options.

See Also

- R03B4201A, *Open A/R Detail with Remarks* in the *Reports Guide* for a report sample

Processing Options for Open A/R Details

```
Receipts

1. To print receipt information enter a
    1. If left blank, only invoices and
    unapplied cash will print.

      Print Receipts                                _____________

2. To include receipt amounts in the
    total for original amount enter a 1.
    If left blank only original
    documents will be included in the
    total.

      Include Receipts in total for                 _____________
      original amount

As Of Date

3. Enter the As Of Date. All amounts
    will be recalculated and displayed
    with values as they were on this
    date.

      Date – Age as of                              _____________

Currency

4. Enter the currency into which amounts
    will be recalculated and displayed.
    If left blank then amounts will be
    displayed in their domestic
    currency.

      Currency Code -Restatement                    _____________
```

Printing the Open A/R Foreign Amounts Report (P03B429)

From the Accounts Receivable Reports menu (G03B14), choose Open A/R Foreign Amounts.

To review open A/R detail with currency information, such as invoices, credit memos, and unapplied receipts, print the Open A/R Foreign Amounts report. This report includes the following types of currency information:

- The base company currency
- The transaction currency
- The original and open foreign balances

When printing Open A/R with Foreign Amounts, you can print any of the following reports:

Foreign and Domestic Transactions report (R03B429A)	Print this report to review a list of open A/R items with both foreign and domestic amounts.
Currency Detail with Aging report (R03B429B)	Print this report to review a list of open A/R items in the currency in which the system ages the transactions. You set a processing option to age the open A/R amounts from a specific date.
Foreign and Domestic Transactions with Aging report (R03B429C)	Print this report to review a list of open A/R items with foreign and domestic amounts for specific aging categories. You set a processing option to age the open A/R amounts from a specific date.

Before You Begin

- ❑ Ensure that multi-currency conversion option is set to Y (yes) in the General Accounting constants

Processing Options for Currency Detail – Foreign and Domestic

Receipts

1. Enter a '1' to print receipts history. If left blank,only invoices and unapplied receipts will be printed.

   Print Receipts History: _____

2. Enter a '1' to include receipt amounts in report totals. If left blank, only invoice amounts will be included.

   Include Receipts in Totals: _____

As Of

1. Enter the As Of Date. All amounts will be recalculated and displayed with values as they were on this date.

   Date – As Of _____

Processing Options for Currency – Foreign/Domestic with Aging

Aging

1. Enter a ’1’ to retrieve the aging specifications from A/R Constants. If left blank, the processing option values for aging will be used.

   Retrieve Aging Information _____

2. Enter the “As Of” date to age open balances. If left blank, the current date is used as the default.

   “As Of” Date _____

3. Specify one of the following dates to age accounts from: D = Due Date (Default), I = Invoice Date, G = G/L Date, S = Statement Date.

   Date Aging Based On _____

4. Specify one of the following methods for aging calculations: 1 = Aging Days (Default), 2 = Fiscal Periods, 3 = Calendar.

   Aging Method _____

More Aging

1. Enter the following aging category information: (for method ’1’ only) Aging Days:

   Thru _____
   Thru _____
   Thru _____
   Thru _____

2. Enter a ’1’ to age credit amounts. If left blank credits will be applied to the current column.

   Age Credits _____

As Of

1. Enter the As Of Date. All amounts will be recalculated and displayed with values as they were on this date.

   Date – As Of _____

Currency

1. Enter the currency into which amounts will be recalculated and displayed in Foreign and Aging columns. If left blank then amounts will be

displayed in their foreign currency

Currency Code – Restated _____

Processing Options for Currency – Foreign/Domestic with Aging

Aging

1. Enter a ’1’ to retrieve the aging specifications from A/R Constants. If left blank, the processing option values for aging will be used.

   Retrieve Aging Information _____

2. Enter the “As Of” date to age open balances. If left blank, the current date is used as the default.

   “As Of” Date _____

3. Specify one of the following dates to age accounts from: D = Due Date (Default), I = Invoice Date, G = G/L Date, S = Statement Date.

   Date Aging Based On _____

4. Specify one of the following methods for aging calculations: 1 = Aging Days (Default), 2 = Fiscal Periods, 3 = Calendar.

   Aging Method _____

More Aging

1. Enter the following aging category information: (for method ’1’ only) Aging Days:

   Thru _____
   Thru _____
   Thru _____
   Thru _____

2. Enter a ’1’ to age credit amounts. If left blank credits will be applied to the current column.

   Age Credits _____

As Of

1. Enter the As Of Date. All amounts will be recalculated and displayed with values as they were on this date.

   Date – As Of _____

Printing the Open A/R Detail with Aging Report (R03B4201B)

From the Accounts Receivable Reports menu (G03B14), choose Open A/R Detail with Aging.

To review open A/R items for specific aging categories, print the Open A/R Detail with Aging report. This report shows totals for each company and a grand total for all companies.

Related Tasks

"As of" reporting	You can print the Open A/R Detail report so that it lists information as of a specific date, such as the end of the month. To do so, specify the as of date in the appropriate processing option. This enables you to see open A/R detail for your customers on the date that you specify.
Currency restatement	You can specify the currency in which the system restates the amounts listed on the Open A/R Detail with Aging report. To do so, specify the currency in the processing options.

Processing Options: Open A/R Details with Aging (R03B4201B)

Aging Tab

Use these processing options to specify how the Accounts Receivable system ages your customer's invoice information.

1. Aging Specifications

Use this processing option to retrieve the aging specifications from the A/R Company Constants (F0010), or use the processing options for aging. If you enter 1 to retrieve aging specifications from the A/R constants, the system will ignore all other aging processing options.

2. Date Calculation

Use this processing option to specify the aging period into which the system places the transaction. Enter the date to age open balances. This is the date you want the aging to begin. For example, you could indicate that you want to start the invoice's aging as of June 21, when you actually received the invoice on June 25.

3. Date Type

Use this processing option to specify the From Date, or the date from which the system ages accounts. If you leave this field blank, the system uses the invoice due date. Enter 1 to use the invoice date. Enter 2 to use the G/L date. Enter 3 to use the statement date.

4. Aging Method

Use this processing option to designate how the system calculates aging. If you calculate aging by aging days, you will need to indicate the number of days in each column. For example, column one could include invoices that are due in 1–30 days. Column two could include invoices that are due in 31–60 days, and so on.

If you enter 1 in the Aging Method procession option, you must use the Aging Days options on the following tab.

If you calculate aging by fiscal period, you include invoices by periods as you define them. For example, you could define fiscal periods as extending from the sixteenth of one month to the fifteenth of the following month. Then, column one could include invoices for the first period, column two could include invoices for the second period, and so on.

If you calculate aging by calendar, you include invoices by month. For example, column one could include the invoices that are due in January, column two could include invoices due in February, and so on.

NOTE: Complete this processing option only if you enter a blank in the Aging Specification processing option. Otherwise, these periods are determined by the Date Pattern chosen for each company as defined in Company Numbers and Names (G09411).

5. Aging Category 1

Use this processing option to specify the intervals the system uses as an aging category for the first aging column of the A/R aging reports.

For example, if you enter –30, the system calculates aging days from 30 days prior to the date determined by the Date: Age As Of processing option. If you enter 0, the system calculates aging days from the date determined by the Date: Age As Of processing option. If you enter 30, the system calculates aging days from 30 days after the date determined by the Date: Age As Of processing option.

6. Aging Category 2

Use this processing option to specify the intervals the system uses as an aging category for the second aging column of the A/R aging reports.

For example, if you enter –30, the system calculates aging days from 30 days prior to the date determined by the Date: Age As Of processing option. If you enter 0, the

system calculates aging days from the date determined by the Date: Age As Of processing option. If you enter 30, the system calculates aging days from 30 days after the date determined by the Date: Age As Of processing option.

7. Aging Category 3

Use this processing option to specify the intervals the system uses as an aging category for the third aging column of the A/R aging reports.

For example, if you enter –30, the system calculates aging days from 30 days prior to the date determined by the Date: Age As Of processing option. If you enter 0, the system calculates aging days from the date determined by the Date: Age As Of processing option. If you enter 30, the system calculates aging days from 30 days after the date determined by the Date: Age As Of processing option.

8. Aging Category 4

Use this processing option to specify the intervals the system uses as an aging category for the fourth aging column of the A/R aging reports.

For example, if you enter 60, the system calculates aging days from 60 days after the date determined by the Date: Age As Of processing option. If you enter 90, the system calculates aging days from 90 days after the date determined by the Date: Age As Of processing option. If you enter 999, the system calculates aging days from 999 days after the date determined by the Date: Age As Of processing option. A long interval in this last processing option shows invoices that have been on hold for a long period of time.

9. Aging Category 5

Use this processing option to specify the intervals the system uses as an aging category for the fifth aging column of the A/R aging reports.

For example, if you enter 30, the system calculates aging days from 30 days after the date determined by the Date: Age As Of processing option. If you enter 60, the system calculates aging days from 60 days after the date determined by the Date: Age As Of processing option. If you enter 90, the system calculates aging days from ninety days after the date determined by the Date: Age As Of processing option.

10. Aging Category 6

Use this processing option to specify the intervals the system uses as an aging category for the sixth aging column of the A/R aging reports.

For example, if you enter 30, the system calculates aging days from 30 days after the date determined by the Date: Age As Of processing option. If you enter 60, the system calculates aging days from 60 days after the date determined by the Date: Age As Of processing option. If you enter 90, the system calculates aging days from ninety days after the date determined by the Date: Age As Of processing option.

11. Age Credits

Use this processing option to apply credits to the Current Aging column, or to age credits. Complete this option only if you leave the Aging Specification processing option blank.

Receipts Tab

1. Print Receipts

Use this processing option to print receipts information. Valid values are:

Blank The system prints only invoices and unapplied cash information.
1 Print receipts information.

2. Original Total

Use this processing option to include receipt amounts on reports. Valid values are:

1 The system includes the receipt amounts in the Original Amount column total on the report.
Blank Only original amounts are totaled in this column.

Date Tab

1. Date – As Of

Use this processing option to specify when the system recalculates and displays the values for all amounts on reports.

Currency Tab

Use the Currency processing option to specify which currency the system uses to recalculate amounts.

1. Currency Code – Re-Calculated

Use the Currency processing option to specify which currency the system uses to re-calculate amounts. The system does this only if it locates a valid exchange rate in the Currency Exchange Rates table (F0015). For example, if you enter amounts in U.S. dollars, but you want the amounts printed in Canadian dollars, enter Canadian currency in this processing option. The system locates an exchange rate to recalculate the amounts.

Leave this processing option blank to use domestic currency.

Printing Analytical Reports

To review and analyze information about your customer's accounts, print analytical reports.

This task includes:

- ❑ Printing the Customer Receipts History report (R03B4201A)
- ❑ Printing the Open A/R Summary Analysis report (R03B155)
- ❑ Printing the Statistical Trend Analysis report (R03B165)
- ❑ Printing the Invoice Trend Analysis report (R03B168)
- ❑ Printing the Receipt Trend Analysis (R03B167)
- ❑ Printing the Aging Trend Analysis report (R03B166)
- ❑ Printing the Collection Report (R03B461)

The processing time for these reports depends on the amount of history retained in their corresponding tables. You might want to print analytical reports during off-peak hours.

Printing the Customer Receipts History Report (R03B4201A)

From the Accounts Receivable Reports menu (G03B14), choose Open A/R Detail with Remarks. Then, choose the Customer Receipts History version.

To assist you in managing your credit and collections activities for your customer accounts, you can print Customer Receipts History. This version of the Open A/R Detail report lists both paid and open items for each customer. The information on this report is similar to the information you can view on Customer Receipts Inquiry.

See Also

- R03B4201A, *Customer Receipts History* in the *Reports Guide* for a report sample

Related Tasks

"As of" reporting	You can print the Customer Receipts History report so that it lists information as of a specific date, such as the end of the month. To do so, specify the "as of" date in the appropriate processing option.
Currency restatement	You can specify the currency in which the system restates the amounts listed on the Customer Receipts History report. To do so, specify the currency in the processing options.

Processing Options for Customer Receipts History Report

```
Receipts

1. To print receipt information enter a
    1. If left blank, only invoices and
    unapplied cash will print.

      Print Receipts                                    _____

2. To include receipt amounts in the
    total for original amount enter a 1.
    If left blank only original
    documents will be included in the
    total.

      Include Receipts in total for                     _____
      original amount

As Of Date

3. Enter the As Of Date. All amounts
    will be recalculated and displayed
    with values as they were on this
    date.

      Date – Age as of                                  _____

Currency

4. Enter the currency into which amounts
    will be recalculated and displayed.
    If left blank then amounts will be
    displayed in their domestic
    currency.

      Currency Code -Restatement                        _____
```

Printing the Open A/R Summary Analysis Report (R03B155)

From the Accounts Receivable Reports menu (G03B14), choose Open A/R Summary Analysis**.**

When analyzing the status of your customer's accounts, you can print the Open A/R Summary Analysis report. This report enables you review the following types of information:

- Account balances at the parent or child level
- Open amounts and their associated aging categories
- Customers who have exceeded their credit limit and those who are under their credit limit
- Summary information at the company level

To update the appropriate date information, you must run the Credit Analysis Refresh (P03B252). When you print the Open A/R Summary Analysis report, the system reads information from the Credit/Cash Management Worktable (F03B15).

See Also

- R03B155, *Open A/R Summary Analysis* in the *Reports Guide* for a report sample

Printing the Statistical Trend Analysis Report (R03B165)

From the Accounts Receivable Reports menu (G03B14), choose Statistical Trend Analysis.

As part of your customer management and collection activities, print the Statistical Trend Analysis report. This report enables you to analyze the trends of a customer within a specific period of time. Depending on the data selection, this report shows statistical information about your customers, such as:

- Date and amount of the customer's high balance
- Number of days sales outstanding (DSO)
- Number of credits earned
- Number of days credit is granted

When you print the Statistical Trend Analysis report, the system uses information from the following tables:

- A/R Statistical History (F03B16)
- A/R Statistical Summary (F03B16S)

See Also

- R03B165, *Statistical Trend Analysis* in the *Reports Guide* for a report sample

Before You Begin

❑ Post all necessary receipts to ensure that the information on this report is accurate

❑ Run the Statistical History Update (P03B16) to update the A/R Statistical History (F03B16) and the A/R Statistical Summary (F03B16S) tables

Printing the Invoice Trend Analysis Report (R03B168)

From the Accounts Receivable Reports menu (G03B14), choose Invoice Trend Analysis.

To analyze the invoice history of a customer within a specific period of time, print the Invoice Trend Analysis report. Depending on the data selection, this report shows statistical information for a customer, such as:

- Total amount invoiced
- Number and amount of invoices paid and paid late
- Amount of discounts taken, discounts earned, and discounts unearned
- Number and amount of chargebacks
- Average number of days a customer is late in paying an invoice

When you print the Invoice Trend Analysis report, the system uses information from the following tables:

- A/R Statistical History (F03B16)
- A/R Statistical Summary (F03B16S)

See Also

- R03B168, *Invoice Trend Analysis* in the *Reports Guide* for a report sample

Before You Begin

❑ Post all necessary receipts to ensure that the information on this report is accurate

❑ Run the Statistical History Update (P03B16) to update the A/R Statistical History (F03B16) and the A/R Statistical Summary (F03B16S) tables

Printing the Receipt Trend Analysis Report (R03B167)

From the Accounts Receivable Reports menu (G03B14), choose Receipt Trend Analysis.

To analyze the payment history of a customer within a specific period of time, print the Receipt Trend Analysis report. Depending on the data selection, this report shows statistical information for a customer, such as:

- Total number and amount of payments
- Number of NSF receipts
- Number and amount of write-offs and chargebacks
- Number and amount of deductions

When you print the Receipt Trend Analysis report, the system uses information from the following tables:

- A/R Statistical History (F03B16)
- A/R Statistical Summary (F03B16S)

See Also

- R03B167, *Receipt Trend Analysis* in the *Reports Guide* for a report sample

Before You Begin

❑ Post all necessary receipts to ensure that the information on this report is accurate

❑ Run the Statistical History Update (P03B16) to update the A/R Statistical History (F03B16) and the A/R Statistical Summary (F03B16S) tables

Printing the Aging Trend Analysis Report (R03B166)

From the Accounts Receivable Reports menu (G03B14), choose Aging Trend Analysis.

To analyze customer payment trends, print the Aging Trend Analysis report. This report allows you to view customer payment trends over a a long period of time. For example, you can determine whether a customer is becoming more delinquent each year, based on monthly totals over a two-year period.

When you print the Aging Trend Analysis report, the system uses information from the following tables:

- A/R Statistical History (F03B16)
- A/R Statistical Summary (F03B16S)

See Also

- R03B166, *Aging Trend Analysis* in the *Reports Guide* for a report sample

Before You Begin

❑ Post all necessary receipts to ensure that the information on this report is accurate

❑ Run the Statistical History Update (P03B16) to update the A/R Statistical History (F03B16) and the A/R Statistical Summary (F03B16S) tables

Printing the Collection Report (R03B461)

From the Accounts Receivable Report menu (G03B14), choose Collection Report.

To review a list of outstanding items for customers with past-due accounts, print the Collection Report. You can use this report to determine whether to consign specific invoices or customers to an external collection agency.

You can run the report in proof or final mode. If you run the report in final mode, you must provide a collection reason code in the processing options. The system updates this reason code to the field CORC on the F03B11 invoice records that are printed on the report.

This report lists both domestic and foreign gross and open amounts.

Before You Begin

- ❑ Set the Collect Report field for the customer on Customer Master Information. See *Creating Customer Records*.
- ❑ Set the External Collections Recommended field on Notification Instructions. See *Setting Up Policies*.

Processing Options for Collection Report

Mode

1. Enter a "1" run in Final Mode. Default of blank will run in Proof mode. _____

2. Enter in the Collection Reason Code. If Report is run in Final Mode, the Collection Reason Code is required. _____

Printing Netting Reports

When you do a large volume of business with another organization as both a customer and a supplier, you can net your receivable and payable transactions with that organization. When you net transactions, you calculate the net amount due from or due to another organization. This allows you and the other organization to mutually resolve your open transactions with a single payment.

You can print netting reports that show whether your company owes or is owed money. These reports do not make adjustments to the account ledgers. Instead, the reports provide comparisons between A/R and A/P amounts, and are useful in the following situations:

- The A/R balance is a credit.
- The A/P balance is a debit.
- The customer or supplier has both A/R and A/P balances.

You can use this information to net the receivable and payable balances for eligible organizations.

Printing netting reports consists of the following tasks:

- ❑ Creating the A/R and A/P Netting Report Workfile table
- ❑ Printing the Receivables and Payables Netting report
- ❑ Printing the Netting - Aging report

See Also

- *Netting Payables and Receivables* in the *A/P Guide*

Creating the A/R and A/P Netting Report Workfile Table

From the Accounts Receivable Report menu (G03B14), choose Build Netting Report File

Before you can print the Netting - Aging Report, you must create the workfile it uses. When you do this, the system rebuilds the A/R Netting Workfile table (F03B465) based on current information in the A/R Ledger and A/P Ledger tables.

Before You Begin

❑ Verify that the A/R Netting Workfile table (F03B465) exists. Unlike other programs, the program that builds the netting report workfile does not create the table if it does not exist.

Processing Options for Build A/R and A/P Netting File

```
Version

1.  Enter the version for the Netting
    Workfile Build for Accounts
    Receivable (R03B4651).  If left
    blank, a default of ZJDE0001 will be
    used.

      Version                                    _____________

2.  Enter the version for the Netting
    Workfile Build for Accounts Payable
    (R03B4652).  If left blank, a
    default of ZJDE0001 will be used.

      Version                                    _____________
```

Data Selection for Build Netting Report Workfile

By default, the system includes only open invoices and vouchers in the A/R and A/P Netting Workfile table. You can use data selection to further limit the size of the table. For example, you can select records based on a company and a fiscal period.

You can change the data selection as follows:

- For A/R, by changing the data selection for A/R Netting File Refresh (R03B4651)
- For A/P, by changing the data selection for A/P Netting File Refresh (R03B4652)

Printing the Receivables and Payables Netting Report

From the Accounts Receivable Report menu (G03B14), choose Receivables/Payables Netting

You print the Receivables and Payables Netting report when you want the system to calculate the potential offsets between open A/P balances and open A/R balances.

This report lists information from the A/R Ledger (F03B11) and A/P Ledger tables (F0411).

When you print this report, the system does the following:

1. Totals the open A/R and open A/P balances for each account.
2. Compares the two sums.
3. Calculates the potential offsets.

   For example, an account with an open A/R balance of 50,000 and an open A/P balance of 30,000 has a potential A/R offset of 20,000. If the opposite is true, the account has a potential A/P offset.

4. Calculates the net amount of the two offset fields and lists the grand total in the appropriate column.

Before You Begin

- ❑ Verify that the A/P Netting Workfile table (F03B465) exists. Unlike other reports, the Receivables and Payables Netting report does not create the table if it does not exist. You create the A/P Netting Workfile table with the Netting - Aging Report UBE (R03B466).

Data Selection for Receivables and Payables Netting Report

Each data selection field should be equal to *ALL so that the report includes all data and gives a complete picture of potential netting.

Data Sequence for Receivables and Payables Netting Report

This report is sequenced by address number and company. You should not change this sequence.

Printing the Netting - Aging Report

From the Accounts Receivable Report menu (G03B14), choose Netting - Aging Report

You print the Netting - Aging report when you want the system to age balances. This report lists transactions by customer and supplier aged by currency type.

By selecting different versions of this report, you can review detailed or summary information. You can also review multi-currency or domestic currency only versions of the report.

This report lists information from the A/R Netting Workfile table (F03B465).

When you print this report, the system:

1. Totals the open A/R and open A/P amounts for each account.

2. Ages the balances for each account as determined by the processing options.

Before You Begin

❑ Create the A/R and A/P Netting Report Workfile table. See *Creating the A/R and A/P Netting Report Workfile Table*.

Data Selection for the Netting - Aging Report

You can use data selection to limit the detail on the report. For example, you can include any fields in the Address Book (F0101), as well as many of the fields shared by the A/R Ledger and A/P Ledger tables.

Data Sequence for the Netting - Aging Report

This report is sequenced by company and address number. You may add to this sequence, but you should not change it.

Processing Options for A/R – A/P Netting Report

```
Format Control

      1. Enter one of the following                    _____
      format options:

      <blank> = Domestic Only Aging
      '1' = Foreign Currency Aging
      2. Enter a '1' to print the                      _____
      supplier's invoice number beneath
      the document information on the
      report.  If left blank, the
      invoice number will not be
      printed.

Use Constants

      3.  Enter a '1' to retrieve the                  _____
      aging specifications from A/R
      Constants.  If left blank, the
      processing options for aging will
      be used.  (Note: Report MUST be
      sequenced and set to page break by
      company if company defaults are
      requested.)

As Of Date

      4.  Enter the "As of" date to age                _____
      open balances.  If left blank the
      current date is used as the
      default.

Methods

      5.  Specify one of the following                 _____
      dates to age accounts from:
```

D = Due Date (Default)
I = Invoice Date
G = G/L Date

Note: The Statement Date Aging Method of "S" is invalid in Accounts Payable and is also invalid for this report. If "S" is specified, the Due Date method "D" will be used.

6. Specify one of the following methods for aging calculations: _____

1 = Aging Days (Default)
2 = Fiscal Periods
3 = Calendar

7. Enter the following aging category information: (for method '1' only)
(Aging Days)

Beginning _____
Thru _____
Thru _____
Thru _____
Thru _____

Age Credits

8. Enter a '1' to age credits. If left blank, all credits will apply only to the current aging column. _____

Aging Days

9. Enter the maximum number of aging days for a transaction to be included on the report. If left blank, all transactions will be included regardless of aging days. _____

Rounding

13. Rounding Factor: _____

<blank> = No rounding (Default)
'0' = Round to decimals only
'1' = Divide by 10
'2' = Divide by 100
'3' = Divide by 1000
'4' = Divide by 10000
'5' = Divide by 100000

File Build

10. File Build Options: _____

Enter one of the following values to control the workfile build:

<blank> = No workfile build
(Default)
'1' = Build permanent file
'2' = Build temporary workfile

Note: Temporary file will be cleared at the completion of the report.

11. A/R Build Option: _____

Enter the version to be used for the Account Receivable workfile build (R03B4651). If left blank, a default of ZJDE0001 will be used.

12. A/P Build Option: _____

Enter the version to be used for the Accounts Payable workfile build (R03B4652). If left blank, a default of ZJDE0001 will be used.

Periodic

A/R Notification Processing

As part of your periodic processes, you might need to complete different tasks for your organization. For example, you might need to process statements for your customers or print invoices for your customers.

The Accounts Receivable system provides a variety of features that enable you to complete your period-end tasks.

A/R notification processing consists of:

- ❑ Printing A/R invoices
- ❑ Updating A/R from the Address Book
- ❑ Processing statements

Printing A/R Invoices

From the Automatic Delinquency Processing menu (G03B22), choose Print A/R Invoices.

To print the invoices that you created during invoice entry or receipts entry, run Print A/R Invoices. This batch process prints such items as:

- Chargeback invoices (document type RB)
- Credit memos (document type RM)
- Delinquency fees (document type RF)

If an invoice has a discount available or an applied tax amount, it prints on the invoice. Additionally, remarks that you enter on the invoice appear, also.

If you specify that the invoice should be sent to someone other than the customer, the system prints the selected address on the invoice. Each invoice prints on a separate page.

When you print A/R invoices, the system retrieves information from the following tables:

- A/R Ledger (F03B11)
- Customer Master Information (F03012)
- Receipt Application Detail (F03B14)

If you use multiple currencies, set the appropriate processing option to print invoices in either the domestic currency of the transaction or the original foreign currency amount. The currency code and description indicate the currency that the amounts represent. (Use the demo version labeled *Foreign.*)

Processing Options: Invoice Print

Print Tab

Use these processing options to specify which dates and whether to include tax amounts on the printed invoice.

1. Invoice Print Date

Use this processing option to enter the date you want to print on the invoices. If you leave this field blank, the current system date will be used.

2. Print Tax Amounts

Use this processing option to specify whether you want tax amounts printed on the invoices. Valid values are:

Blank Do not print tax amounts on invoices.
1 Print tax amounts on invoices.

Currency Tab

Use this processing option to indicate whether you want currency information printed on the invoice.

1. Print Currency

Use this processing option to indicate if you want the base currency of the invoice printed on the invoice. Valid values are:

Blank Do not print currency information on invoices.
1 Print currency information on invoices.

Attachments Tab

Use this processing option to indicate whether the system should print associated generic text on the invoice.

1. Print Attachments

Use this processing option to print on the invoice any generic text associated with the invoice. Valid values are:

Blank Do not print associated generic text.
1 Print associated generic text.

Updating A/R from the Address Book

From the A/R Advanced and Technical Operations menu (G03B31), choose Update A/R from Address Book.

If you change the customer name or the parent number in the Address Book, you must update the A/R ledger. To do so, run Update A/R from Address Book.

You should run this program before you print statements or run Credit Analysis Refresh. If you change the parent number and do not run Update A/R from Address Book, your A/R statements might not be correct.

Depending on the size of your A/R Ledger table (F03B11), run Update A/R from Address Book during off-peak hours. Run this frequently to ensure that the A/R Ledger contains up-to-date information.

The system updates the following fields in the Customer Ledger table (F03B11):

- Customer Alpha Name (ALPH)
- Parent Address Number (PA8)

Processing Options for Update A/R from Address Book

Update

1. Enter a '1' to update the Payor in your A/R Ledger (F03B11) with Address Book values. If left blank, this field will not be updated. _____

2. Enter a '1' to update Alpha Names of customers in your A/R Ledger (F03B11) with Address Book values. If left blank, this field will not be updated. _____

Processing Statements

You send statements to your customers to inform them of their account activities. For example, you can print a statement for a customer to show their current open balance or a summary of their account.

After sending statements to your customers, a customer might contact you concerning a problem with their statement. For example, a statement might show an incorrect balance due to a billing error on an invoice or a missing credit memo. When this happens, you must be able to quickly access the statement to locate the problem. The Accounts Receivable system enables you to display the customer's statement online for review. Then, you can process and print the statement again, if necessary.

Working with statements consists of:

- ❑ Generating statements
- ❑ Reviewing statements
- ❑ Resetting statements
- ❑ Purging statements

Generating Statements

From the Automatic Delinquency Processing menu (G03B22), choose Statement Notification Refresh.

Before You Begin

- ❑ Activate the print statement option in the A/R constants and in the customer master record
- ❑ Post all invoices. The system selects only posted invoices for processing statements

To notify customers of their account activity, process A/R statements. You can customize statements for your organization to include:

- Invoice detail
- Current balance due

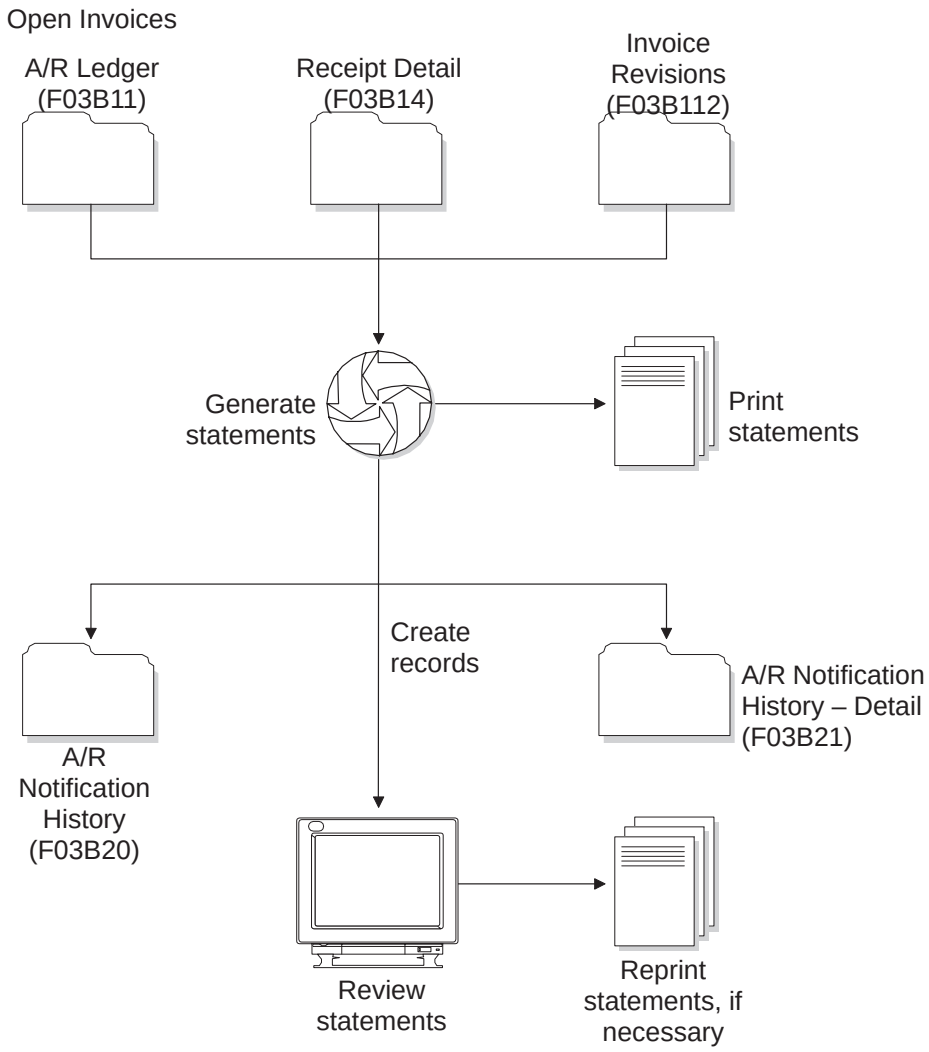
- Account summary
- Account aging

To process statements, you must first run Statement Notification Refresh. This batch process:

- Reads the following tables within a specific statement billing period:
  - Open invoices in the A/R Ledger table (F03B11)
  - Receipt detail in the Receipt Application Detail table (F03B14)
  - Invoice revisions in the A/R Adjustments table (F03B112)
- Creates records in the A/R Notification (F03B20) and A/R Notification Detail (F03B21) tables
- Prints statements sequentially according to the version that you specify in the processing options

The following graphic illustrates how the system processes statements.

Statement Processing



Processing Options: Statement Notification Refresh

Consolidation Tab

This processing option specifies how to print statements.

1. Company

Use this processing option to enter the company you want to use for locating the remit to address, aging information (if aging by constants), and statement letters.

If you leave this field blank, the system generates one statement for each customer by company.

Aging Tab

These processing options determine the aging criteria for statements.

1. Company Constants

Use this processing option to retrieve the aging specifications and statement date from A/R Company Constants (F0010). If you leave this field blank, the system uses processing options for aging specifications (Statement Date, Date Types, and Aging Categories).

2. Statement Date

Use this processing option to specify the statement date from which the system ages open balances.

3. Date Types

Use this processing option to specify the date you want the program to use for aging calculations. The system compares this date with the Statement Date processing option. Valid values are:

D Use the due date.
I Use the invoice date.
G Use the G/L date.
S Use the statement date.

4. Aging Categories

Use this processing option to calculate aging. If you calculate aging by aging days, you will need to indicate the number of days in each column. For example, column one could include invoices that are due in 1 – 30 days. Column two could include invoices that are due in 31 – 60, and so on.

If you calculate aging by fiscal period, you include invoices by periods as you define them. For example, you can define fiscal periods as extending from the sixteenth of the month to the fifteenth of the following month. Then, column one would include invoices for the first period, and column two would include invoices for the second period, and so on.

Note: Complete this processing option only if you enter a blank value in the Aging Specification processing option. Otherwise, these periods are determined by the Date Pattern chosen for each company as defined in Company Numbers and Names (G09411).

5. Aging Category 1

Use this processing option to specify the intervals the system uses as an aging category for the first aging column of the A/R aging reports.

For example, if you enter –30, the system calculates aging days from 30 days prior to the date determined by the Date: Age As Of processing option. If you enter 0, the system calculates aging days from the date determined by the Date: Age As Of processing option. If you enter 30, the system calculates aging days from 30 days after the date determined by the Date: Age As Of processing option.

6. Aging Category 2

Use this processing option to specify the intervals the system uses as an aging category for the second aging column of the A/R aging reports.

For example, if you enter –30, the system calculates aging days from 30 days prior to the date determined by the Date: Age As Of processing option. If you enter 0, the system calculates aging days from the date determined by the Date: Age As Of processing option. If you enter 30, the system calculates aging days from 30 days after the date determined by the Date: Age As Of processing option.

7. Aging Category 3

Use this processing option to specify the intervals the system uses as an aging category for the third aging column of the A/R aging reports.

For example, if you enter –30, the system calculates aging days from 30 days prior to the date determined by the Date: Age As Of processing option. If you enter 0, the system calculates aging days from the date determined by the Date: Age As Of processing option. If you enter 30, the system calculates aging days from 30 days after the date determined by the Date: Age As Of processing option.

8. Aging Category 4

Use this processing option to specify the intervals the system uses as an aging category for the fourth aging column of the A/R aging reports.

For example, if you enter 60, the system calculates aging days from 60 days after the date determined by the Date: Age As Of processing option. If you enter 90, the system calculates aging days from 90 days after the date determined by the Date: Age As Of processing option. If you enter 999, the system calculates aging days from 999 days after the date determined by the Date: Age As Of processing option. A long interval in this last processing option shows invoices that have been on hold for a long period of time.

9. Aging Category 5

Use this processing option to specify the intervals the system uses as an aging category for the fifth aging column of the A/R aging reports.

For example, if you enter 30, the system calculates aging days from 30 days after the date determined by the Date: Age As Of processing option. If you enter 60, the system calculates aging days from 60 days after the date determined by the Date: Age As Of processing option. If you enter 90, the system calculates aging days from ninety days after the date determined by the Date: Age As Of processing option.

10. Aging Category 6

Use this processing option to specify the intervals the system uses as an aging category for the sixth aging column of the A/R aging reports.

For example, if you enter 30, the system calculates aging days from 30 days after the date determined by the Date: Age As Of processing option. If you enter 60, the system calculates aging days from 60 days after the date determined by the Date: Age As Of processing option. If you enter 90, the system calculates aging days from ninety days after the date determined by the Date: Age As Of processing option.

11. Credits

Use this processing option to specify whether to age account credits, or to apply credits to the current aging balance.

12. Exclude Future Amounts

Use this processing option to specify whether to exclude future invoice amounts on invoices. The system compares the Date Type (Aging processing option 3) with the value specified in the Statement Date processing option. For example, if you are aging invoices based on the due date, and the statement date is 6/30/05, all invoices with a due date after 6/30/05 will be excluded from the statement.

13. Multi-Currency

Use this processing option to print statements showing the foreign currency. Enter 1 to print statements with foreign currency. Leave this field blank to print domestic currency only.

14. Draft Flag

Use this processing option to produce statements with a draft. If you use this option, the system assigns a draft number to the statement, not a statement number.

Print Tab

These processing options determine options such as how the system prints the Remit To address, the version to use, and letter types.

1. Remit To Address

Use this processing option to specify the Remit To address that the system prints on the statement so the customer knows where to remit their payment. These Address Book records are the customer records in the Address Book Master table (F0101).

- Leave this option blank to use the address of the company designated on the F03B11 Invoice Record.
- Enter A to use the value in the First Address Number field (AN81).
- Enter B to use the value in the Second Address Number field (AN82).
- Enter C to use the value in the Third Address Number field (AN83).
- Enter D to use the value in the Fourth Address Number field (AN84).
- Enter E to use the value in the Factor/Special Payee field (AN86).
- Enter F to use the value in the Fifth Address Number field (AN85).

2. Summarize Invoices

Use this processing option to insert new statement records into the A/R Notification History Detail (F03B21) and the A/R Notification History (F03B20) tables. Enter 1 to create records for invoices and invoice pay items. Leave this field blank to create records only for invoice pay items.

If you wish to have summarized information printed on the statement, use the processing options associated with Print A/R Statements (R03B5001).

3. Print Program

Use this processing option to specify the name of the program used to print statements. Use the visual assist to view a list of the valid print programs.

You use the Print Program processing options for statement notification refresh to produce statements that cater to product industries. For example, you can print using a credit card statement format, or print statements with a draft.

4. Version of Print Program

Use this processing option to enter the name of the version the system will use to print statements.

5. Letter Name and Letter Type

Use the Letter Name processing option to specify a pre-defined letter for printing.

Use the Letter Type processing option to specify the type of letter you wish to generate. Use the visual assist to select from the list of letter types that you set up on Work with Letter Text (G03B2801).

Update

These processing options specify the date the system uses to recalculate open invoice amounts and to determine whether the system should update the Statement Number field.

1. Date – As Of

Use this processing option to enter the "as of" date. When using "as of" date processing, the system recalculates open invoice amounts as of the date you enter. The system reads the G/L date of the receipt to determine whether the invoice has been paid. If the G/L date of the receipt is after the "as of" date entered, the system considers the invoice open and includes it on the statement. If the G/L receipt date is before the "as of" date entered, the system considers the invoice closed and does not include it on the statement.

For example, suppose you enter an invoice with a G/L date of 6/15/05 that is paid by a receipt with a G/L date of 7/10/05. If your "as of" date is 6/30/05, the invoice will show that the invoice is open on the statement. This is useful if a customer requests a statement for a specific date or for a date other than the date that the statement was originally processed.

2. Statement Number Update

Use this processing option to update the statement number. When you run drafts, you can instruct the system to update the statement number in the A/R ledger file or to keep the original statement number. If you leave this processing option blank, the system will always update the statement number.

Reviewing Statements

When a customer contacts you about a statement, you can review it online. This enables you to quickly access the statement and interactively respond to the customer's concern.

When an invoice and receipt for a transaction are in different currencies, you can review the receipt amount in two currencies. This is especially helpful when working customer accounts because it enables you to review the receipt amount in the invoice currency and the customer's transaction currency. For example, a French company issues an invoice in French francs and is paid in euros. You can review the receipt amount in both the invoice currency (French francs) and the transaction currency (euro).

Reviewing receipt amounts in two currencies applies to online statements only. It does not apply to printed statements, which continue to print receipt amounts in the invoice currency, regardless of whether they were paid in another currency.

When reviewing statements, you can:

- Review multiple statements
- Review an individual statement

The information that the system displays is for inquiry purposes only. You cannot change or delete a statement during your review.

▶ To review multiple statements

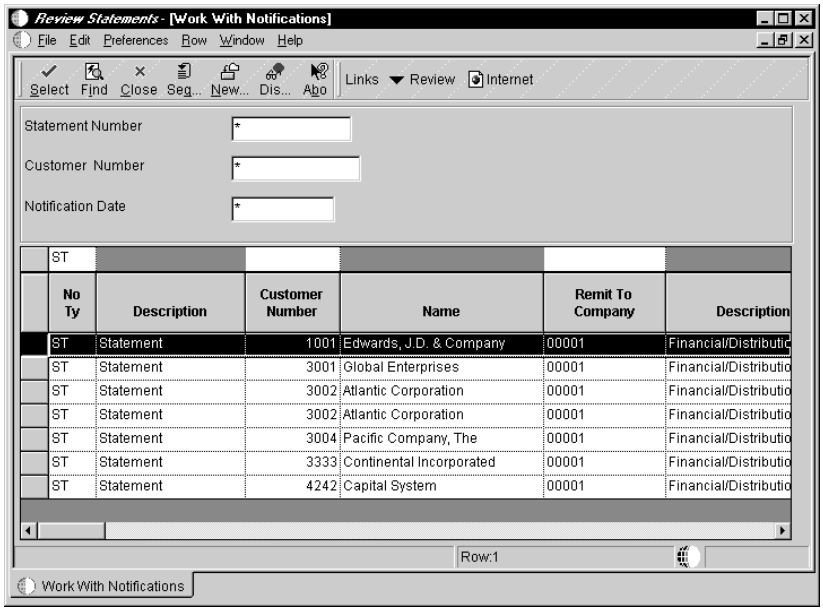
From the Automatic Delinquency Processing menu (G03B22), choose Review Statements.

When you review multiple statements, you can access:

- All statements for all of your customers
- All statements for a specific customer
- Statements with a specific notification date

The system displays information from the A/R Notification History table.

On Work With Notifications



1. Click Find to display all statements for all customers, or complete any of the following fields to limit the information that the system displays:
   - Statement Number
   - Customer Number
   - Notification Date
2. To continue reviewing statements, review an individual statement.

Field	Explanation
Statement Number	A/R Statement field usage: This is the statement number on which the invoice is printed. For example, when statements are run, if statement number 1234 contains invoices 151 and 152, this field will then contain the value 1234 for all pay items associated with invoices 151 and 152.
Notification Date	This date identifies when either a statement, delinquency or finance charge notice was sent to a customer.

▶ To review an individual statement

From the Automatic Delinquency Processing menu (G03B22), choose Review Statements.

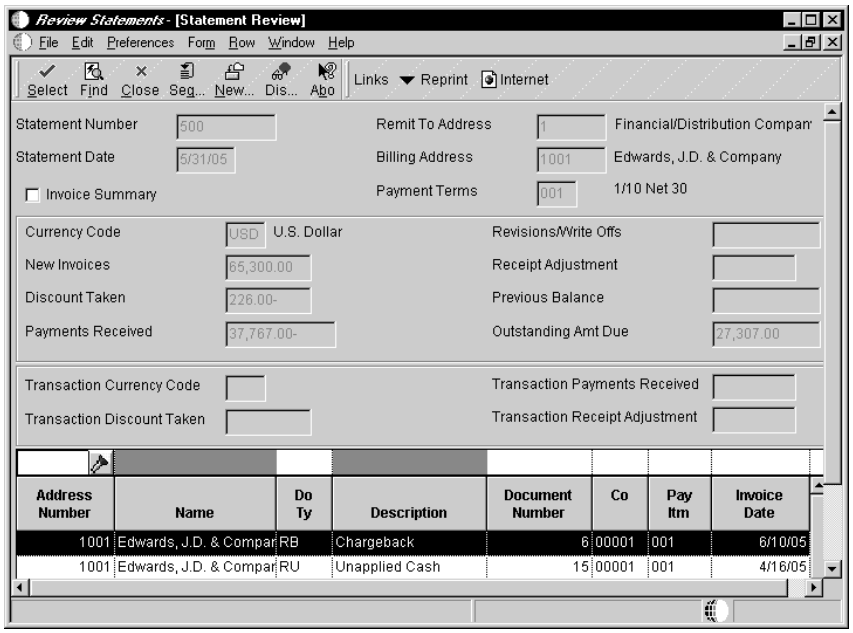
After reviewing multiple statements, you can access an individual statement to review its details. For example, you might want to see the open invoices and their due dates

that are shown on the statement. You can also access summary information for the statement, such as associated aging information.

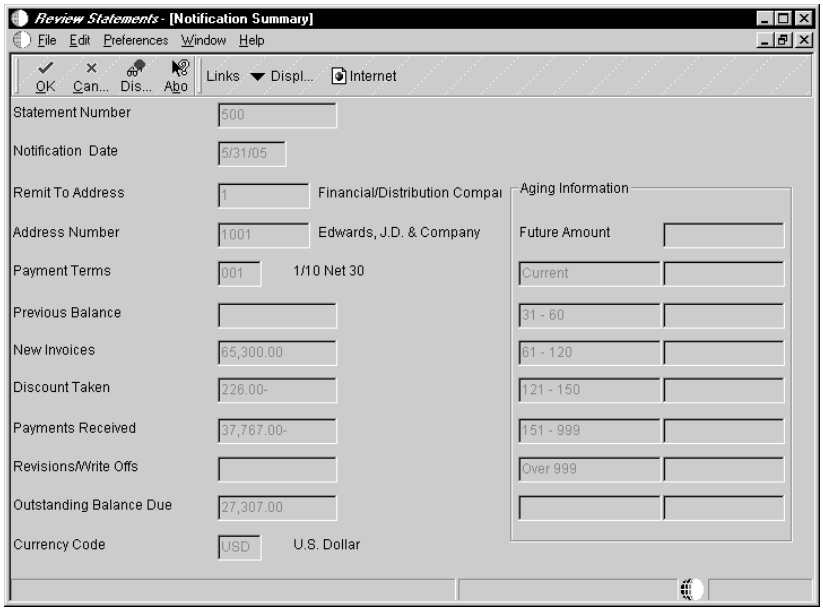
When you review an individual statement, the system displays information from the A/R Notifications History and A/R Notifications History Detail tables.

On Work With Notifications

1. Choose the statement that you want to review.
2. From the Row menu, choose Review.



3. On Statement Review, choose Summary from the Form menu to review summary information.



Related Information

Reprinting statements

While reviewing statements, you might need to reprint one for a customer. To do this, choose the statement that you want to print again on Work With Notifications. Then, from the Row menu, choose Reprint.

The system executes the print program when you exit the Work With Notifications form.

Changing statement print information

You can change the information that the system uses to print statements when reviewing statements. For example, you can change the print program and the version the system uses during the statement refresh. When you change statement print information, you must choose Re-print from the Row menu on Work With Notifications or Statement Review.

Resetting Statements

You can reset transactions on current statements and reprocess the statements to include additional information that may have not been received or processed at the time you processed the original statement. This includes payment information, adjustments, and changes to invoices. For example, if you process statements before receiving a payment, you can reset the statement you generated to include the payment information on the statement before sending it to the customer.

When you reset statements, the system runs the Statement Notification Reset (R03B5015) and resets the following tables to their status before you originally processed the statements:

- A/R Notification History (F03B20).
- A/R Notification History Detail (F03B21).
- Customer Ledger (F03B11). If you process and print an invoice in a statement once, the system resets the Statement Number (CTL) and Statement Date (SMTJ) to blank. If you do so more than once, the system resets CTL and SMTJ to their previous values.
- A/R Check Detail (F03B14). The system resets the statement number and statement date to blank.
- A/R Adjustment (F03B112). The system resets the Statement Print Flag (STPF) to blank.

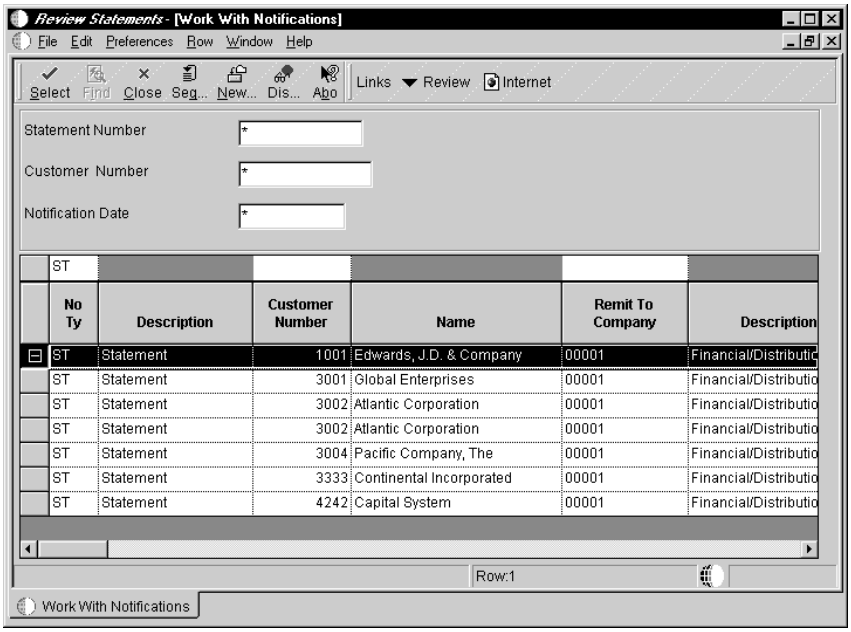
You cannot reset delinquency notices.

▶ To reset statements

From the Automatic Delinquency Processing menu (G03B22), choose Review Statements.

On Work With Notifications

1. Choose the statement that you want to reset.
2. From the Row menu, choose Reset.



In the detail area, the system marks the statements for reset. To deselect statements, choose the marked statements and choose Reset from the Row menu.

3. Click Close.

   When you click Close, the system runs the Statement Notification Reset (R03B5015) and prints the statement.

Processing Options for Resetting Statements

Version

Enter the version of the Statement Notification Reset (R03B5015) to reset the statement. <Blank> will default to ZJDE0001. _____

Purging Statements

From the Automatic Delinquency Processing menu (G03B22), choose Statement/Notification Purge (R03B5010).

When you consider statement information to be obsolete, you can purge it. The system purges records based on the values established in the Notification Date processing option and Number of Months processing option. This ensures that the system purges the correct information. If these two processing options are not used in conjunction, the system reads the oldest value (either the date in the Notification Date field or the value in the Number of Months field), to purge the fewest number of records.

Technical Considerations

The Statement/Notification Purge program removes delinquency notice and statement records from the A/R Notification History (F03B20) and A/R Notification History Detail (F03B21) tables. The system does not record purged information to another table for archiving. If you want to retain purged information, keep a backup of your tables before purging.

If you want to purge only statement information, use Data Selection to specify the notification type ST. Doing so limits the purge to statements. You can use notification type DL in the Data Selection for purging only delinquency notices.

Processing Options for Statement/Notification Purge

```
Date

Enter a Notification Date for the Purge.
    All Notifications less than or equal
    to this date will be removed. If
    left blank the date will default to
    todays date.

      Notification Date                          _____________

Enter the number of months of history
    that should be retained. Any records
    past this month, and older than the
    notification date will be removed.

      Number of Months                           _____________

Enter a '1' to run in the final mode.
    Default of blank will print report
    only.

      Final Mode                                 _____________
```

Period–End Processing

Period-end processing refers to the tasks that you complete at the end of an accounts receivable period. Normally, you complete these tasks on a periodic, quarterly, or yearly basis.

Period-end processing consists of:

- ❑ Working with credit reimbursements
- ❑ Processing A/R integrity reports

Working with Credit Reimbursements

You can use credit reimbursements to reclassify credits in the Accounts Receivable system to open vouchers in the Accounts Payable system. For example, you can issue rebates and reimburse customers for overpayments. When you create credit reimbursements, you convert A/R credit amounts into A/P vouchers so that you can pay the customer.

Working with credit reimbursements consists of:

- ❑ Generating credit reimbursements
- ❑ Reviewing and approving credit reimbursements
- ❑ Posting credit reimbursements

Before You Begin

- ❑ Set up the AAI item NC for the suspense (clearing) account between the Accounts Receivable and Accounts Payable systems.
- ❑ Ensure that a Supplier Master record exists for the customer in the Address Book.
- ❑ Set up NO as a valid document type in the user defined code lists 00/DV and 00/DT.

Generating Credit Reimbursements

To reimburse customers, print a list of eligible documents. From this list, you can select specific documents for reimbursement.

When you generate credit reimbursements, the system selects the open invoices with a total credit balance in the A/R Ledger table (F03B11). This does not include unapplied receipt records (RU document types) There are two versions available that you can use with processing options set for proof or final mode printing.

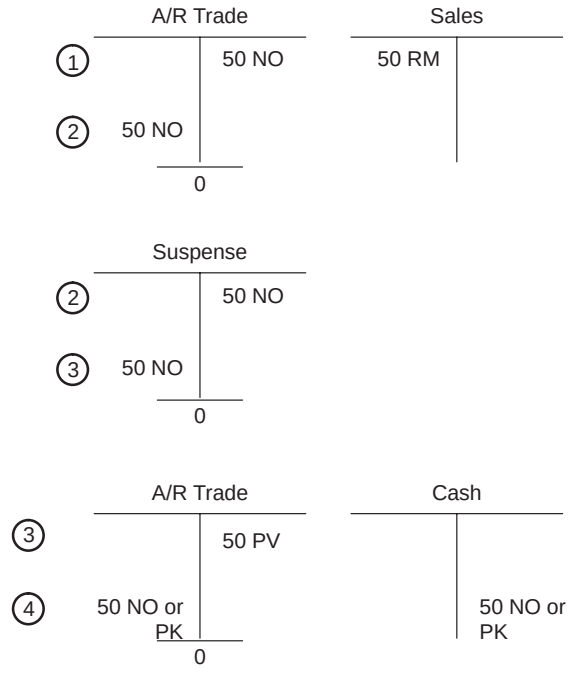
To print a list of eligible documents, use the version set for proof mode. To process credit reimbursements, select documents from this list and run the version set for final mode, which does the following:

- Creates a receipt in the Receipts Header (F03B13) and A/R Receipt Detail (F03B14) tables to close the selected invoices.
- Creates a batch of receipts. This batch (type RB) debits the original A/R offset account and credits the suspense account designated by the AAI NC.
- Changes the pay status on the invoices to paid.
- Creates a voucher in the A/P Ledger table (F0411) with a NO document type.
- Creates a batch of vouchers. This batch (type V) credits the A/P trade account and debits the suspense account. A zero balance in the suspense account indicates that both batches posted successfully. A non-zero balance indicates that a problem exists in posting one of the two batches.

Example: Accounting Entries for Credit Reimbursements

Step

1. You issue a 50 Credit (RM) to the customer for damaged goods
2. You generate a credit for reimbursement. The System:
   - Creates a debit to the A/R Trade Account for the credit amount and assigns a doc. type of NO
   - Creates a credit to suspense account for the credit
3. The system:
   - Creates a voucher (PV) in the A/P system (credit to A/P Trade) to reimburse the customer for the credit amount
   - Creates a debit to the suspense account of the voucher to zero out the credit amount
4. You create a payment (PK or PM) in the A/P system to reimburse the customer for the credit amount. Creates a:
   - Debit to A/P Trade
   - Credit to cash



▶ To generate credit reimbursements

From the Period-End Processes menu (G03B21), choose Generate Reimbursements.

To assign separate next numbers for the vouchers you create for credit reimbursements, use one of the following:

- Next Numbers. Use this form to assign a line number in the second description of the document type NO, in the user defined code list (00/DV). If you leave the line number blank, the system uses the next number from Line 1, Vouchers.
- Next Numbers by Company/Fiscal Year. Use this form to create a separate line for document type NO.

See *Setting Up Next Numbers* for more information.

You can use the proof mode report to review your credit reimbursements before processing them. You can use the final mode report to review the credit reimbursements that are processed.

See Also

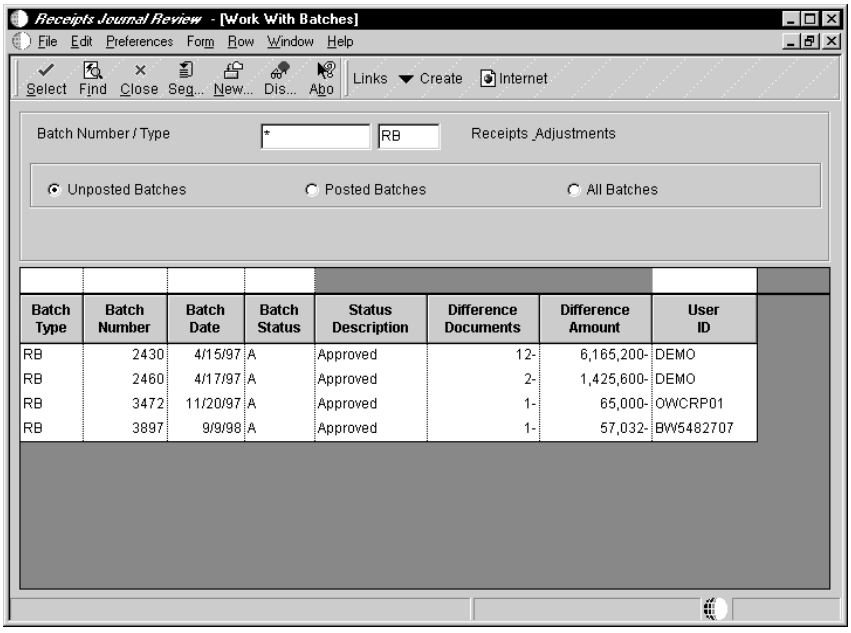
- *Managing Existing Credit Notes* in the *Euro Implementation Guide* for information about how to manage existing credit amounts for Economic and Monetary Union (EMU) currencies impacted by the euro

Reviewing and Approving Credit Reimbursements

After you process credit reimbursements in final mode, but before you post them, you can use the Receipts Journal Review program and the Voucher Journal Review program to correct and approve them.

▶ To review and approve credit reimbursements

From the Period-End Processes menu (G03B21), choose Receipts Journal Review or Voucher Journal Review (P0011).



All J.D. Edwards journal review programs work the same way. See *Reviewing Invoices* for detailed information about journal review.

Posting Credit Reimbursements

The final step for generating credit reimbursements is to post the entries. When you post the receipts and vouchers, the system updates the appropriate Customer Ledger (F03B13), A/P Ledger (F0411), and Account Ledger (F0911) tables, and creates the necessary journal entries.

▶ To post credit reimbursements

From the Period-End Processes menu (G03B21), choose Post Receipts to G/L or Post Vouchers to G/L (R09801).

All J.D. Edwards posting programs work the same way. See *Posting Invoices* for detailed information about posting.

Processing A/R Integrity Reports

Integrity reports help identify any problems and inconsistencies with your data so that you can resolve them and ensure that your J.D. Edwards systems remain in balance. Use these reports to verify that your A/R data matches your G/L data and that your A/R transactions have the correct pay status.

Processing A/R integrity reports consists of:

- ❑ Running A/R integrity reports
- ❑ Correcting out-of-balance conditions

You should:

- Submit one integrity report at a time
- Run these reports when other users are not accessing the system to ensure accuracy

Running A/R Integrity Reports

To identify potential balancing problems and data inconsistencies, run A/R integrity reports. You can:

- ❑ Run the A/R Invoices to G/L by Batch Integrity report
- ❑ Run the A/R to G/L Integrity by Offset Account report
- ❑ Run the A/R to G/L Receipts Integrity by Batch report

You should run A/R integrity reports:

- Weekly, so you do not risk compromising your accounting data
- As needed during the conversion process at a new software installation site or during an initial learning period, so you can correct any errors promptly

Before You Begin

- ❑ Assign a posting edit code of M to A/R trade accounts to allow only system-generated transactions to post. This prevents manual journal entries from posting erroneously to A/R trade accounts.
- ❑ Post all A/R batches to ensure a complete integrity test.
- ❑ Schedule integrity reports to run during off-peak hours.

Running the A/R Invoices to G/L by Batch Integrity Report

From the Period-End Processes menu (G03B21), choose A/R to G/L by Batch.

The A/R Invoices to G/L by Batch Integrity report verifies that each batch of gross amounts (posted) to the A/R Ledger (F03B11) table is in balance with the corresponding batch amounts in the Account Ledger table (F0911). In addition to invoices, this includes balance forward receipts and unapplied receipts.

The system also checks for a valid pay status on every pay item. Any discrepancies print by batch on the integrity report.

This report performs two types of integrity tests:

A/R to G/L by batch

This integrity test does the following:

- Adds all gross amounts (posted) to the A/R Ledger for each batch.
- Accumulates all records that are posted to the Account Ledger table for each batch.
- Compares the A/R amount to the G/L amount. The net difference should be zero.
- Compares the A/R amount to the automatic offset amount. The net difference should be zero.

When the system accumulates gross amounts, it does not add G type (general ledger) receipts or the matching gain/loss record to the original gross invoice amounts. It also does not add the discount available from the original invoice gross.

Realized gains and losses should not cause the batch to be out of balance.

Invalid Pay Status

This integrity test checks the pay status on every pay item in a batch:

- If an invoice does not have an open amount, the pay status should be P (paid) or S (summarized).
- If an invoice has an open amount, the pay status should not be P. If there are any discrepancies, the invoice records print on the integrity report.

Integrity reports do not have as of capabilities. You cannot run the reports as of a certain date, such as the last day of the month, to ensure that your data was in balance at that time. You can run the report only as of the current date.

See Also

- *R03B4201A, A/R Invoices to G/L by Batch Integrity* in the *Reports Guide* for a report sample

Running the A/R to G/L Integrity by Offset Account Report

From the Period-End Processes menu (G03B21), choose A/R to G/L by Offset Account.

The A/R to G/L Integrity by Offset Account report compares the posted amounts in the A/R transaction tables (Customer Ledger F03B11, Receipts Header F03B13, and A/R Check Detail F03B14) to the amounts updated in the corresponding Account Balances table (F0902). The system considers the following in this report:

- A/R offset accounts
- Write-off accounts
- Deduction accounts
- Discount accounts
- Bank accounts
- Delinquency fee accounts
- Gain/loss accounts
- AAIs established for A/R

The system updates each transaction with the account ID of the appropriate AAI account for the transaction at the time the transaction is generated. When you run the report, the system accumulates amounts by account ID, company, and currency, and prints the result with the corresponding account balance. Differences may indicate an out-of-balance condition that should be researched. For example, if a journal entry is made to an account that has a posted edit code of M (system generated), the system updates the F0902 balance table without a corresponding entry in the A/R transaction tables.

This report does not consider R1 (draft invoices), RU (unapplied receipts), RB (chargeback invoices), and R5 (deduction) records from the Customer Ledger table (F03B11). It considers only posted transactions from each table.

Do not change data selection and data sequencing for this report.

Running the A/R to G/L Receipts Integrity by Batch Report

From the Period-End Processes menu (G03B21), choose A/R to G/L Receipts by Batch.

The A/R to G/L Receipts Integrity by Batch Report (R03B702) verifies that each batch of gross amounts (posted) to the Receipts Application Detail table is in balance with the corresponding G/L receipt amounts in the Account Ledger table.

Correcting Out-Of-Balance Conditions

After running an integrity report, you must correct any errors that the system detects. Some typical errors, their causes, and possible solutions are as follows:

The batch was posted out of balance without automatic offset entries

This can occur when a power failure occurs during the posting, or if more than one post program is active at the same time.

To correct this error, determine the missing offset entries, create the balancing journal entry (which is one-sided), and post the batch.

Note the settings required to post the offset out of balance:

- On Batch Header Revisions, post out of balance must be set to Y.
- On Account Structure by Business Unit or Account, the posting code for the A/R trade offset account must be blank (allows you to enter and post non-system-generated transactions.)

An invalid journal entry was posted to an A/R account

Typically, the A/R trade offset account only includes system-generated entries with a document type of AE (automatic entry). A manually entered document type that appears in this account, such as JE, can cause a balancing problem.

To correct this, locate the journal entry, void it, and post it.

To ensure balancing problems don't happen in the future, change the posting edit code on the account to M (machine generated).

Data records are damaged

This can be caused by a variety of problems, including hardware failure.

If the damaged records are in the A/R Ledger table, you might have to remove them by running a data file utility.

If the damaged records are in the Account Balances table, you might need to repost the account ledger.

See *Reposting the Account Ledger* in the *General Accounting Guide*.

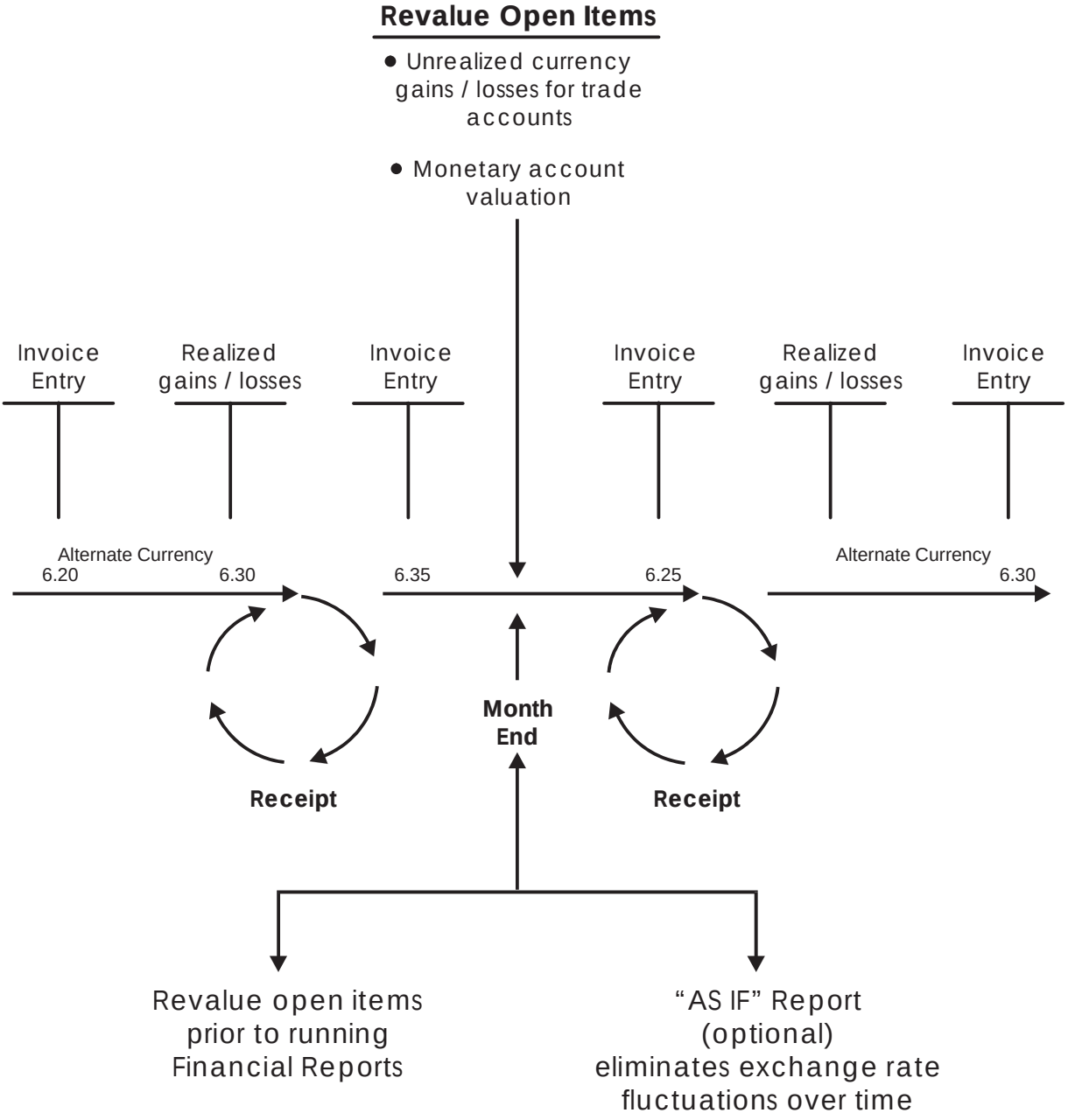
Unrealized Currency Gains and Losses

Unrealized gains and losses apply to unpaid invoices or the open portion of a partially paid invoices. These gains and losses are calculated at the end of the period and are used to revalue your open foreign invoices. The system records these gains and losses by creating reversing journal entries.

Working with unrealized currency gains and losses includes:

- ❑ Understanding AAIs for A/R gains and losses
- ❑ Calculating unrealized A/R gains and losses

The following graphic illustrates the currency conversion process.



Example: Gain/Loss for a Foreign Invoice

The following example shows a Belgian company (BEF) that calculates an unrealized gain/loss amount on a foreign invoice (USD).

An invoice was entered for 100.00 USD. At the end of the month, the invoice remained open and was revalued against the BEF, which created a 0.18 unrealized loss.

Description	--CA Ledger--		--AA Ledger--			
	Transaction Amount	Curr Code	Exchange Rate (*)	Domestic Amount	Curr Code	Gain (–)/ Loss (+)
Invoice Entry	100.00	USD	35.64	3,564	BEF	
End of Month Valuation						
(current rate)	100.00	USD	35.82	3,582	BEF	– 0.18
(original rate)	100.00	USD	35.64	3,564	BEF	

See Also

- *About Monthly Valuation* and *About Currency Restatements* in the *General Accounting Guide*

Understanding AAIs for A/R Gains and Losses

When the system calculates currency gains and losses, it uses AAIs to distribute the gain or loss to the correct G/L account. The system uses these AAIs to calculate:

- Realized gains and losses
- Unrealized gains and losses

Which AAIs Are Used to Calculate Realized Gains and Losses?

The Accounts Receivable system uses the following AAIs to calculate realized gains and losses:

- Realized Gain: Item RGxxx
- Realized Loss: Item RLxxx

To determine the gain or loss amount, the system multiplies the invoice amount by the difference in the exchange rate between the original invoice and the receipt.

The following applies to realized gains or losses on foreign currency receipts:

- The system uses the account number to track foreign currency gains or losses.
- The system creates a gain/loss entry at the time of receipt.
- XXX represents the currency date.
- You can set up these items by company and currency code (xxx). The system uses the currency code to track gains and losses by currency.

Which AAIs Are Used to Calculate Unrealized Gains and Losses?

To calculate unrealized gains and loses, you can:

- Enter them manually
- Run the Unrealized Gains and Losses report to have the system create them automatically

If you want the Accounts Receivable system to automatically calculate unrealized gains and losses, you must set up the following AAIs:

- Unrealized Gain: Item RVxxx.

- Unrealized Loss: Item RWxxx.
- Offsets: RRyyyy. The yyyy represents the G/L class code, which creates the offset (optional).

The following applies to AAI items RVxxx and RWxxx:

- The xxx represents the currency code, which the system uses to track gains and losses.
- The system creates reversing entries for unrealized gains or losses on open items if the exchange rate changes after the time of the original entry.
- The system creates unrealized gains and unrealized losses, based on one of the following (in hierarchical order):
    - RVxxx/RWxxx, for a specific company (where xxx = currency code)
    - RVxxx/RWxxx, for company 00000 (where xxx = currency code)
    - RV/RW, for a specific company
    - RV/RW, for company 00000
- The system uses item RR to create the offsetting account.
- The system creates an offsetting entry, based on one of the following (in hierarchical order):
    - RRyyyy, for a specific company (where yyyy = G/L offset)
    - RRxxx, for a specific company (where xxx = currency code)
    - RRyyyy, for company 00000 (where yyyy = G/L offset)
    - RRxxx, for company 00000 (where xxx = currency code)
    - RR, for a specific company
    - RR, for company 00000

Calculating A/R Unrealized Gains and Losses

From the Periodic Processes menu (G03B21), choose A/R Unrealized Gain/Loss Report.

If you work with multiple currencies, you need to calculate A/R unrealized gains and losses for your foreign invoices. To do this, run the A/R Unrealized Gain/Loss Report (R03B426). This report enables you to track the changes that might occur between the time you enter an invoice and when it is paid. When calculating unrealized gains and losses, the system:

- Revalues your open foreign invoices
- Analyzes your realized gains and losses in detail

Use a processing option to create the reversing journal entry necessary to record the unrealized gain or loss. The system assigns journal entries a document type of JX. This is the only document type that can be used to adjust the domestic side of a monetary (currency-specific) account. The system creates only one reversing journal entry per company.

If you mix currencies when you record your unrealized gains and losses, the foreign grand total and any other subtotals appear as **NA** (not applicable), because totals for mixed currencies are meaningless. To prevent this, set up a different version for each company that has a different base currency.

The Detailed Restatement field for company constants determines if a multiplier or divisor is used in calculating the alternate currency amount. This typically is the opposite setting from the General Accounting constants used for foreign transactions. For example, if the general accounting constant for foreign transactions is a multiplier, the Detailed Restatement field for company constants is a divisor.

To avoid redundant journal entries, do not run this report more than one time per period with the processing option set to create journal entries for the unrealized gains and losses.

The A/R Unrealized Gain/Loss report shows:

- Base company currency and the transaction currency for each invoice
- Invoice number and due date
- Original domestic amount calculated for each invoice
- Current domestic amount calculated for each invoice
- Foreign amount of each invoice

- Realized gain or loss if the invoice has had a receipt
- Unrealized gain or loss for any open invoice

When you print this report, the system uses information from the following tables:

- A/R Ledger (F03B11)
- Receipt Application Detail (F03B14)

Before You Begin

❑ Enter new exchange rates on Set Daily Transaction Rates

See Also

- *Calculating Realized Gains and Losses During the Post* for information about calculating realized gains and losses at the time of receipt

Processing Options for A/R Unrealized Gains/Losses

As Of Date

1. Enter the “As of” date for processing the current exchange rate for Unrealized Currency Gains/Losses. Default of blank will process rate using today’s date.

   As Of Date _____

Journal Entry

2. Enter a ’1’ to create journal entries for both gains and losses. Enter a ’2’ to create journal entries only for accounts with a calculated loss. Enter a ’3’ to create journal entries only for calculated gains. Default of blank will not create journal entries.

   _____

3. Enter the G/L Date. Default of blank will use last day of current period.

   _____

4. Enter a ’1’ to create the journal entry batches in an Approved status regardless of the value in the Management Approval of Input general constant. Default of blank will not override the settings.

   _____

5. Enter the default ledger type for journal entry. If left blank, ’AA’ will be used.

   _____

Advanced & Technical

Batch Invoice Processing

When you create invoices through an external system, you can transfer them to the J.D. Edwards Accounts Receivable system for processing.

Batch invoice processing consists of:

- ❑ Converting invoices for batch processing
- ❑ Processing batch invoices
- ❑ Reviewing batch invoices
- ❑ Revising unprocessed batch invoices
- ❑ Purging processed batch invoices
- ❑ Purging A/R Invoices and Receipts

What Happens When You Process Batch Invoices?

After you convert batch invoices, processing them does the following:

- Applies validation rules to existing data
- Provides default data where necessary
- Creates invoice information in the Customer Ledger table (F03B11)
- Creates associated G/L distribution information in the Account Ledger table (F0911) and, if necessary, in the Account Ledger Tag File table (F0911T)

Before You Begin

- ❑ Map invoice transactions from their external system into the J.D. Edwards Accounts Receivable system in the appropriate format.

See Also

- *About Address Book Batch Processing* in the *Address Book Guide* for information about converting Address Book information from another system

Converting Invoices for Batch Processing

Invoice batch processing is a method of taking information from a system external to J.D. Edwards software and converting it so that it can be processed as a J.D. Edwards transaction. In order to do this, you must create a custom program that provides proper data to specific fields in the Invoice Transaction - Batch File table (F03B11Z1) and in the Journal Entry Transactions - Batch File table (F0911Z1). If you attempt to update either of these transaction tables without using the batch process, it could result in compromised data in the Accounts Receivable Ledger table (F03B11) and in the Account Ledger table (F0911).

The batch process is an edit program that verifies the information entered into the F03B11Z1 and F0911Z1 is processed correctly into the F03B11 and F0911. After the information is in the F03B11 and F0911, you can process it as a J.D. Edwards transaction.

Converting invoices for batch processing consists of:

- Completing required fields in the Invoice Transaction - Batch File table (F03B11Z1)
- Completing required fields in the Journal Entry Transactions - Batch File table (F0911Z1)
- Completing required fields in the Journal Entry Transactions - Batch Tag File table (F0911Z1T) (if necessary)
- Converting invoices with taxes (optional)
- Converting transactions with multi-currency (optional)

Completing Required Fields in the Invoice Transaction - Batch File table (F03B11Z1)

The custom program you write must populate specific fields in the Invoice Transaction - Batch File table (F03B11Z1). The field names on the F03B11Z1 correlate to alpha names on OneWorld interactive forms.

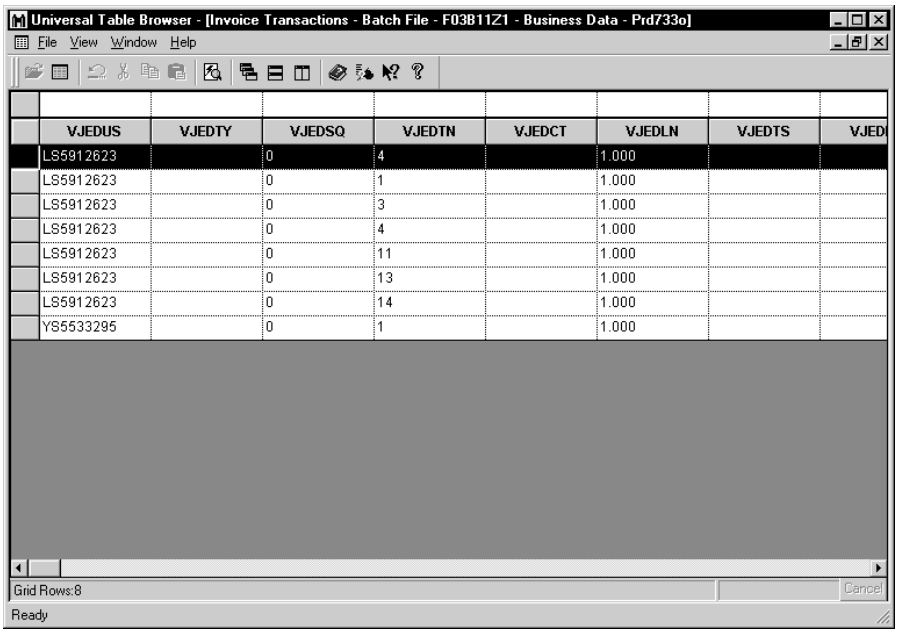


Table 1: Required Fields in the Invoice Transaction - Batch File table (F03B11Z1)

The Batch Invoice Review/Revisions program (P03B11Z1) and the Batch Invoice Processing UBE (R03B11Z1I) requires the fields in this table for adding, deleting, and processing batch invoice transactions (Z1 transactions).

Consult the following table for the field names, alpha names, explanations, and values of required fields.

VJEDUS (User ID)	A user defined identification number. This field, in combination with EDTN and EDBT, uniquely identifies a specific invoice entry. PC processing uses the user ID on the PC as the terminal ID number.
VJEDTN (Transaction Number)	The user transaction, invoice number, or sequential number for batch processing. This field, or this field in combination with EDUS and EDBT, should contain unique identification for a specific A/R invoice transaction. Assigning this transaction number allows you to link transactions from your source to transactions in the F03B11Z1.
VJEDLN (Line Number)	This is the line number you assign when originating an EDI transaction. This field should be loaded if you are processing multiple pay items (one invoice that has multiple due dates, freight items, and so on).

VJEDSP (EDI - Successfully Processed) An indicator to mark records as successfully processed through the batch processing system. After a record has been marked as processed, it can no longer be updated through the batch processing system. This field must be zero.

VJEDTC (Transaction Action) A code that identifies what the system should do with a transaction during final processing. This field must be an A.

VJEDTR (Transaction Type) A code that identifies a particular type of transaction. This field must be an I.

VJEDBT (User Defined Batch Number) This field, in combination with EDTN and EDUS, uniquely identifies a specific invoice entry. This field also acts as a level break and causes the assignment of a J.D. Edwards batch number each time this value changes.

VJAN8 (Address Number) A number that identifies an entry in the Address Book system (F0101). Use this number to identify employees, applicants, customers, suppliers, tenants, and any other address book members.

VJDGJ (G/L Date) A date that identifies the financial period to which the transaction is posted. The G/L date should be loaded as a 6-character Julian date. This field is a required field in order to add a transaction.

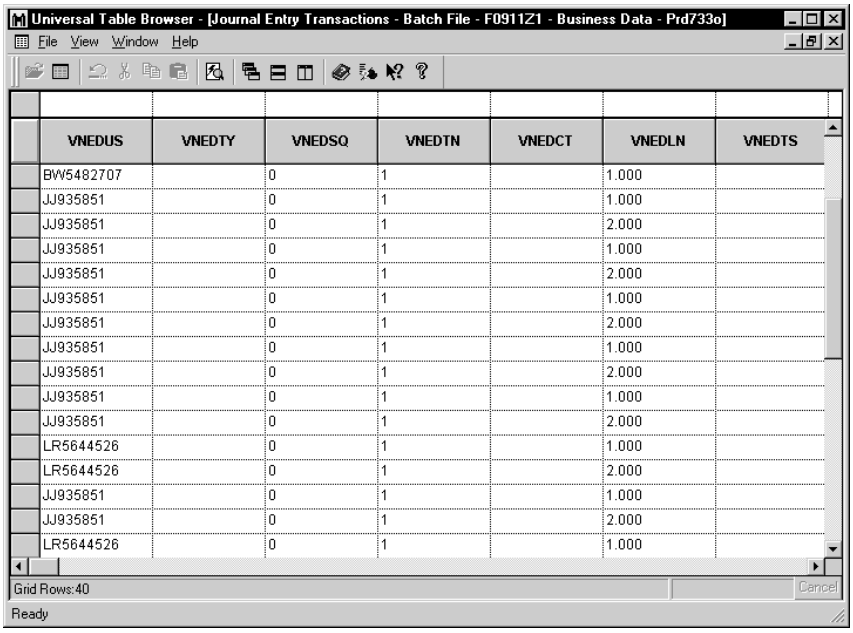
VJDIVJ (Invoice Date) A date that identifies the date of the invoice. The invoice date should be loaded as a 6-character Julian date. This field is a required field.

VJCO (Company Number) A code that identifies a specific organization, fund, entity, and so on. The company code must already exist in the Company Constants table (F0010) and must identify a reporting entity that has a complete balance sheet.

VJAG (Gross Amount) The gross amount of an invoice or invoice pay item. This amount is required in order to enter amounts in domestic mode (CRRM=D). The amount cannot be zero.

Completing Required Fields in the Journal Entry Transactions - Batch File table (F0911Z1)

The custom program you write must populate specific fields in the Journal Entry Transactions - Batch File table (F0911Z1). The field names on the F0911Z1 correlate to alpha names on OneWorld interactive forms.



VNEDUS	VNEDTY	VNEDSQ	VNEDTN	VNEDCT	VNEDLN	VNEDTS
BW5482707		0	1		1.000	
JJ935851		0	1		1.000	
JJ935851		0	1		2.000	
JJ935851		0	1		1.000	
JJ935851		0	1		2.000	
JJ935851		0	1		1.000	
JJ935851		0	1		2.000	
JJ935851		0	1		1.000	
JJ935851		0	1		2.000	
JJ935851		0	1		1.000	
JJ935851		0	1		2.000	
LR5644526		0	1		1.000	
LR5644526		0	1		2.000	
JJ935851		0	1		1.000	
JJ935851		0	1		2.000	
LR5644526		0	1		1.000	

Table 2: Required Fields in the Journal Entry Transactions - Batch File table (F0911Z1)

The Batch Invoice Review/Revisions program (P03B11Z1) and the Batch Invoice Processing UBE (R03B11Z1I) requires the fields in this table for adding, deleting, and processing batch invoice transactions (Z1 transactions).

Consult the following table for the field names, alpha names, explanations, and values of required fields.

VNEDUS (User ID)	A user defined identification number. This field, in combination with EDTN and EDBT, uniquely identifies a specific invoice entry. PC processing uses the user ID on the PC as the terminal ID number.

VNEDTN (Transaction Number)

The user transaction, invoice number, or sequential number for batch processing. This field, or this field in combination with EDUS and EDBT, should contain unique identification for a specific A/R invoice transaction. Assigning this transaction number allows you to link transactions from your source to transactions in the F03B11Z1. This number must match the number loaded into the VLEDTN field in the F03B11Z1 table.

VNEDLN (EDI Line Number)

This is the line number you assign when originating an EDI transaction. Enter 1 in this field, or, if you have more than one line, enter consecutive numbers starting with 1.

VNEDSP (EDI - Successfully Processed)

An indicator to mark records as successfully processed through the batch processing system. After a record has been marked as processed, it can no longer be updated through the batch processing system. This field must be zero.

VNEDTC (Transaction Action)

A code that identifies what the system should do with a transaction during final processing. This field must be an A.

VNEDTR (Transaction Type)

A code that identifies a particular type of transaction. This field must be an I.

VNEDBT (User Defined Batch Number)

This field, in combination with EDTN and EDUS, uniquely identifies a specific invoice entry. This field also acts as a level break and causes the assignment of a J.D. Edwards batch number each time this value changes. This number must match the number loaded into the VJEDBT field in the F03B11Z1 table.

VNDGJ (G/L Date)

A date that identifies the financial period to which the transaction is posted. The G/L date should be loaded as a 6-character Julian date. This field is a required field in order to add a transaction. This number must match the number loaded into the VJDGJ field in the F03B11Z1 table.

VNANI (G/L Account Number)

A field that identifies an account in the general ledger. The G/L account number should be left justified in the field regardless of the length of the business unit. You may not substitute the fields for business unit (MCU), object (OBJ), and subsidiary (SUB) in place of the G/L account number (ANI).

VNAA (Amount)

A number that identifies the actual amount. Type debits with no sign or a plus sign. Type credits with a minus sign either before or after the amount. You can use decimals, dollar signs, and commas. You can have as many lines of distribution as necessary as long as the amounts for all the distribution lines total the gross amount entered in the AG field in the F03B11Z1 table. This field cannot be zero.

VNLT (Ledger Type)

A user defined code (09/LT) that specifies the type of ledger. Unless you are processing foreign transactions, you can leave this field blank to accept the data dictionary default of AA. For transactions that are foreign, enter CA.

VNEDTC (Transaction Action)

A code that identifies what the system should do with a transaction during final processing. This field controls what happens to an address in the F0101 file when you run the Batch Address Process program. This field must be an A.

Completing Required Fields in the Journal Entry Transactions - Batch Tag File table (F0911Z1T)

The custom program you write must add data to specific fields in the Journal Entry Transactions - Batch Tag File table (F0911Z1T). Complete fields in this table only if the Profit Management System is enabled on your system.

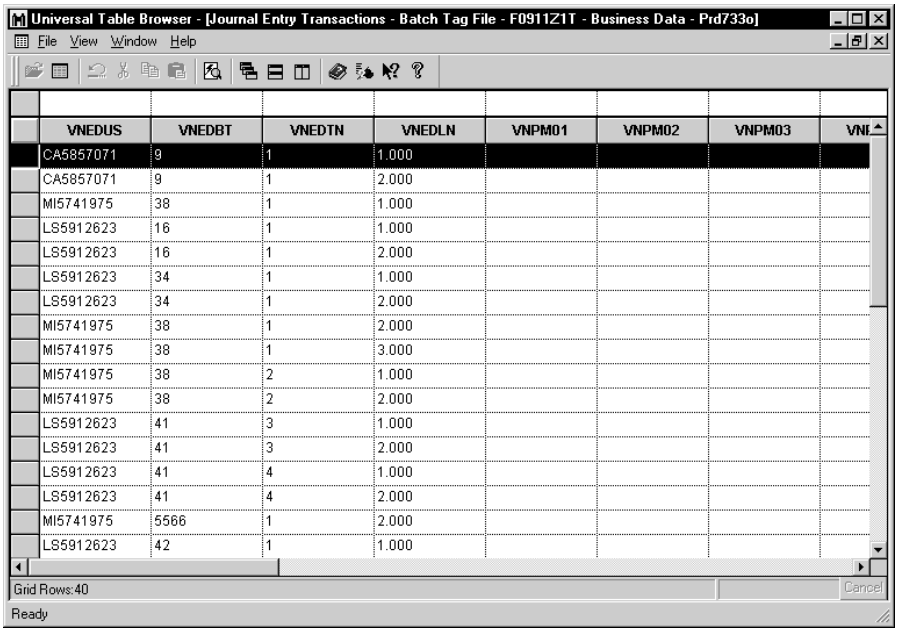


Table 2: Required Fields in the Journal Entry Transactions - Batch Tag File table (F0911Z1T)

The columns in the F0911Z1T table exist for the purpose of identifying or controlling the transaction during the interface processing. The columns generally do not represent any of the actual business or transaction data that you are passing into OneWorld, and generally do not correspond to columns in the permanent target table.

The first three columns in the table below (EDUS, EDBT, EDTN) must collectively contain values that uniquely identify the transaction within this table. You can populate any combination of these three columns providing the resulting values create a unique identification within this table. It is not necessary to populate the columns exactly as the table below indicates. The collective values are used to identify the transaction during the interface processing.

VNEDUS (User ID)	A user defined identification number. This field, in combination with EDTN and EDBT, uniquely identifies a specific invoice entry. PC processing uses the user ID on the PC as the terminal ID number.
VNEDBT (User Batch)	This field, in combination with EDTN and EDUS, uniquely identifies a specific invoice entry. This field also acts as a level break and causes the assignment of a J.D. Edwards batch number each time this value changes. This number must match the number loaded into the VJDGJ field in the F03B11Z1 table.
VNEDTN (User Transaction Number)	The user transaction, invoice number, or sequential number for batch processing. This field, or this field in combination with EDUS and EDBT, should contain unique identification for a specific A/R invoice transaction. Assigning this transaction number allows you to link transactions from your source to transactions in the F03B11Z1. This number must match the number loaded into the VJEDTN field in the F03B11Z1 table.
VNEDLN (Line Number)	This is the line number you assign when originating an EDI transaction. Enter 1 in this field, or, if you have more than one line, enter consecutive numbers starting with 1.
VNABT1 - VNABT4 (Managerial Analysis Types 1 - 4)	Use this code together with a Managerial Analysis Code to identify the type of managerial analysis code and the type of editing. On the User Defined Codes form, the second line of the description controls how the system performs editing. This is either hard-coded (as shown in the second line of description) or can be user defined. For example: A Alphanumeric field, do not edit N Numeric field, right justify and zero fill C Alphanumeric field, right justify and blank fill U User Defined Managerial Analysis Type

VNABR1 - VNABR4 (Managerial Analysis Codes 1 - 4)	Use this code together with a Managerial Analysis Type to identify an item, such as an equipment item number or an address book number. This field acts the same and is edited the same as the Subledger field. The difference is that the system does not post a managerial analysis code to the Account Balances table (F0902).

Converting Invoices with Taxes

Tax information automatically loads into the F03B11Z1 transaction table if the default information exists in the Customer Master table (F03012). You can select a processing option that allows you to bypass tax processing.

If you load tax information, the EXR1 (Tax Expl Code) and TXA1 (Tax Rate/Area) fields are required. If you load tax information into the F03B11Z1 table, that information overrides any default information that exists in the Customer Master.

J.D. Edwards recommends that you test a few transactions with tax information and verify that they post properly to ensure correct processing.

Converting Transactions with Multi-Currency

If you are processing transactions with multi-currency, you can choose whether the transaction entered is foreign or domestic.

If the transaction is domestic, the Mode field value should be D and the domestic amounts should be loaded into the gross amount, discount and tax fields. No foreign amounts are calculated. If the Mode field is left blank, the process considers the transaction domestic if the currency code is the same as the currency code for the company number entered.

If the transaction is foreign, the Mode field value should be F and the foreign amount fields should be loaded. The domestic amounts are calculated using the exchange rate entered and the currency code. If the exchange rate is not entered, the system looks for a valid exchange rate in the Currency Exchange Rates table (F0015). The currency code should be different than the currency code for the company entered on these transactions.

When you process foreign transactions (mode F), you must create the F0911Z1 records for the CA ledger only. Transactions are automatically generated for the AA ledger when the batch is processed.

Processing Batch Invoices

From the Batch Invoice Processing menu (G03B311), choose Batch Invoice Processor.

After you review and revise your batch invoices, you must process them to create invoices in the A/R ledger.

Processing batch invoices consists of:

- ❑ Processing the transaction information
- ❑ Submitting invoices for processing
- ❑ Verifying batch invoice information
- ❑ Posting batch invoices

Processing the Transaction Information

After your custom program loads the transaction information into the Invoice Transaction - Batch File (F03B11Z1), Journal Entry Transactions - Batch File (F0911Z1), and Journal Entry Transactions - Batch Tag File (F0911Z1T) tables, run the Invoice Batch Processor program (R03B110Z). Running this program processes the information in the F03B11Z1, F0911Z1, and F0911Z1T, and loads it into the Accounts Receivable Ledger table (F03B11), the Account Ledger table (F0911), and the Account Ledger Tag File table (F0911T).

Any additional information that is necessary for a completed transaction is loaded from other sources or calculated from existing information. For example:

- The document number originates from the Next Numbers program (P0002).
- The fiscal year and period are calculated from the G/L date and Company Names & Numbers program (P00105).
- The F0911 explanation comes from the customer's alpha name from the customer number.
- The F0911 company number is assigned based on the business unit from the first line of distribution.

Errors in Processing

If any errors occur during processing they are noted on the edit report. You can correct the errors and reprocess the batch. If a transaction in the batch is in error, that transaction does not process with the rest of the batch. However, you can set a processing option so that if one transaction is in error, the entire batch does not process.

After the batch has been successfully processed, the field VJEDSP is updated from a 0 to a 1. These records remain in the F03B11Z1 and F0911Z1 tables until they are purged. Alternatively, you can set up a processing option to purge these tables automatically.

The following tips may help you reduce the number of error messages, or help you identify and resolve them when they occur:

- Initially process a small number of records in a batch. Most errors that occur on one record also occur on all records. Correct the errors on the smaller number of records, then follow the same sequence of steps when you process a larger number of records in a batch.
- The only thing that prevents a batch from processing is an error. Warning messages alert you to nonstandard events, but do not prevent processing. You can turn off warning messages by means of a processing option.
- You can run the batch in proof mode. However, proof mode is not necessary because you have the option to review the transactions before posting (during which time they could be deleted). Also, any error prevents the batch from processing anyway.
- Reading error messages helps identify the cause and the resolution of errors. Error messages can be accessed and read from the Work Center in one of three ways:
    - From the Workflow Management menu (G02), choose Employee Work Center.
    - Set the OneWorld preferences to view the Exit Bar. Then, choose Batch Invoice Processor from the Batch Invoice Processing menu (G03B311). Right click on the UBE you chose, and click Prompt For Version. On the Find/Browse form, choose Work Center from the Tools menu on the Exit Bar.
    - Set the OneWorld preferences to view the Exit Bar. Then, choose Work With Servers from the System Administration Tools menu (GH9011). On Work With Servers, choose Work Center on the Tools menu on the Exit Bar.

    All error messages are also located in the Data Dictionary, where you can inquire on the error number and review the glossary.

- If there are errors that you cannot resolve, enter a transaction manually through Batch Invoice Revisions (P03B11Z1), and process it successfully. Then compare a copy file of the F03B11Z1 transaction that you entered

manually to a F03B11Z1 transaction entered by the Invoice Batch Processor program (R03B11Z1T). Comparing the differences assists you in locating discrepancies and resolving the errors.

Submitting Invoices for Processing

When you are ready to process your batch invoices, run Batch Invoice Processing. The system processes batch invoices in proof or final mode.

Proof mode

In proof mode, the system:

- Verifies the data
- Produces a report

Final mode

In final mode, the system:

- Creates J.D. Edwards invoices in the A/R Ledger table (F03B11) and associated journal entries in the Account Ledger table (F0911)
- Assigns document and batch numbers
- Supplies default information for the optional fields that you leave blank
- Edits invoice entries for errors
- Produces an exceptions report, if errors exist

Processing Options for Invoice Batch Processor

```
Processing

1.   Enter a '1' to process the batch
     information in Final mode.  If left
     blank, then the batch processing
     will be performed in Proof mode and
     no file updates will occur.

       1 = Final Mode         blank =
       Proof Mode                                  _____

2.   Enter a '1' to allow A/R invoice
     processing if G/L records in F0911Z1
     are out-of-balance.  (A/R amounts do
     not offset the G/L amounts).  If
     left blank, the transaction will not
     be processed if the amounts are
     out-of-balance.

       1 = Allow processing                        _____
       Out-Of-Balance

3.   Enter a '1' to automatically purge
     processed transactions from the
     batch file.  If left blank,
     transactions will be flagged as
     processed and will remain in the
```

file.

1 = Purge records blank = No Purge _____

Version Select

1. Enter the number of the processing option version to be used for the invoice processing. If left blank ZJDE0001 will be used. _____

2. Enter the number of the processing option version to be used for the Journal Entry processing. If left blank ZJDE0001 will be used. _____

Messages

1. Enter a '1' to suppress the creation of warning PPAT messages. If left blank, warning messages will be created in PPAT.

1 = Suppress Warnings blank = No Suppress _____

2. Enter the user to receive the PPAT messages. If left blank, then the user who entered the transactions will be the receiver of the PPAT messages.

User ID for PPAT Messages _____

Defaults

1. Enter a '1' to default the alternate payee from the 5th address book number. If left blank it will be defaulted from the customer number.

1 = Default from 5th Address Book Number _____

2. Enter a '1' to bypass the defaulting of tax area and explanation codes. If left blank, the tax fields will be defaulted from Customer Master and the Business Unit Master tables.

1 = Bypass the Tax Field Defaults _____

Batch Type

6. Enter Batch Type if not "IB"

"IB" = Default Batch Type _____

JE Defaults

1. Enter the default ledger type for

```
    GL distribution entry processing.
    If left blank, the ledger type AA
    will be used.

      Default GL Ledger Type                    _____________

Batch Approval

1. Enter a '1' if you would like to have
    the batch status on all batches you
    created through the Invoice Entry
    Batch Processor to be set as
    approved, regardless of the general
    accounting constants. If this field
    is left blank the batch status will
    be set according to the general
    accounting constants.

      Batch Approval                            _____________

Auto Post

1. Enter a version of the post program
    [R09801] that you wish to run if you
    would like your entries
    automatically posted to the Accounts
    Balances table (F0902) after
    creation. If this version is left
    blank then the post will not be
    submitted.

      Version                                   _____________

Audit Info

1.   Enter a '1' to print audit
    information to the report.

      <blank> = No audit information            _____________
      (default)
      1 = Print audit information
```

Verifying Batch Invoice Information

After you process batch invoices in proof mode, the system produces an exceptions report which shows the number of correct and incorrect transactions.

See a sample of the Invoice Batch Processor report in Appendix J.

An alternative to reviewing the exceptions report is to access the Employee Work Center system to view specific errors regarding the batches. You can access the batches that are in error directly from the error messages. This feature allows you to locate the problems and correct them interactively.

Posting Batch Invoices

After processing your batch invoices, post them to the general ledger.

You can post invoices to the general ledger manually from the Customer Invoice Entry menu (G03B11). Alternatively, you can set two processing options to post processed batch invoices automatically at the time of processing:

- Enter 1 in the Batch Approval field on the Batch Approval tab to automatically set the status of the processed batch to Approved
- Enter a version of the Post program (R09801) in the Version field on the Auto Post tab

See Also

- *Understanding the Post Process for A/R* for information about posting invoices
- *Posting Invoices* for the steps involved in manually posting invoices

Reviewing Batch Invoices

After you transfer invoices from an external source, you might want to verify their accuracy before processing them. You can also review a batch invoice in proof mode, prior to final processing.

When reviewing batch invoices, you can:

- Review batch invoice information
- Review individual batch invoices

Batch invoice information is stored in the Invoice Transactions – Batch table (F03B11Z1), the Journal Entry Transactions – Batch table (F0911Z1), and, if necessary, the Journal Entry Transaction - Batch Tag File table (F0911Z1T).

▶ To review batch invoice information

From the Batch Invoice Processing menu (G03B311), choose Batch Invoice Revisions.

After you transfer invoices, you can review specific information about the batch. For example, you might want to verify the number of invoices in a batch for a specific date.

On Work With Batch Invoices

1. Click Find to display batch invoices. You can complete any of the following fields to limit your search:
    - Processed
    - Summarize
    - Batch Number
    - From Date
    - Thru Date
2. To display batch invoices by date, click one of the following options:
    - Inv
    - G/L
    - Transmission

Field	Explanation
Processed	An indicator to mark records as successfully processed through the batch processing system. After a record has been marked as processed, it can no longer be updated through the batch processing program. Valid values for WorldSoftware are: 0 Unprocessed only 1 Processed and unprocessed For OneWorld software: On The system shows records that have been successfully processed. Off The system shows records that have not yet been processed.
Summarize	An option that indicates whether the system shows invoices in summary or detail mode. In OneWorld software: • If the option is turned on, the system shows a summarized version of the record that you select. For example, if you enter an invoice with two pay items, you view one line with a total of the two pay items. • If the option is turned off, the system shows all records. For example, the system shows all pay items, line numbers, and so on.
Batch Number	The number that the transmitter assigns to the batch. During batch processing, the system assigns a new batch number to the J.D. Edwards transactions for each control (user) batch number it finds.
From Date	A date that identifies the financial period to which the transaction will be posted. The company constants table for general accounting specifies the date range for each financial period. You can have up to 14 periods. Generally, period 14 is used for audit adjustments.
Inv	Indicates the type of date used when entering a From/Thru date selection.
G/L	Indicates the type of date used when entering a From/Thru date selection.
Transmission	Indicates the type of date used when entering a From/Thru date selection.

▶ To review individual batch invoices

From the Batch Invoice Processing menu (G03B311), choose Batch Invoice Revisions.

When reviewing information about your batch invoices, you might want to verify the G/L distribution or pay item detail associated with a specific invoice. To do so, review the individual batch invoice.

On Work With Batch Invoices

1. Follow the steps to review batch invoice information.
2. Choose the invoice that you want to review and click Select.
3. To review the invoice's pay items, choose Details from the Row menu on Invoice Entry – Batch Entry.
4. To review the G/L distribution for the invoice, choose G/L Distribution from the Form menu on Invoice Entry – Batch Entry.

Revising Unprocessed Batch Invoices

After you transfer invoices from another source to the J.D. Edwards Accounts Receivable system, you might need to correct or delete some of them. You revise a batch invoice by manually entering a new one or by changing or deleting an existing one. You should do this before you process batch invoices.

Revising batch invoices consists of:

- ❑ Adding invoices to batches
- ❑ Correcting unprocessed batch invoices
- ❑ Changing, deleting, or voiding invoices

The system uses next numbers to automatically assign document and batch numbers during final processing. J.D. Edwards recommends that you use next numbers. For audit purposes, however, J.D. Edwards recommends that you use the transaction number field with your old document number. If the number assigned already exists in the Customer Ledger table (F03B11), the system returns an error.

When you revise a batch invoice, you update information in the Invoice Transactions – Batch (F03B11Z1) and Journal Entry Transactions – Batch (F0911Z1) tables. When you add or correct profit management information on batch invoices, you update information in the Journal Entry - Batch Tag File table (F0911Z1T).

See Also

- *Entering Standard Invoices*

Adding Invoices to Batches

You cannot add an invoice to a batch that you attempted to process. You can, however, create a new batch and add an invoice to it. Typically, you should not need to add an invoice to a batch. An exception is when you experience difficulty processing transactions from an interfaced system. To detect and correct any discrepancies, compare the invoice you manually enter to the invoice that the interface system creates.

When you add an invoice to a batch, the system creates J.D. Edwards invoices in the batch A/R ledger and the Batch Account ledger. Invoices remain in the batch table until

you process and purge them from the Invoice Transaction - Batch File table (F03B11Z1).

▶ To add invoices to batches

From the Batch Invoice Processing menu (G03B311), choose Batch Invoice Revisions.

1. On Work With Batch Invoices, click Add to access Invoice Entry - Batch Invoices.
2. On Invoice Entry - Batch Invoices, complete the following field to add an invoice to an existing batch:
   - EDI – Batch Number

   When adding batch invoices, you do not need to enter a document number. The system automatically assigns this number when you process them. This prevents duplicate numbers in the A/R ledger.
3. Follow the steps to enter a standard invoice.

See Also

- *Entering Standard Invoices*

Correcting Unprocessed Batch Invoices

When you find an error in an unprocessed batch invoice, you can change or delete it. To correct the transaction information for a batch invoice, it must include the following:

- Batch number
- Transaction number
- Customer number
- Company

▶ To correct unprocessed batch invoices

From the Batch Invoice Processing menu (G03B311), choose Batch Invoice Revisions.

On Work With Batch Invoices

1. With the Processed option not selected, click Find to display unprocessed invoices and select a batch to revise.
2. Follow the steps to review batch invoice information.
3. Choose the invoice that you want to revise and click Select.
4. On Invoice Entry – Batch Invoices, change any field that is not a key field and click OK.
5. On Invoice Entry – GL Distribution, change the G/L distribution, if necessary.

Changing, Deleting, or Voiding Invoices

To delete processed transactions from the temporary batch table, you must purge them. You can set a processing option to purge processed batch transactions that were transmitted successfully through the invoice batch processor.

You cannot use the Work With Batch Invoices form to change, delete, or void invoices that the system has processed in final mode or invoices for a different accounting period. You must use the Standard Invoice Entry form to do this.

See Also

- *Reviewing Batch Invoices*
- *Revising Unposted Invoices*
- *Processing Batch Invoices* for information about processing options

Purging Processed Batch Invoices

From the Batch Invoice Processing menu (G03B311), choose Processed Batch Invoice Purge.

After you review, process, and post your batch invoices, you must purge them. The system holds processed invoices in the batch table until you do so. You can purge batch invoices in either of the following ways:

- Set a processing option to automatically purge them when you process your batch invoices in final mode
- Purge them as a separate task

When you purge batch invoices, the system removes all processed invoices from the following tables, regardless of the batch they are in:

- Invoice Transactions – Batch (F03B11Z1)
- Journal Entry Transactions – Batch (F0911Z1)
- Journal Entry Transactions – Batch Tag File (F0911Z1T)

Purging only removes batch invoices and does not affect A/R ledger invoices.

Purging A/R Invoices and Receipts

You may need to purge historical transaction records to create disk space for current transactions. You can use the following programs to purge invoices and receipts:

- ❑ Purge Invoice Transactions
- ❑ Purge Receipt Transactions

The A/R purge programs allow you to purge invoices and receipts from the following tables:

- Customer Ledger (F03B11),
- Receipts Header (F03B13)
- A/R Check Detail (F03B14)

The system moves these records into their respective tables:

- Customer Ledger Purge (F03B11P)
- Receipts Header Purge (F03B13P)
- Receipts Detail Purge (F03B14P)

After you purge transactions, you can rename the purge tables and copy them to another environment or another medium for storage.

Technical Considerations

General Ledger (F0911) transactions

When you purge A/R transactions, you will be out of balance within each batch until you purge the corresponding General Ledger (F0911) transactions. If you are not going to purge corresponding records simultaneously, you may need to change the data selection for integrity reports to exclude transactions prior to a specific date.

Before You Begin

- ❑ Back up the transactions that you are purging.

Purging Invoice Transactions

From the A/R Advanced and Technical Operations menu (G03B31), choose Purge Invoice Transactions (R03B800).

When you purge invoice transactions, the system uses the following criteria when considering which invoices to purge:

- The invoice G/L date must be equal or before the date entered in the processing options for Purge Invoice Transactions
- The invoice must be posted
- The invoice must be paid
- The invoice must have no open amount

After the system completes the purge process, you might want to defragment the affected tables and rebuild the table indices. Contact your database administrator for more information about this process.

See Also

- *Invoice Processing*

Purging Receipt Transactions

From the A/R Advanced and Technical Operations menu (G03B31), choose Purge Receipt Transactions (R03B801).

When you purge receipt transactions, the system uses the following criteria when considering which receipts to purge:

- The receipt G/L date must be equal or before the date entered in the processing options for Purge Receipt Transactions
- The receipt must be posted
- The receipt must be fully paid

After the system completes the purge process, you might want to defragment the affected tables and rebuild the table indices. Contact your database administrator for more information about this process.

See Also

- *Manual Receipts Processing*

Processing Options for Invoice/Receipt Transaction Purge

G/L Date

Enter the G/L Date to use when selecting which records to purge. _____

All records that have a G/L date less than or equal to the entered date will be purged.

Default: Today’s Date

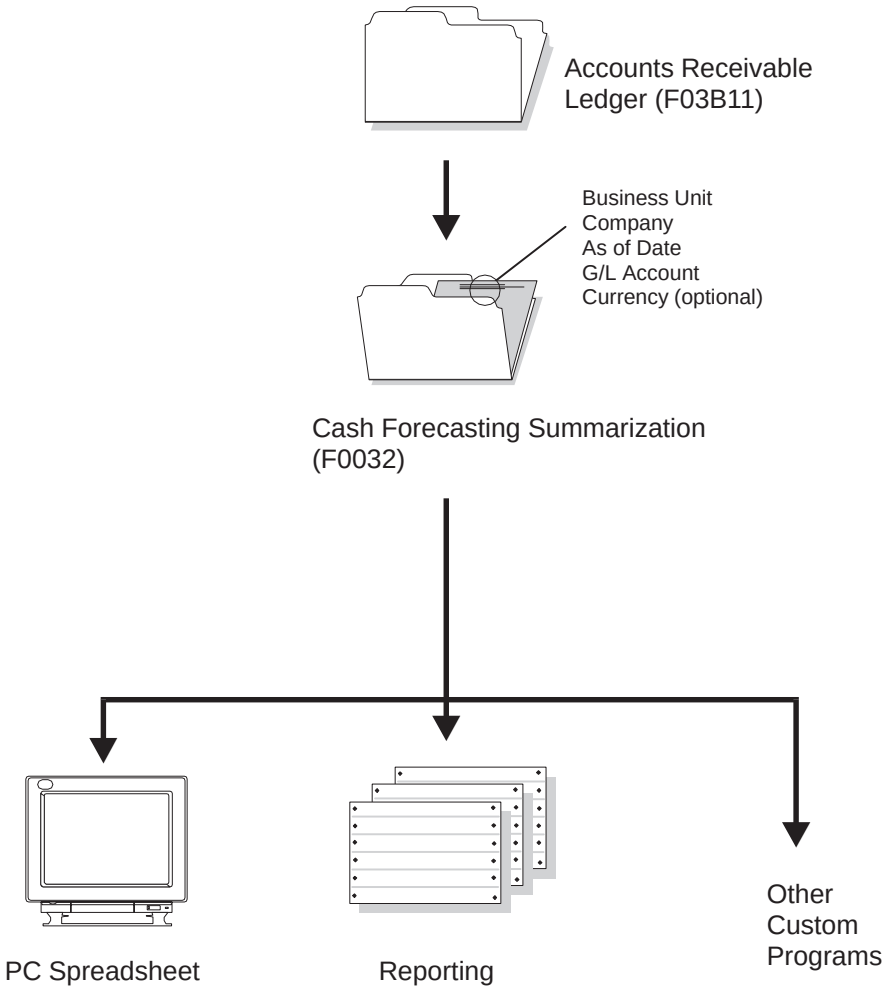
A/R Cash Forecasting

As part of your cash forecasting activities, you might want to review a summary of your open invoices.

When you run A/R cash forecasting, the system performs the following tasks:

1. Consolidates open invoices from the A/R Customer Ledger table (F03B11)
2. Summarizes information by business unit, company, due date, and currency
3. Deletes existing records in the Cash Forecasting Summarization table (F0032) with the cash type you specify in a processing option
4. Updates the Cash Forecasting Summarization table with the new information

The following graphic illustrates the cash forecasting process.



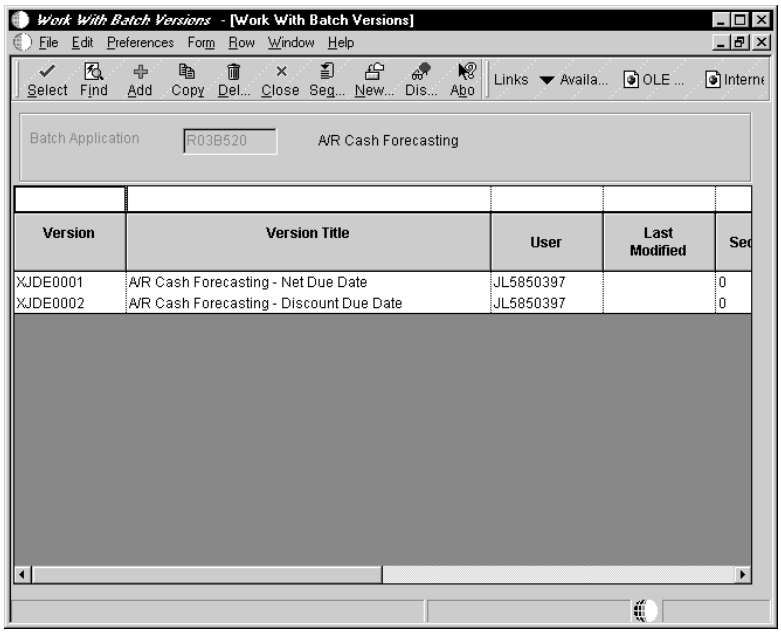
Forecasting A/R Cash Flow

From the A/R Advanced and Technical menu (G03B31), choose A/R Cash Forecasting.

To receive an accurate picture of your current cash position and amounts you expect to receive from your customers, you can forecast your A/R cash flow.

When you run A/R Cash Forecasting, the system creates the Cash Forecasting Summarization table (F0032) that contains the following:

- Total of all open invoices
- Due dates of open invoices
- Receipt amount required from customer



You can use Enterprise Report Writer to view the information created when you run A/R Cash Forecasting. The information can also be downloaded to a standard spreadsheet program or used by custom programs for cash analysis.

Related Information

Multi-Currency

When using multiple currencies, invoices are summarized by both the domestic and foreign currencies. In the Cash Summarization table, the domestic currency code appears in the Currency Code field. The foreign currency code appears in the To Currency Code field. When you process domestic invoices, the foreign amount and currency code are the same as the domestic amount and currency code.

Processing Options for A/R Cash Forecasting

Process

1. Enter the cash type to designate A/R records in the Cash Forecasting Summarization (F0032) table. If left blank, cash type '03B' will be used.

   Cash Type _____

2. Enter a '1' to reverse the positive and negative signs of the amounts. If left blank, the signs for the amounts will appear as they would in the Customer Ledger (F03B11) table.

   Reverse Amount Signs _____

3. Enter a '1' to build the A/R portion of the Cash Forecasting Summarization (F0032) table based on discount due date. If left blank, net due date will be used.

   Date Option _____

What You Should Know About Processing Options

Cash type (2)

The Cash Summarization table (F0032) contains summary information from A/R, A/P, and G/L. The cash type designates the system in which the information originated. A cash type is alphanumeric and can be up to five characters. J.D. Edwards recommends that you use the same cash type each time you run the program. If you run the program again with a different cash type, two sets of A/R information will exist in the Cash Summarization table.

Customer Currency Conversion

You might convert a customer's currency code or address book amounts for the following reasons:

- Your customers want to receive invoices in a different currency
- You want to submit invoices to your customers in a different currency
- You want to view a customer's statistical amounts in a different currency

For example, you might want to convert statistical (address book) amounts for several of your customers from Canadian dollars to U.S. dollars. Or, if you do business with several EMU companies, you might need to change the default currency code on multiple customer master records to the euro.

Converting Customer Currency Codes and Amounts

Release B73.3 contains substantial data structure changes for the customer master record. If you used the new A/R application prior to release B73.3 (release B73.2), you must change the data structure of your existing customer master records before you can run the program that converts customer amounts and currencies.

To make the necessary data structure changes, ensure that you have run the following programs:

- R8903012A (Convert F03012 from B732 to B733). This program converts the table structure in the F03012 table from release B73.2 to B73.3, and makes the necessary data structure changes.
- R8903012 (Convert F0301 to F03012). This program copies data from the F0301 to the F03012 table. The F03012 is the new Customer Master by Line of Business table, which replaces the F0301 table as of release B73.3 for the new A/R application.

▶ To convert customer currency codes and amounts

From the System Administration Tools menu (GH9011), choose Batch Versions. On Batch Versions, do one of the following:

- For OneWorld B73.3 clients who use the new A/R application, enter R8903012E in the Batch Application field to access Euro Address Book Conversion – F03012, F0301.
- For OneWorld B73.3 clients who use the old A/R application, enter R890301E in the Batch Application field to access Euro Address Book Conversion – F0301.

You might convert a customer's currency code or address book amounts for the following reasons:

- Your customers want to receive invoices in a different currency
- You want to submit invoices to your customers in a different currency
- You want to view a customer's statistical amounts in a different currency

To convert customer currency codes and amounts, you run the Euro Address Book Conversion program. Although this program was originally designed for Economic and Monetary Union (EMU) companies to use during the euro transition period, companies outside of the EMU might also find it useful. For example, you might want to convert

statistical (address book) amounts for several of your customers from Canadian dollars to U.S. dollars.

You can convert a customer's default currency and their address book currency and amounts at the same time, or independently of one another.

Customer default currency code

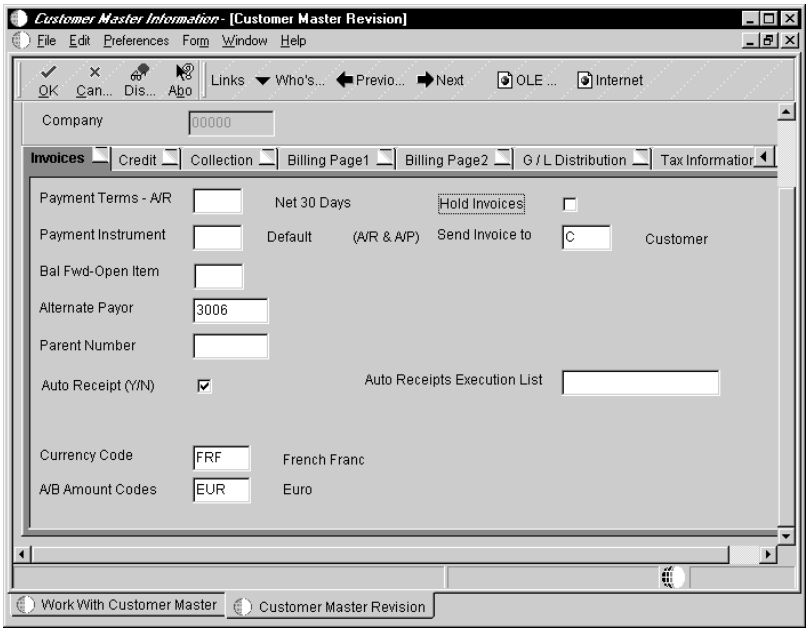
To submit invoices to customers in a different currency, you convert the default currency code. This code appears in the Currency Code field on the Customer Master Revisions form.

Customer address book currency code and amounts

To view address book amounts for customers in a different currency, you convert the address book currency code (this code appears in the A/B Amount Codes field on the Customer Master Revisions form) and the following amounts in the Customer Master table (F0301) table and the Customer Master by Line of Business table (F03012) table:

- Summary balance amounts (year-to-date invoice amounts and finance charges, prior year invoice amounts and finance charges, amount due, amount last paid, highest balance, and open order amounts).
- Limit amounts (credit limit and minimum and maximum sales order amounts). See *Converting Customer Limit Amounts* in the *Sales Order Management Guide* for detailed information about how the program rounds limit amounts.

The following example shows the Currency Code and A/B Amount Codes fields on the Customer Master Revision form.



When you run the Euro Address Book Conversion program, an exceptions report prints with any of the following messages:

- *No processing errors*. If you entered 1 for processing option 1, the conversion program updates the F03012 or F0301 table.
- *Currency exchange rate not found*. Cause: The currency code that you are converting to is not set up in the exchange rate table, or the exchange rate or effective date is not set up for the currency code.
- *Invalid currency entered*. Cause: The currency code you entered for currency processing option 3 or 4 or both is not valid.
- *Update error - record locked or not found*. Cause: The customer master record is in use.

Example: Customer Currency Codes and Amounts Before and After

For this example, program values are set as follows:

Program	Field or Processing Option Value
Customer Master Revision	Currency Code field = FRF
	A/B Amount Code field = FRF
Set Daily Transaction Rates	(FRF to EUR currency relationship)
	Exchange rate field = 6.55957 (divisor)
Address Book Conversion	Amount Currency processing option = EUR
	Currency Code processing option = blank
	Limit Amounts processing option = 50

This example shows customer amounts before and after converting from the French franc (FRF) to the euro (EUR). After converting to the euro, this customer's address book amounts will be in the euro, however, their invoices will remain in French francs.

F03012 Field	Description	Before Conversion	After Conversion	Rounded From
A5CRCD	Currency Code - A/R	FRF	FRF	Not applicable
A5CRCA	Currency Code - A/B	FRF	EUR	Not applicable
A5AD	Amount Due	100.00	15.24	Not applicable

A5AFCP	Prior Year Finance Charges	200.00	30.49	Not applicable
A5AFCY	YTD Finance Charges	300.00	45.73	Not applicable
A5ASTY	Invoiced This Year	400.00	60.98	Not applicable
A5SPYE	Invoiced Prior Year	500.00	76.22	Not applicable
A5AHB	High Balance	600.00	91.47	Not applicable
A5ALP	Last Paid Amount	700.00	106.71	Not applicable
A5ABAM	Address Book Amount	Not used	Not used	Not applicable
A5ABA1	Address Book Amount	Not used	Not used	Not applicable
A5APRC	Open Order Amount	1,000.00	152.45	Not applicable
F03012 Field	**Description**	**Before Conversion**	**After Conversion**	**Rounded From**
A5MINO	Minimum Order Amount	1,000	150	152.45
A5MAXO	Maximum Order Amount	50,000	7,600	7622.45
A5ACL	Credit Limit	10,000	1,500	1524.49

In the F03012 table, the field A5ABAM stores a user-defined fixed amount and the field A5ABA1 is for future use. If you use either of these fields, be aware that the Euro Address Book Conversion program converts the amounts, regardless of whether they are monetary amounts.

Example: Parent/Child Structure with Different Currencies

If you have a parent/child structure with different address book and default currencies, you can convert the parent independently from its children and vice versa.

The following example shows a parent/child relationship with different currencies.

Relationship	Address Book Currency	Default Currency
Parent	ITL	ITL
Child 1	ITL	DEM
Child 2	ITL	FRF
Child 3	ITL	DEM

Child 1 and Child 3 have requested that you submit their invoices in the euro. You run the Euro Address Book Conversion program to convert their default currency from the German mark (DEM) to the euro (EUR). (Alternatively, you can convert the currencies of a parent and its children at the same time, if applicable.)

The following example shows the results after the conversion.

Relationship	Address Book Currency	Default Currency
Parent	ITL	ITL
Child 1	ITL	EUR
Child 2	ITL	FRF
Child 3	ITL	EUR

This example shows that you can continue to track address book amounts in the parent company's currency while invoicing some of the subsidiaries in the euro. It is also possible to convert the address book amounts to the euro at the subsidiary level.

Processing Options for Euro Address Book Conversion – F0301/F03012

Update

1. Enter a '1' to update Customer Master balances. If left blank, Customer Master balances will not be updated. _____
2. Enter a date to be used as the exchange rate date. If left blank, the current date is used as the default. _____

Currency

3. Enter a currency here to be updated to the Amount Currency in the Customer Master file. If left blank, the Amount Currency will not be updated. _____
4. Enter a currency here to be updated to the Currency Code in the Customer Master file. If left blank, the Currency Code will not be updated. _____

Rounding

5. Enter the desired rounding factor for the following limit fields.

   Amount – Credit Limit _____
   Minimum Order Value _____
   Maximum Order Value _____

For example, a value of 100 will round the converted amount to the nearest hundred, 50 to the nearest 50 etc. If left blank. limit values will not be rounded.

Data Selection for Euro Address Book Conversion – Customer

The data selection for the Euro Address Book Conversion program provides flexibility when converting customer amounts to a another currency. To convert address book amounts by customer, specify the address book numbers. If you do not do this, the conversion program converts all customers. To convert amounts for all customers assigned a certain category code, specify the category code.

Appendices

Appendix A: Quick Reference Codes for A/R

A/R Codes

Menus

G03B	Accounts Receivable
G03B11	Customer & Invoice Entry
G03B12	Manual Receipts Processing
G03B13	Automatic Receipts Processing
G03B14	Accounts Receivable Reports
G03B15	Credit & Collection Management
G03B21	Periodic Processes
G03B22	Automatic Delinquency Processing
G03B31	Advanced & Technical Operations
G03B41	Accounts Receivable Setup

Payment Status Code

A	Approved for payment
P	Paid in full

Any others are a type of payment hold:

H	Held/pending approval
R	Retainage
D	Draft accepted

Payment Terms

Blank	Net 30
1	1/10, net 30
5	Split payment (50/50)
A	Due on the 10th of the next month
1	Due upon receipt
5	Due 1st of next month

Document Types

Original Documents

RI	Invoice
RR	Recurring invoice
RB	Chargeback invoice
RM	Credit memo
RU	Unapplied receipt

Matching Documents

RC	Receipt
RO	Void receipt
RV	Non-sufficient funds

Appendix B: Currency Codes and Decimals

Multi-Currency Option "Off"

If the multi-currency option is turned off, the decimals associated with specific amount fields are determined by the display decimals defined in the data dictionary by your system administrator.

Multi-Currency Option "On"

If the multi-currency option is turned on, the decimals associated with specific amounts are determined as described below.

Units Ledgers

Decimals for unit ledger types, such as BU and AU, are determined by the display decimals in the data dictionary.

Amount Ledgers

Decimals for amounts other than units are determined as follows:

- Any transaction entered with a currency different from the currency assigned to the company of the account being used is considered "foreign."
- The decimal position is determined by the transaction's currency code.
- The number of decimals for a currency is defined in the Currency Codes table (F0013) and the Designate Currency Codes program (P0013).

All ledger types other than CA or any units ledger type, as mentioned above, are considered "domestic" ledgers. The currency's decimal position is determined by the currency code assigned to the company of the account used. This allows multiple companies in the same environment to have different currencies in the AA ledger.

For example, Company 00100 is a U.S. dollar (USD) base currency company, and its AA ledger represents USD. Company 00002 has French francs (FRF) as its base currency, and its AA ledger then represents FRF.

An exception to this rule occurs when a currency has been assigned to a ledger type in the user defined code list (09/LT). If the special handling code of a ledger type contains a currency code, the decimals for the ledger are determined by that currency code.

For example, you have a company with a base domestic currency of French francs (FRF). However, you want to establish a budget in U.S. dollars (USD). You can set up a ledger with USD in the Special Handling Code of the user defined code list (09/LT). Any entry made to that ledger is considered USD and not FRF.

The designation of a currency code for a ledger type should only be done as an exception. A currency code designation for a ledger type applies to all companies using that ledger. Therefore, you should not indicate a currency for the AA or CA ledger.

Monetary (Currency-Specific) Accounts

If an account has been assigned a specific currency code, transactions entered to that account must be in that currency. This rule applies to the AA and CA ledgers only. If other ledger types have been established, the monetary account restrictions do not apply.

For monetary account revaluation purposes, a document type of JX overrides an edit that exists in programs so entry can be made directly to the AA ledger.

Technical Considerations

The Account Balances table (F0902) contains two currency codes:

- CRCD - This code represents the original transaction currency.
- CRCX - This code represents the denominated currency (the company currency).

The following table illustrates the use of the CRCD and CRCX fields. The Account Balances table can optionally be posted by the originating currency of the transaction. For every transaction currency, you will have a corresponding balance.

If you do not require account balances by currency, your account balances can be summarized into one AA and one CA ledger balance for each account. (This does not consider the effect of posting by subledger to an account.)

Posting Option	Ledger Type	Originating Currency (CRCD)	"Denominated In" Currency (CRCX)
Summarized Currency Post	AA	Blank	Company Currency
Summarized Currency Post	CA	Blank	Company Currency
Posting Option	**Ledger Type**	**Originating Currency (CRCD)**	**"Denominated In" Currency (CRCX)**

Balances by Currency Post (and all monetary accounts)	AA	Transaction Currency	Company Currency
Balances by Currency Post (and all monetary accounts)	CA	Transaction Currency	Transaction Currency
Summarized Currency Post	All other ledger types	Blank	Ledger Currency (if specified in the user defined code list (09/LT) or Company Currency

The result of posting a similar set of transactions to provide balances by currency or summarized currency balances is shown below. This example shows a Belgian franc (BEF) company with sales originating in Belgian francs, French francs (FRF), U.S. dollars (USD), and British pounds (GBP). Account 401.5005 for Sales of Product A is illustrated.

CRCD = Original transaction currency

CDCX = Denominated currency

Balances by Currency Post

Account	CRCD	CRCX	AA Ledger Amount	CRCD CA	CRCX CA	CA Ledger Amount
401.5005 Sales Product	BEF	BEF	100,000			
	FRF	BEF	60,000	FRF	FRF	10,000.00
	USD	BEF	150,000	USD	USD	5,000.00
	GBP	BEF	45,000	GBP	GBP	1,000.00

Summarized Currency Post

Account	CRCD AA	CRCX AA	AA Ledger Amount	CRCD CA	CRCX CA	CA Ledger Amount
401.5005 Sales Product		BEF	355,000		BEF	1,600,000

Appendix C: Auto Receipts Input Requirements

Automatic Receipts Processing works primarily with the Receipts Register (F03B13) and Electronic Receipts Input (F03B13Z1) tables. The Electronic Receipts Input table contains information that was loaded from the bank tape, and therefore, contains information that was keyed in at the bank. The system creates records in the Receipts Register table when you run the Update Receipts Register program (R03B551).

If you are using multi-currency, you must indicate the currency code on the Electronic Receipts Input table (F03B13Z1). The currency code you enter must reflect either the domestic or foreign currency of the invoices being paid.

In the future, J.D. Edwards will provide a program that maps the records from the bank tape to the Electronic Receipts Input table.

It is important that you understand what type of information the Apply Receipts to Invoices program (R03B40) requires to successfully match and apply receipts to invoices. The following lists the information in the Electronic Receipts Input table.

Table Layout – Electronic Receipts Input

* = These fields make up the unique key to this table.

Description	Field Name	
Batch Number	RUICU	* K1
Receipt Number	RUCKNU	* K2
Line ID	RURLIN	* K3
Document Company	RUKCO	
Document Type	RUDCT	
Document Number	RUDOC	
Pay Item	RUSFX	
Statement Number	RUCTL	
Payment ID	RUPYID	
Upload Status Flag	RUEUPS	Values: Y,H,E,U,B
Batch Type	RUICUT	
Batch Date – CTRY	RUDIC#	
Batch Date	RUDICJ	
User ID	RUUSER	

Address Number	RUAN8
Description	**Field Name**
G/L Date – CTRY	RUDG#
G/L Date	RUDGJ
Check/Item Date – MO	RUDMTM
Check/Item Date – DA	RUDMTD
Check/Item Date – YR	RUDMTY
Check/Item Date – CTRY	RUDMT#
Check/Item Date	RUDMTJ
Check Total Amount	RUKAM
Line Gross Amount	RUAG
Line Foreign Gross Amount	RUFAP
Remark	RURMK
G/L Bank Account	RUGLBA
Account Mode	RUAM
Company	RUCO
Currency Code	RUCRCD
Exchange Rate	RUCRR
Mode (F)	RUCRRM
Customer Bank Account Number	RUCBNK
Customer Bank Transit	RUTNST
Home Bank Account Number	RUEHBK
Home Bank Transit	RUEHTN
Payment Instrument	RUPYIN
Type Input	RUTYIN

The following information briefly describes the importance of each field in the Electronic Receipts Input table. Each field is classified as either Required, Optional, or Output. Required and Optional fields are input fields that might be provided on the bank tape. Output fields are fields that are populated when you update the Receipts Register.

Batch Number (required)	This number should be assigned via the Next Numbers program when you load the bank tape into the Electronic Receipts Input table (F0313Z1).
Receipt Number (required)	This number should be entered on the bank tape. It is required to distinguish one receipt from another when you run Update Receipts Register.
Line Number (required)	This number should be entered on the bank tape or incremented when the bank tape is loaded into the Electronic Receipts Register Input table. It is required to make the key unique.
Document Company (optional)	This information might be explicitly entered on the bank tape.
Document Number (optional)	This number might be explicitly entered on the bank tape.
Pay Item (optional)	This information might be explicitly entered on the bank tape.
Statement Number (optional)	This number might be explicitly entered on the bank tape.
Payment ID (output)	This information is assigned via Next Numbers when you load the bank tape into the Electronic Receipts Input table.
Upload Status Flag (output)	This code is set to one of the following values: • Y = Record uploaded successfully. There is no need for program to re-read this record again during matching process. • H = Record uploaded successfully. The program needs to read this record again during matching process. • E = Record in error during upload to Receipts Register table. Must correct information in the record in order to update the Receipts Register.
Batch Type (required)	This information should be entered on the bank tape.
Batch Date (optional)	This date might be entered on the bank tape.
User ID (optional)	This information might be entered on the bank tape.
Address Number (optional)	This number might be entered on the bank tape.

G/L Date (required)	This date must be either entered on the bank tape or specified in the processing options.
Check/Item Date	This date should be entered on the bank tape.
Check Total Amount (optional)	If entered, this amount should be entered on the first Electronic Receipts Input record. If not entered, the Update program will add line gross amounts to arrive at the receipt amount.
Line Gross Amount (optional)	This amount might be entered on the bank tape.
Line Foreign Gross (optional)	This amount might be entered on the bank tape.
Remark (optional)	This might be entered on the bank tape.
G/L Bank Account (required)	This number must either be entered on the bank tape specified in the processing options.
Account Mode (optional)	This code might entered on the bank tape.
Company (required)	This information must either be entered on the bank tape specified in the processing options.
Currency Code (required)	This code must be entered on the bank tape when entering foreign transactions.
Mode – F (required)	This information must be entered on the bank tape when entering foreign transactions.
Customer Bank Account Number (required)	This number should be entered on the bank tape to identify the customer. If this and Address Number are left blank, the system enters the receipt as logged.
Customer Bank Transit (required)	This number should be entered on the bank tape to identify the customer. If this and Address Number is left blank, the system enters the receipt as logged.
Home Bank Account Number (optional)	This number might be entered on the bank tape.
Home Bank Transit (optional)	This number might be entered on the bank tape.

Payment Instrument (optional)	This number might be entered on the bank tape.
Type Input (output)	This information is populated when you load the bank tape into the Electronic Receipts Input table.

Appendix D: Periodic Statistical Calculations

As part of your customer analysis activities, you can update statistical information about your customer accounts, based on how you set the processing options. To do so, run Statistics History Update. This enables you to review the activity of a customer's account for a specific period, which is helpful for trending analysis and cash forecasting. This appendix describes the technical information about the Statistical History Build.

Calculating the Statistical History Build (R03B16)

Setup Considerations

- ❑ Credit/Collection Fiscal Date Patterns have to be set up, for at least company 00000, which will encompass the G/L date of all invoices and receipts in the database.
- ❑ The Statistical History Build should not be run with any user defined data selection.
- ❑ An A/R Statistical Summary (F03B16S) record is a summary of a subset of A/R Statistical History (F03B16) records. That subset is defined by R03B16 processing options 5 and 6.
- ❑ Do not switch between F03B16S subset types. That is, once the Statistical History Build has been run accumulating "inception to date," do not change to a "rolling balance".

Troubleshooting

- ❑ In the parent/child relationship between customers, the parent cannot be the child of its child. This causes a loop error.

- ❑ The Statistical History Build only includes records that match one of the following selection criteria:

  F03B11: – select where RPPOST = D and RPISTC != 1 and RPDCT != RU and RPAN8 != 0
  F03B112: – select where RWPOST = D and RWISTC != 1 and RWAN8 != 0
  F03B13: – select where RYNFVD = N and RYISTC != 1 and RYAN8 != 0
  F03B14: – select where RZPOST = D and RZISTC != 1 and RZAN8 != 0

- ❑ F03B11 R5 records are created with an ISTC = 1, so that they are not included in the Statistical History Build.

You can review statistical (periodic) calculations on the Periodic Statistics form from the Credit and Collections Management menu (G03B15). The following table describes how the A/R system calculates this information for your customers.

Field	Calculation Information
Bad Debt	If the Write-off Reason Code is populated and the Special Handling Code in the 03B/RC UDC table is blank, the system adds write-off amounts to the Bad Debt total. Otherwise, the amount is accumulated into the Minor Write–Off total.
Minor Write-off	If the Special Handling Code is equal to 1 in the O3B/RC UDC table, the system adds write-off amounts to this total.
Bad Debt Ratio	The system divides bad debt amount by the total sales for the period. Calculation: Bad debt / total sales for period.
Total Write-off	This field is the sum of bad debt and minor write-off amounts. Calculation: Bad debt + minor write-offs.
Average Days Late	Non–Weighted The system uses the following calculations: • (Total Number of Days / Number of Invoices Paid.) The system includes only the receipts that close or the “pay off” invoices in the Number of Invoices Paid. • (Total Number of Days = difference between the Invoice Due Date and the Receipt Date.) The system calculates the number of days between the receipt date and the invoice due date. The system adds this calculation to the Total Number of Days. • (Total Number of Days / Number of Invoices Paid.) The system calculates the average number of days by dividing the total number of days by the number of invoices paid.

Field	Calculation Information
Weighted Days Late	The system weighs the Average Days Late calculation by determining the current percentage of all receipt amounts. This is so the larger receipt amounts will have a greater effect on the average days late. For example, assume that a receipt for 100,000 is one day late, and another receipt for 500 is 30 days late. If you use a "non-weighted" average days late, the Average Days Late is 15.5 days. Calculation: When you use a weighted calculation, the Average Days Late is 1.1 days. Non-weighted average days = number of invoices / days late (15.5 = 2 / 31). **Receipt Level:** Calculations for the Weighted Days Late: • The difference between invoice due date and receipt date = number of days. • The previous receipt amount = amount of the last payment received. • Number of Days Previous Receipt + Number of Days Current Receipt. Example: (previous receipt amount / (receipt amount + previous receipt amount)) + Number of Days Current Receipt (receipt amount / (receipt amount + previous receipt amount)). Example: 1 Day (100,000 / (500 = 100,000)) + 30 days (500 / (500 + 100,000)) = 1.1. **F03B16 and F03B16S Level:** Calculations for the Weighted Days Late: • Previous Average Days Late (previous receipt amount / (receipt amount + previous receipt amount total)) = Current Average Days Late (current receipt amount / (current receipt amount total + previous receipt amount)).

Field	Calculation Information
DSO	The system stores the DSO amount at the periodic level in the F03B16. You can use the following methods to calculate DSO: **Countback Method:** • If the current outstanding balance is less than the total sales, the DSO = (current balance / total sales) x number of days in the period. Otherwise: • Subtract the current period's total sales amount from the current balance and increment DSO with the number of days in the period. • Subtract from the remaining balance the total sales of the first preceding period. This will continue until the outstanding balance of any preceding period exceeds the remaining balance. • If the remaining balance is less than the preceding period, then DSO = Accumulated DSO + ((current balance / total sales) x number of days in period). **Average Balance Divided by Sales:** DSO = (total period end balance over *n* number of periods) _____ total invoiced over *n* number of periods in *n* periods x average number of days *n* = number of periods specified in the processing options **Current Balance Divided by Sales:** DSO = (current A/R balance x number of days in *n* periods) _____ Total invoiced over *n* number of periods *n* = number of periods specified in the processing options

Examples of DSO

Period	Sales Amount	Period End Balance	Period Days
January	**7570**	**10825**	31
February	**4566**	**10596**	28
March	**5538**	**10869**	31

1. Countback Method:

March	**10869 – 5538 = 5331**	**Accumulated DSO = 31**
February	**5331 – 4566 = 765**	**Accumulate DSO = 31 + 28 = 59**
January	**(765 / 7570) x 31 = 6.1**	

DSO = 59 + 3.1 = 62.1

2. Average Balance Divided by Sales:

$$\frac{\textbf{(10869 + 10596 + 10825) x 30}}{\textbf{(5538 + 4566 + 7570)}}$$

DSO = 54.81

3. Current Balance Divided by Sales:

$$\frac{\textbf{(10869 x 90)}}{\textbf{(5538 + 4566 + 7570)}}$$

DSO = 55335

Field	Calculation Information
Days Credit Granted	The system uses the same calculations as DSO to calculate the days credit granted amount. The exception is that the system replaces the current period end balance with the amount of the balance that is due or due in the future. Calculation: open amount – past due amount
Delinquent DSO	This is the number of days a customer takes beyond the Days Credit Granted. Calculation: DSO – Days Credit Granted

Field	Calculation Information
Extended DSO	This is the number of days beyond the assigned payment terms for a customer. Calculation: Days Credit Granted – Payment Terms Result: The amount of credit your sales staff grants your customers beyond the payment terms.
Invoice Amount	The gross amount of the invoice.
Sales Amount	The taxable amount of the invoice.
% of Amount Paid Late	Calculation: Invoice Amount / Amount Paid Late

Calculating the Statistical History Build (Key Fields)

The following list contains information for the key fields when calculating the Statistical History Build.

AN8 – (Address number) Key to this file.

CO – (Company) Key to this file.

CTRY – (Century) Key to this file.

FY – (Fiscal Year) Key to this file.

PN – (Period Number) Key to this file.

END – (Ending Date) from C/C Date Patterns (F03B08)

DAYP – (Period Days) from C/C Date Patterns (F03B08)

ENBL – (Ending Balance Amount) Sum F03B11.AAP where *

DLBL – (Delinquent Balance Amount) = F03B16.ENBL – (F03B16.FTR + F03B16.CURR) and *

AHB – (High Balance Amount) Start with beginning balance (ending balance of previous period) and work forward day by day. Add invoices and subtract receipts for each day. If a day's ending balance is higher than the previous day's ending balance then it is the new high balance. and *

DHBJ – (Date of High Balance) G/L date of AHB amount. and *

DSO – (Days Sales Outstanding) See notes above. and *

BDSO – (Best DSO) See notes above. and *

DDSO – (Delinquent DSO) = F03B16.DSO – F03B16.BDSO. and *

AVDL – (Average Days Late) Calculated as follows and *:
There are 6 work variables used in this calculation:
Previous Average Days Late = PADL
Current Average Days Late = CADL
Number of Days = NOD
Previous Receipt Amount Total = PRAT
Current Receipt Amount Total = CRAT
REceipt Amount = RA

Calculation:
CADL = 0
PRAT = 0
CRAT = 0
For each receipt:
RA = F03B14.PAAP (i.e. Receipt Payment Amount)
CRAT = CRAT + RA
NOD = F03B143.DDJ – F03B14.DGJ (i.e. Invoice Due Date – Receipt G/L Date)
CADL = (CADL * (PRAT/(PRAT + RA))) + (NOD * (RA + PRAT)))
PRAT = PRAT + RA
end for
If there is an existing F03B16 record for this customer, company, period combination:
PRAT = F03B16.PAAP (i.e. Payment Amount from the F03B16)
PADL = F03B16.AVDL (i.e. Average Days Late from the F03B16)
CADL = (PADL * (PRAT / (PRAT + CRAT))) + CADL * (CRAT / (CRAT + PRAT)))
end if
F03B16.AVDL = CADL

AVDN – (Average Days Late Non–Weighted) Calculated as follows, and *:
There are 4 work variables in this calculation:
Number of Days = NOD
Number of Invoices Paid = NIP
Average Days Late = ADL
Total Number of Days = TNOD

Calculation:
NIP = F03B16.NINP (i.e. Number of Invoices Paid from the F03B16)
TNOD = 0
For each receipt:
NOD = F03B14.DDJ – F03B14.DGJ (i.e. Invoice Due Date – Receipt G/L Date)
TNOD = TNOD + NOD
end for
ADL = TNOD / NIP
F03B16.AVDN = ADL

AG – (Gross Amount) Sum F03B11.AG where F03B11.AG > 0 and * . Do not include 'RB' and 'R5' records.

NINV – (Number of Invoices) Count where F03B11.AG > 0 and * . Do not include 'RB' and 'R5' records.

SAG – (Sales Amount) Sum F03B11.ATXA where * (If the ATXA is zero then use the AG)

CREE – (Credit Amount) Sum F03B11.AG where F03B11.AG < 0 and *

ADSC – (Discount Available Amount) Sum F03B11.ADSC where *

DFEE – (Delinquency Fee Amount) Sum F03B11.AG where F03B11.DCT = 'RF' and *

ECBA – (Chargeback Amount) Sum F03B11.AG where F03B11.DCT = 'RB' and *

NCB – (Number of Chargebacks) Count where F03B11.DCT = 'RB' and *

PAAP – (Payment Amount) Sum F03B14.PAAP where *

ADSA – (Discount Taken Amount) Sum F03B14.ADSA where *

EDSC – (Earnable Discount Amount) Sum F03B14.ADSA where F03B14.DGJ <= F03B14.DDNJ and *

UDSC – (Unearnable Discount Amount) Sum F03B14.ADSA where F03B14.DGJ > F03B14.DDNJ and *

NINP – (Number of Invoices Paid) Number of invoices paid in full. Count where F03B14.PDLT != '1' and *

AIPL – (Paid Late Amount) Sum F03B14.PAAP where F03B14.DGJ > F03B14.DDJ and *

NIPL – (Number of Invoices Paid Late) Number of invoices paid in full, and paid late. Count where F03B14.PDLT != '1' and F03B14.DGJ > F03B14.DDJ and *

DDCA – (Deduction Amount) Sum F03B14.DDA where *

DDCN – (Number of Deductions) Count where F03B14.DDA != 0 and *

MWO – (Minor Write Off Amount) See handout. and *

TAWO – (Total Write Off Amount) = F03B16.BDBT + F03B16.MWO. and *

BDBT – (Bad Debit Amount) See handout. and *

ANSF – (Non Sufficient Funds Amount) Sum F03B13.CKAM where F03B13.NFVD != blank and *

NNSF – (Number of NSF's) Count where F03B13.NFVD != blank and *

CLMG – (Collection Manager) F0301.CLMG where F0301.AN8 = F03B16.AN8

CMGR – (Credit Manager) F0301.CMGR where F0301.AN8 = F03B16.AN8

RHB – (Recalculate High Balance Amount) Internal flag

RBAL – (Recalculate Ending Balance Amount) Internal flag

CRCD – (Currency Code) IF (F03B16.CO = '00000') THEN (field = F0301.CRCA where F0301.AN8 = F03B16.AN8) ELSE (field = F0010.CRCD where F0010.CO = F03B16.CO)

FTR – (Future Amount Due) Amount from aging server (categories based on F0010 fields where F0010.CO = F03B16.CO) and *

CURR – (Current Amount Due) Amount from aging server (categories based on F0010 fields where F0010.CO = F03B16.CO) and *

AG1 – (Aging Category 1 Amount) Amount from aging server (categories based on F0010 fields where F0010.CO = F03B16.CO) and *

AG2 – (Aging Category 2 Amount) Amount from aging server (categories based on F0010 fields where F0010.CO = F03B16.CO) and *

AG3 – (Aging Category 3 Amount) Amount from aging server (categories based on F0010 fields where F0010.CO = F03B16.CO) and *

AG4 – (Aging Category 4 Amount) Amount from aging server (categories based on F0010 fields where F0010.CO = F03B16.CO) and *

AG5 – (Aging Category 5 Amount) Amount from aging server (categories based on F0010 fields where F0010.CO = F03B16.CO) and *

AG6 – (Aging Category 6 Amount) Amount from aging server (categories based on F0010 fields where F0010.CO = F03B16.CO) and *

AG7 – (Aging Category 7 Amount) Amount from aging server (categories based on F0010 fields where F0010.CO = F03B16.CO) and *

CHGA – (Changed Amount) Internal amount

USER – (User ID) System

PID – (Program ID) System

UPMJ – (Date Last Updated) System

UPMT – (Time Last Updated) System

JOBN – (Work Station ID) System

* where (<file>.POST = 'D') and (<file>.AN8 = F03B16.AN8) and (<file>.CO = F03B16.CO) and <file>.DGJ falls within the F03B16.PN period (This is figured out by looking in the C/C Date Pattern (F03B08) file.)

Notes:
∅ 'As Of Date' for aging is the current period's ending date.
∅ Do not include records with a DCT = 'RU' when calculating AVDL, AVDN, CREE, ADSA, EDSC, UDSC, NINP, AIPL, and NIPL.
∅ The company '00000' records are "The summation of a customer's activity across all companies using the customer's currency code for amounts."

F03B16S

AN8 – (Address Number) Key to this file.

PART – (Parent Child Relationship) Key to this file.

CO – (Company) Key to this file.

ENBL – (Ending Balance Amount) F03B16.ENBL for last period in F03B16 *

AHB – (High Balance Amount) highest F03B16.AHB *

DHBJ – (Date of High Balance) F03B16.DHBJ corresponding to above amount *

ACLH – (High Credit Limit) Calculated only at company '00000' level.

AVDL – (Average Days Late) See code.

AVDN – (Average Days Late Non–Weighted) See code.

AG – (Gross Amount) Sum F03B16.AG *

NINV – (Number of Invoices) Sum F03B16.NINV *

SAG – (Sales Amount) Sum F03B16.SAG *

CREE – (Credit Amount) Sum F03B16.CREE *

ADSC – (Discount Available Amount) Sum F03B16.ADSC *

DFEE – (Delinquency Fee Amount) Sum F03B16.DFEE *

ECBA – (Chargeback Amount) Sum F03B16.ECBA *

NCB – (Number of Chargebacks) Sum F03B16.NCB *

DFIJ – (Date of First Invoice) For all time, the earliest F03B11.DGJ *

DLIJ – (Date of Last Invoice) For all time, the latest F03B11.DGJ *

DT1J – (Date of Last Statement) For all time, the latest F03B20.NOTJ where F03B20.NOT= 'ST' and *

ASTY – (Amount Invoiced Current Year) Sum F03B11.AG where F03B11.DGJ is within the current year (from the F03B08) and *

SPYE – (Amount Invoiced Prior Year) Sum F03B11.AG where F03B11.DGJ is within the prior year (from the F03B08) and *

PAAP – (Payment Amount) Sum F03B16.PAAP *

EDSC – (Earnable Discount Amount) Sum F03B16.EDSC *

UDSC – (Unearnable Discount Amount) Sum F03B16.UDSC *

NINP – (Number of Invoices Paid) Sum F03B16.NINP *

AIPL – (Paid Late Amount) Sum F03B16.AIPL *

NIPL – (Number of Invoices Paid Late) Sum F03B16.NIPL *

DDCA – (Deduction Amount) Sum F03B16.DDCA *

DDCN – (Number of Deductions) Sum F03B16.DDCN *

MWO – (Minor Write Off Amount) Sum F03B16.MWO *

BDBT – (Bad Debit Amount) Sum F03B16.BDBT *

ANSF – (Non Sufficient Funds Amount) Sum F03B16.ANSF *

NNSF – (Number of NSF's) Sum F03B16.NNSF *

DLP – (Date of Last Payment) For all time, the latest F03B14.DGJ *

ALP – (Amount of Last Payment) amount corresponding to above date

NXPD – (Next Period to Process) Next period after the "Thru Date" processing option.

NBR1 – (Number of Reminders Sent) count in F03B20 where F03B20.NOT = 'DL' and *

DLQJ – (Date of Last Reminder Sent) For all time, the latest F03B20.NOTJ where F03B20.NOT = 'DL' and *

CRCD – (Currency Code) IF (F03B16S.CO = '00000') THEN (field = F0301.CRCA where F0301.AN8 = F03B16S.AN8) ELSE (field = F0010.CRCD where F0010.CO = F03B16S.CO)

CMGR – (Credit Manager) F0301.CMGR where F0301.AN8 = F03B16S.AN8

CLMG – (Collection Manager) F0301.CLMG where F0301.AN8 = F03B16S.AN8

USER – (User ID) System

PID – (Program ID) System

UPMJ – (Date Last Updated) System

UPMT – (Time Last Updated) System

JOBN – (Work Station ID) System

* where F03B16.AN8 = F03B16S.AN8 and F03B16.CO = F03B16S.CO

Above explanations are for Child records.

For Parent records:

∅ Sum or Count fields: Take the difference between the Child's new F03B16S field value and the Child's old F03B16S field value and add that to the Parent's F03B16S field value. If these are the first Child records then just add the values to the Parent values.
∅ Date or High Amount fields: Compare the Child value to the Parent value and put the higher/lower (depending on the field's meaning) value in the Parent.

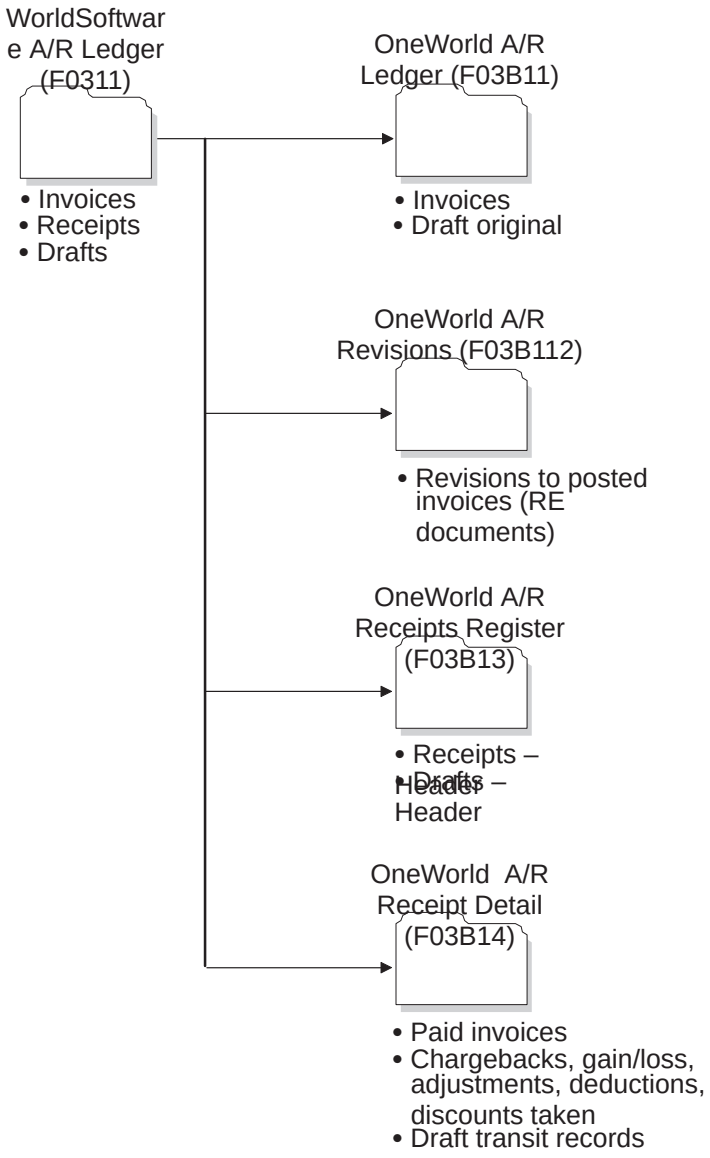
Appendix E: A/R Conversion Process

Converting A/R Data from WorldSoftware to OneWorld

You can run WorldSoftware A/R or OneWorld A/R, but you cannot use them simultaneously. You must choose which A/R product your department will use. If you are currently using WorldSoftware A/R and you choose to operate with OneWorld A/R, you must follow the conversion steps outlined in this appendix.

The following graphic illustrates the database tables and how they convert your data from WorldSoftware to OneWorld.

WorldSoftware and OneWorld A/R Files



File Keys

Payment ID (PYID)

The OneWorld Receipts Register file (F03B13) has a payment ID number. The system generates the payment ID number sequentially through the conversion process. The system then updates the Next Number for Payment ID (03B/10) after the conversion is complete.

File Line Identifier (RC5)

The OneWorld Receipts Detail (F03B14) uses the file line ID (RC5) for receipts applied to invoices. This key increments once with each new line item for applied invoices. When the system writes a new F03B13 receipt record, the line ID returns to 1. The only time that this key can be zero is for an unapplied cash record.

Pay Item Extension (SFXE)

The OneWorld Revisions File (F03B112) has the pay item extension for multiple revisions to a posted invoice. This number increments sequentially for each subsequent revision. If there are no revisions for a posted invoice, no corresponding revisions records will exist.

Technical Considerations

Changes to the Customer Master table (F0301 to F03012)

With the release of B73.3, OneWorld applications use Line of Business processing features. WorldSoftware uses the Customer Master table (F0301) and OneWorld uses the new Customer Master by Line of Business table (F03012). Line of Business processing allows clients to set up their customers with different credit limits, payment terms, and collection policies by company. Line of Business processing is necessary when a customer does business with several companies that use different Accounts Receivable policies. Line of Business is activated in the Accounts Receivable constants program using the Enhanced A/R Form exit.

Even if you are not using Line of Business features, you must convert your existing F03012 table to the new table format and copy your data from the F0301 to the F03012. Failure to convert your table results in an "Invalid Address Book Number" error being returned when you try to access Customer Master information. You use the following programs for conversion:

- R8903012A
- R8903012

R8903012A converts your existing F03012 table to the new format for B73.3. R8903012 converts your data from the Customer Master (F0301) table to the Customer Master by Line of Business (F03012) table. You normally run these programs as part of your upgrade process, however, you can run these from the Object Librarian. If you are co-existent with WorldSoftware, you can run P03012QD program (instead of R890312 and R890312A) for the conversion.

If you feel you have successfully upgraded to B73.3, but encounter errors when using Customer Master, verify that the F03012 table contains data. If records exist in the table but the records are missing data, clear your F03012 table and run R89003012 locally from Object Librarian.

After running the initial conversions, the Address Book applications synchronize the Customer Master and Customer Master by Line of Business tables for normal activity.

Chargeback records

WorldSoftware and OneWorld systems write chargeback records differently. When the WorldSoftware system creates a chargeback record, the original invoice (RI document) includes a chargeback matching document (RB). The system uses the matching document to close the invoice.

The chargeback matching document (RB) does not exist in OneWorld (it is replaced by the Chargeback Amount field). For this reason, there is a possible discrepancy when you process the Conversion Audit Envelope at the document level. You can see the discrepancy in the Payment and Chargeback columns on the RB record. The discrepancy is offset on the record with the original invoice record totals.

Before You Begin

- ❑ For release A7.3, ensure that you have installed the correct cumulative update as well as the correct coexistence update (contact J.D. Edwards for current information). This step is for clients who coexist with WorldSoftware and OneWorld products other than A/R.
- ❑ Ensure that you are installing the most recent OneWorld update.
- ❑ Finish processing all batch cash (auto cash) transactions and all A/R automatic debiting transactions.
- ❑ Finish processing any A/R tape files left on your system.
- ❑ If you use auto cash, review *Batch Invoice Processing* and *Automatic Debits.*
- ❑ Consult *Modifying OneWorld after the Installation* in the *OneWorld Installation Guide (for A/S/400-Based Systems)*, *Modifying OneWorld after the Upgrade* in the *OneWorld Upgrade Guide (for AS/400-Based Systems)*, or *Modifying OneWorld after the Cumulative Update* in the *OneWorld Cumulative Update Guide (For AS/400-Based Systems)* for co-existence information.

▶ To run the A/R conversion process

The following steps are required unless otherwise indicated. J.D. Edwards recommends that you complete all of the steps.

1. To prepare your A/R data for conversion, post all A/R batches for invoices, receipts, drafts, and balance forwards to the General Ledger. This includes the following batch types:
   - Invoices (batch type I)

- Receipts (batch type R)
- Drafts (batch types * and &)

2. In WorldSoftware, access the A/R AS/400 to OneWorld Conversion menu (G0332) and run the A/R integrity report. Choose A/R to G/L by Batch. Resolve any existing data issues.
3. On menu G0332, submit Convert Promises to Actv. Log. This job converts PPAT Promises, Promises messages to the OneWord Activity Log.

   Submit A/R Batch Type Conversion. This job converts the A/R batch types in the General Ledger (F0911) and Batch Control (F0011) tables.

   Submit the Convert F03012 to Company 00000 (17/G0332).

   Submitting these jobs while you run other conversion jobs for your A/R tables will shorten the time of the conversion.

4. To build the conversion audit data for WorldSoftware, choose World A/R Audit Build. (5/G0332). This step is not required.
5. To convert the A/R Ledger invoice data, choose F0311 A/R Ledger Conv/F03B11 (6/G0332).
6. To convert the A/R Ledger receipts data, choose F0311 A/R Ledger Conv/F03B14. (7/G0332). NOTE: Wait until step five is complete before submitting this job.
7. To build the conversion audit data for OneWorld, choose OneWorld A/R Audit Build (8/G0332). This step is not required. NOTE: Wait until step six is complete before submitting this job.
8. To check for data discrepancies, choose Conversion Audit Report (9/G0332). This step is not required. You must complete the World A/R Audit Build (5/G0332) and OneWorld A/R Audit Build (8/G0332) before running this report.
9. To convert the generic text messages, choose F0016 Generic Text Conversion (15/G0332).
10. To run the OneWorld Release Update jobs, log on to OneWorld and go to the Batch Versions menu (GH905). Run R9603B11 and R9603B13.
11. Verify that system 03B has 10 Next Numbers indexes. The first nine should be duplicated from system 03 Next Numbers.

Conversion Audit Envelope

The Conversion Audit Envelope automates the process of checking the integrity of converted A/R data. This automated process includes a series of jobs that help track balances within the A/R data files. It builds balances by customer, company, and transaction currency for both WorldSoftware and OneWorld systems. A report compares these balances, and you can investigate accounts that could have problems with data integrity.

The Conversion Audit Envelope process, which is a segment of the overall A/R conversion process, includes:

- WorldSoftware Build (P03960)
- OneWorld Build (P039601)
- Conversion Audit Report (P03961), which processes the data that the Build program supplies to the workfile

Workfile Build Program

Each build program includes processing options that allow you to select records from the A/R Ledger table that you want to build into a workfile (F03960). The Build programs summarize the balances of the records you select into a single record and places the record into the workfile.

The system summarizes records that have the same Customer Number, Company, and Transaction Currency. The build programs create corresponding records from each system and places them into the same workfile. The result is two identical sets of records (one for WorldSoftware and another for OneWorld) in the workfile.

Reporting Process

The report (P03961) compares the two sets of records in the workfile and prints any pair of records that indicate a discrepancy. This process lets you build the workfile over the entire database, but print only the records that you choose. Through an option, you can print all records in the workfile or only those records that have discrepancies.

After a discrepancy is identified, you can rebuild the workfile for a specific customer at a detailed document level. The original document and its associated matching documents are summarized into a single record in the workfile. This lets you further isolate a discrepancy. The Build programs delete only those records that will be rebuilt, which allows you to rebuild a workfile for one customer without affecting the rest of the database.

Appendix F: Training Chart of Accounts

Company Structure

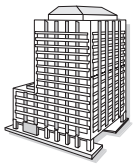
A Financial/Distribution Company (company 00001) has its corporate headquarters in Denver, Colorado. Three branch offices report to the Denver headquarters:

- Central Branch
- Southern Branch
- Western Branch

Each branch office performs sales and marketing functions for its regions. Administrative and accounting functions are done at corporate headquarters. Expenses and revenues are tracked by branch office.

The following illustration shows the business unit structure for company 00001. Notice that the balance sheet business unit (1) has the same identifier as company 00001. Refer to this organization when you do the training exercises.

A Financial/Distribution Company



Corporate

Branch

Balance Sheet Business Unit 1	Administration Business Unit 9	Central Business Unit 3	**Southern** Business Unit 4	**Western** Business Unit 5
• Balance Sheet Accounts	• General and Administrative Expense Accounts	• Revenue and Expense Accounts	• Revenue and Expense Accounts	• Revenue and Expense Accounts

Chart of Accounts Structure

The chart of accounts identifies the accounts assigned to the business units within your company's reporting structure. It controls:

- How amounts are posted (posting edit code)
- The level of detail (LOD) for account balances
- Accounts assigned to different business units (indicated by X)

The following is a partial chart of accounts. Refer to it when you do the training exercises.

Account	Description	Post Edit	LOD	BU1	BU3	BU4	BU5	BU9
1000	**Assets**	**N**	**3**	**X**				
1001	Current Assets	N	4	X				
1100	Cash	N	5	X				
1105	Petty Cash		6	X				
1110	Cash in Banks	N	6	X				
1110.BEAR	Bear Creek National Bank		7	X				
1110.FIB	First Interstate Bank		7	X				
1110.FRANCE	First Bank of Paris		7	X				
1110.PAYROLL	First Interstate Payroll		7	X				
1130	Short-Term Investments	N	6	X				
1131	Certificates of Deposit		7	X				
1133	Treasury Bills		7	X				
1136	Investment Funds		7	X				
1137	Savings Accounts		7	X				
1200	Accounts Receivable	N	5	X				
1210	Trade Accounts Receivable		6	X				
1215	Allow for Doubtful Accounts		6	X				
1218	Finance Charges Receivable		6	X				
1220	Notes Receivable		6	X				
1222	Drafts Receivable		6	X				
1224	Remittances Receivable		6	X				
1225	Retainages Receivable		6	X				
1230	Employee Receivable		6	X				
1240	VAT Recoverable		6	X				
1250	Accrued Rebates Receivable		6	X				
1260	Accrued Interest Receivable		6	X				
1280	Unbilled Accounts Receivable		6	X				
1290	Other Accounts Receivable		6	X				
1291	Intercompany Accounts Receivable	M	6	X				
1292	Netting Suspense Account	M	6	X				
1299	Credit Note Reimbursable		6	X				

Account	Description	Post Edit	LOD	BU1	BU3	BU4	BU5	BU9
1300	Work in Process	N	5	X				
1320	Costs in Excess of Billing	N	6	X				
1330	Contract Costs	N	7	X				
1340	Labor	N	8	X				
1341	Regular Time		9	X				
1342	Premium Time		9	X				
1343	Burden		9	X				
1344	Materials		8	X				
1346	Equipment		8	X				
1347	Subcontracts		8	X				
1350	Other Costs		8	X				
1380	Contract Billing	N	6	X				
1390	Gross Profit in Work in Progress	N	6	X				
1391	Recognized Revenue - Debit		7	X				
1392	Recognized Cost - Credit		7	X				
1400	Inventory	N	5	X				
1410	Inventory - In Routing		6	X				
1411	Inventory		7	X				
1413	Landed Cost Components	N	7	X				
1414	Harbor Fees		8	X				
1415	Brokerage Fees		8	X				
1416	Volume Rebates		8	X				
1418	Import Duty		8	X				
1430	Freight In		7	X				
1462	Direct Ship Purchases		7	X				
1469	Non-Stock for Sale		7	X				
1800	Prepaid Expenses	N	5	X				
1810	Prepaid Insurance		6	X				
1820	Prepaid Rent		6	X				
1830	Prepaid Interest		6	X				
1890	Other Prepaid Expenses		6	X				
2000	**Fixed Assets**	**N**	**4**	**X**				
2001	Property and Equipment	N	5	X				
2010	Land		6	X				
2020	Buildings		6	X				
2025	Leasehold Improvements		6	X				
2030	Heavy Equipment		6	X				

Account	Description	Post Edit	LOD	BU1	BU3	BU4	BU5	BU9
2040	Vehicles		6	X				
2060	Furniture and Office Equipment		6	X				
2070	Computer		6	X				
2090	Other Assets		6	X				
2095	Repair Equipment		6	X				
2100	Accumulated Depreciation	N	5	X				
2120	Accum Depr - Buildings		6	X				
2125	Accum Depr - Office Furniture		6	X				
2130	Accum Depr - Improvement		6	X				
2140	Accum Depr - Equipment		6	X				
2160	Accum Depr - Vehicles		6	X				
2170	Accum Depr - Computer		6	X				
2190	Accum Depr - Other Assets		6	X				
3900	Other Assets	N	5	X				
3920	Organization Cost		6	X				
3921	Amortization of Org Cost		6	X				
3990	Miscellaneous Other Assets		6	X				
4000	**Liabilities and Equity**	**N**	**3**	**X**				
4010	Current Liabilities	N	4	X				
4100	Accounts Payable	N	5	X				
4110	Accounts Payable - Trade		6	X				
4111	Received Not Vouchered		6	X				
4112	A/P Invoice Logging Distribution		6	X				
4115	Received - In Routing		6	X				
4120	Drafts Payable		6	X				
4130	Notes Payable		6	X				
4135	Contracts Payable		6	X				
4140	Retainages Payable		6	X				
4160	Customer Deposit		6	X				
4163	Alternate Currency Clearing A/P		6	X				
4165	Billings in Excess - Costs		5	X				
4181	Landed Cost Components	N	6	X				
4184	Harbor Fees		7	X				
4185	Brokerage Fees		7	X				
4186	Freight		7	X				
4188	Import Duty		7	X				
4190	Accounts Payable - Other		6	X				

Account	Description	Post Edit	LOD	BU1	BU3	BU4	BU5	BU9
4200	Accrued Payroll Liabilities	N	5	X				
4205	Accrued Payroll		6	X				
4206	Accrued Liabilities - Clearing		6	X				
4208	United Way		7	X				
4211	Federal Payroll Tax Withheld		7	X				
4212	FICA Payroll Tax Payable		7	X				
4213	Medicare Tax Payable		7	X				
4214	Federal Unemployment Tax Payable		7	X				
4221	State Taxes Withheld		7	X				
4221.CA	California Taxes Withheld		8	X				
4221.CO	Colorado Taxes Withheld		8	X				
4221.NY	New York Taxes Withheld		8	X				
4222	State Unemployment Tax		7	X				
4222.CA	California Unemployment Tax		8	X				
4222.CO	Colorado Unemployment Tax		8	X				
4222.NY	New York Unemployment Tax		8	X				
4223	State Disability		7	X				
4223.CA	California Disability		8	X				
4223.CO	Colorado Disability		8	X				
4223.NY	New York Disability		8	X				
4230	Local Head Tax Payable		7	X				
4230.DEN	Denver Head Tax Payable		8	X				
4240	City Tax Payable		7	X				
4250.CA	County Tax Payable		7	X				
4260	School Tax Payable		7	X				
4305	Worker’s Comp Insurance		7	X				
4305.CA	California Worker’s Comp		8	X				
4305.CO	Colorado Worker’s Comp		8	X				
4305.NY	New York Worker’s Comp		8	X				
4306	General Liability Insurance		7	X				
4306.CA	California Liability Insurance		8	X				
4306.CO	Colorado Liability Insurance		8	X				
4306.NY	New York Liability Insurance		8	X				
4310	Life Insurance		7	X				
4314	Employee Advances/Losses		7	X				
4315	Health Insurance		7	X				
4317	401K Plan		7	X				

Account	Description	Post Edit	LOD	BU1	BU3	BU4	BU5	BU9
4327	Miscellaneous		7	X				
4330	Union Dues		7	X				
4330.1000	Union 1000		8	X				
4330.4000	Union 4000		8	X				
4330.7000	Union 7000		8	X				
4330.7700	Union 7700		8	X				
4333	Actual Burden Clearing		7	X				
4334	Flat Burden Clearing		7	X				
4336	Sick Time		8	X				
4337	Vacation Time		8	X				
4400	Other Accrued Liabilities		5	X				
4410	Accrued Interest Expense		6	X				
4420	Other Accrued Expenses		6	X				
4430	Accrued Taxes	N	5	X				
4431	VAT Payable		6	X				
4433	Sales and Use Tax Payable		6	X				
4450	Withholding Taxes Payable		6	X				
4510	Income Taxes Payable		6	X				
4520	Federal Income Taxes Payable		7	X				
4530	State Income Taxes Payable		7	X				
4540	Sales Tax Payable		6	X				
4550	Sales Tax Payable		7	X				
4600	**Long-Term Liabilities**	**N**	**4**	**X**				
4610	Notes Payable		5	X				
4620	Bank Notes Payable		6	X				
4640	Other Notes Payable		6	X				
4690	Long-Term Debt		5	X				
4900	**Stockholders' Equity**	**N**	**4**	**X**				
4910	Common Stock		5	X				
4920	Paid In Capital		5	X				
4930	Translation Gain/Loss		6	X				
4980	Retained Earnings		5	X				
4999	**YTD Income (Loss)**	**N**	**5**	**X**				
5000	**Revenues**	**N**	**4**		**X**	**X**	**X**	
5005	Sales - Product A	N	5		X	X	X	
5010	Store Sales		6		X	X	X	
5015	Wholesale Sales		6		X	X	X	

Account	Description	Post Edit	LOD	BU1	BU3	BU4	BU5	BU9
5020	Direct Ship Sales		6		X	X	X	
5030	Contract Sales		6		X	X	X	
5040	Deferred Revenue		6		X	X	X	
5050	Interplant Sales		6		X	X	X	
5060	Less Returns and Allowances		6		X	X	X	
5070	Less Sales Discounts		6		X	X	X	
5080	Freight Out		6		X	X	X	
5090	Service Sales		6		X	X	X	
5200	Sales - Other	N	5		X	X	X	
5202	Inter-Company Sales		6		X	X	X	
5204	Training Revenue		6		X	X	X	
5206	Finance Charge Income Credit		6		X	X	X	
5208	Rebate Revenue		6		X	X	X	
5210	Other Revenue		6		X	X	X	
6000	**Direct Costs**	**N**	**4**		**X**	**X**	**X**	
6010	Cost of Sales	N	5		X	X	X	
6020	Prime Cost of Goods		6		X	X	X	
6200	Damage Credit/Write-off		6		X	X	X	
6210	Disputed Tax/Freight Write-off		6		X	X	X	
6250	Minor Amount Write-off		6		X	X	X	
6300	Cost of Sales - Other	N	5		X	X	X	
6310	Physical Inventory and Adjustment		6		X	X	X	
6315	Standard Cost Variance		6		X	X	X	
6320	Deferred Cost of Goods Sold		6		X	X	X	
6350	Other Costs		6		X	X	X	
6999	COGS / % of Billing Adjustment		7		X	X	X	
7450	Outside Operations		5		X	X	X	
7900	Allocated Overhead	N	5		X	X	X	
7910	Distributed Payroll Expense		6		X	X	X	
7930	Distributed Building Expense		6		X	X	X	
7950	Distributed Computer Costs		6		X	X	X	
7970	Distributed General Expenses		6		X	X	X	
7990	Distributed Interest Expense		6		X	X	X	
8000	**General and Administrative**	**N**	**4**					**X**
8100	Administrative Salaries	N	5		X	X	X	X
8110	Salaries and Wages		6		X	X	X	X
8115	Regular Pay		7					X

Account	Description	Post Edit	LOD	BU1	BU3	BU4	BU5	BU9
8115.MGR	Regular Pay - Managers		7					X
8116	Overtime Pay		7					X
8117	Commissions		7					X
8120	Employee Benefits	N	6					X
8125	Burden - Fringe		7					X
8126	Burden - Tax		7					X
8130	Vacation and Sick Expense		7		X	X	X	X
8130.8130	Vacation and Sick Expense		7		X	X	X	X
8135	FICA/Medicare		7					X
8136	401K Contribution		7					X
8138	Retirement Plan		7					X
8140	Insurance - Health and Disability		7					X
8145	Insurance Worker’s Comp		7					X
8150	Insurance		7					X
8170	Unemployment Taxes		7					X
8175	Uniforms		7					X
8176	Employee Lunch Allowance		7					X
8177	Car Allowance		7					X
8190	Reimbursed Employee Expense		7					X
8191	Sick Expense		7					X
8192	Vacation Expense		7					X
8199	Distributed Payroll (Credit)		7					X
8300	Building Expense	N	5		X	X	X	X
8310	Accrued Property Taxes		6		X	X	X	X
8315	Depr - Building and Improvement		6		X	X	X	X
8320	Depr - Office Furn/Equipment		6		X	X	X	X
8325	Depr - Other Assets		6		X	X	X	X
8330	Insurance - General Liability		6		X	X	X	X
8350	Rent Expense		6		X	X	X	X
8355	Repair and Maintenance		6		X	X	X	X
8360	Telephone Expense		6		X	X	X	X
8370	Utilities Expense		6		X	X	X	X
8399	Bldg Contra/Clearing		6		X	X	X	X
8400	Equipment Expenses	N	5		X	X	X	
8401	Meter/Odometer Readings	N	6		X	X	X	
8402	Odometer Reading - Incremental		7		X	X	X	

Account	Description	Post Edit	LOD	BU1	BU3	BU4	BU5	BU9
8403	Hour Meter-Incremental		7		X	X	X	
8404	Odometer Reading - Original		7		X	X	X	
8405	Hour Meter - Original		7		X	X	X	
8410	Usage Analysis	N	6		X	X	X	
8411	Operating Hours/Miles		7		X	X	X	
8412	Idle Hours/Miles		7		X	X	X	
8413	Down Hours/Miles		7		X	X	X	
8420	Revenue Earned	N	6		X	X	X	
8421	Ownership Portion		7		X	X	X	
8422	Operating Portion		7		X	X	X	
8423	Maintenance Portion		7		X	X	X	
8424	Other Portion		7		X	X	X	
8430	Billed Sales	N	7		X	X	X	
8435	Billed Sales Adjustment		8		X	X	X	
8440	Ownership Expense	N	6		X	X	X	
8441	Depreciation		7		X	X	X	
8442	Taxes		7		X	X	X	
8443	Insurance		7		X	X	X	
8444	Lease Payments		7		X	X	X	
8445	Rent Payments		7		X	X	X	
8446	Interest Expense		7		X	X	X	
8450	Operating Expense	N	6		X	X	X	
8451	Fuel, Oil, and Gas		7		X	X	X	
8453	Tires		7		X	X	X	
8455	Wear Items		7		X	X	X	
8480	Maintenance Expense	N	6		X	X	X	
8481	Labor	N	7		X	X	X	
8482	Regular Time		8		X	X	X	
8483	Overtime		8		X	X	X	
8485	Parts		7		X	X	X	
8488	Burden		7		X	X	X	
8489	Distributed Equipment (Credit)		6		X	X	X	
8600	Supplies, Services, and Other	N	5		X	X	X	X
8605	Advertising		6		X	X	X	X
8610	Art and Drafting		6					X
8615	Bad Checks		6					X
8620	Bad Debt Expense		6					X

Account	Description	Post Edit	LOD	BU1	BU3	BU4	BU5	BU9
8625	Bank Expenses		6					X
8630	Bank Charges		6					X
8635	Business Licenses		6					X
8640	Bookkeeping Fees		6					X
8650	Cash Shortages		6					X
8660	Contributions		6					X
8665	Entertainment		6		X	X	X	X
8670	Dues and Subscriptions		6		X	X	X	X
8675	General Taxes, Fees, and Licences		6		X	X	X	X
8685	Legal, Accounting, and Other		6		X	X	X	X
8700	Miscellaneous Expenses		6		X	X	X	X
8710	Moving Expense		6		X	X	X	X
8720	Office Supplies Expense		6		X	X	X	X
8730	Postage and Freight		6		X	X	X	X
8740	Travel, Meals, and Lodging		6		X	X	X	X
8799	General Contra/Clearing		6					X
8800	Computer Expenses	N	5					X
8810	Repair and Maintenance		6					X
8820	Rental/Lease Expense		6					X
8830	Software License and Fee		6					X
8840	Computer Supplies		6					X
8850	Computer Telephone/Modem		6					X
8860	Depreciation - Computer		6					X
8899	Distributed Computer Expense		6					X
8900	Interest Expense	N	5					X
8920	Interest Expense		6					X
8999	Distributed Interest Expense		6					X
9000	**Other Income and Expenses**	**N**	**4**					**X**
9100	Other Income	N	5					X
9110	Gain on Sales of Assets	N	6					X
9111	Proceeds from Asset Disposal		7					X
9112	NBV of Assets Disposed		7					X
9113	Cash Proceeds Clearing		7					X
9120	Interest Income		6					X
9130	Rent Income		6					X
9140	Currency Gain/Loss	N	6					X
9142	Realized Gain/Loss	N	7					X

Account	Description	Post Edit	LOD	BU1	BU3	BU4	BU5	BU9
9142.GAIN	Realized Gain		8					X
9142.LOSS	Realized Loss		8					X
9143	Alternative Currency Gain/Loss	N	7					X
9143.GAIN	Alternative Currency Gains		8					X
9143.LOSS	Alternative Currency Losses		8					X
9144	Unrealized Gain/Loss	N	7					X
9144.GAIN	Unrealized Gain		8					X
9144.LOSS	Unrealized Loss		8					X
9150	Discounts Taken		6					X
9153	Discounts Available		7					X
9156	Discounts Lost		7					X
9160	Miscellaneous Revenues		6					X
9200	Other Expense	N	5					X
9230	Interest Expense		6					X
9250	Miscellaneous Expenses		6					X
9700	Income Taxes	N	5					X
9705	Accrued Income Taxes		6					X
9710	Accrued Federal Taxes		7					X
9720	Accrued State Taxes		7					X

Appendix G: Vertex Quantum for Sales and Use Tax

If your company wants to apply sales taxes automatically, you can use the Vertex Quantum for Sales and Use Tax system (Quantum) with the following J.D. Edwards systems:

- General Accounting
- Accounts Receivable
- Accounts Payable
- Sales Order Management
- Procurement
- Customer Service Management System (CSMS)

If you are using the J.D. Edwards Payroll system, you are required to use the Quantum for Payroll Tax System. See *Setting Up Tax Information* in the *Payroll Guide*.

Quantum software integrates with the J.D. Edwards OneWorld tax calculation software, which means that you can perform tax calculations using either the Quantum software or the J. D. Edwards tax calculation software or both of them. However, if you want to perform a tax-only calculation, you must use the J.D. Edwards software.

Working with Quantum consists of:

- ❑ Setting up the J.D. Edwards/Quantum interface
- ❑ Assigning GeoCodes to address book records
- ❑ Working with Quantum taxes
- ❑ Processing Quantum tax information

When tax laws change, the Quantum software accesses the new requirements for each taxing authority so that you can apply the taxes correctly. Quantum software:

- Reduces the setup required for multiple tax rate areas
- Reduces processing time and rate maintenance
- Creates tax compliant records
- Allows exceptions and overrides to the default tax rates

Quantum calculates tax based on the standard rates and rules for the U.S., its territories and possessions, and Canada. To perform all other foreign tax calculations, you have two options:

- Use the J.D. Edwards tax calculation software
- Use the Quantum system, but maintain tax rates for foreign locations using the Quantum Tax Decision Maker

Before You Begin

❑ Verify that you have access to the following Vertex documentation for Quantum for Sales and Use Tax for additional information:

- *Quantum for Sales and Use Tax Reference Manual*
- *Quantum for Sales and Use Tax GeoCoder Master List*
- *Quantum for Sales and Use Tax National Tax Rate Directory*
- *Quantum for Sales and Use Tax Tax Decision Maker Taxability Guide*
- *Quantum for Sales and Use Tax User's Guide*
- *Quantum for Sales and Use Tax Training Guide for Tax Professionals*
- *Quantum for Sales and Use Tax Returns User's Guide.*

J.D. Edwards Components

The interface between J.D. Edwards systems and Quantum software transfers selected J.D. Edwards parameters to Quantum and then returns tax information to J.D. Edwards systems.

The standard J.D. Edwards tax calculation software components can be used with Quantum in the following ways:

Tax authorities

You use tax authorities within J.D. Edwards software to define the government agencies that assess and collect taxes. You define tax authorities in the J.D. Edwards Address Book system only for international tax authorities because those for the U.S. and Canada are stored by Quantum.

Tax rates and tax areas

For U.S. and Canadian taxes, you specify a GeoCode for each tax rate and tax area to allow Quantum to identify the correct taxing jurisdictions.

Automatic Accounting Instructions (AAIs)

For U.S. and Canadian taxes, you use the AAI code PT_____ for the company.

For non-United States and non-Canadian taxes, you assign an AAI to each taxing authority within each tax rate/area.

Tax rules by company

You can define tax rules for the Accounts Receivable, Accounts Payable, Sales Order Management, Procurement, CSMS, and General Accounting systems. When you enter transactions for these systems, taxes are calculated according to these rules. The system uses these tax rules to:

- Calculate discounts on a gross amount that already includes tax.
- Calculate tax on a gross amount that includes the discount amount.
- Control when the system displays a warning message (or rejects a transaction altogether) when someone enters a tax that differs from the system-calculated tax. This does not apply to E, S, and U tax types.

This feature applies to taxes for all countries.

Tax explanation codes

Tax explanation codes control how a tax is assessed and how it is distributed to the general ledger revenue and expense accounts. J.D. Edwards software provides a number of tax explanation codes. Tax codes E, S, and U are pre-defined for Quantum software. Because the tax explanation code is a user defined code (00/EX), you can set up additional codes to meet specific business needs; however, Quantum only recognizes tax codes E, S, and U.

In Quantum software, you can use the tax explanation code to make a customer or a specific transaction tax exempt. For example, a customer with a tax explanation code of E is exempt. Any purchase or sales order, accounts receivable invoice, CSMS service order part or CSMS contract line item can be coded with E to make that specific transaction exempt. Currently, CSMS service order routings are taxable and cannot be overridden.

Other available codes are U (use) for use in the Procurement, Accounts Payable, and CSMS systems, and S (sales) for use in Sales Order Management, Accounts Receivable, and CSMS systems.

Quantum Components

The Quantum for Sales and Use Tax system includes the following components:

Rate and GeoCode Data Modules

The data modules store tax rates and other pertinent jurisdictional tax data for all U.S. and Canadian tax authorities, which include over 66,000 locations. All states and counties are on file, as well as all cities with populations over 250. If a city has a population less than 250 and levies a tax, that city is also included in the data modules.

Quantum researches and maintains the data contained in the file by remaining in constant contact with all jurisdictions that levy a tax. Every month, Quantum updates its internal databases and issues new data module files to its subscribers.

Tax Decision Maker

You can customize the Quantum system for your special needs. You use the Tax Decision Maker Engine in conjunction with the Tax Decision Maker (TDM) to automate (separately or in combination) product, customers, or jurisdictional tax exceptions. TDM lets you set up and maintain tax exceptions. You can also override customer and product exemptions from service order and contract entry, sales order entry and purchase order entry. You can access the TDM from Quantum menus.

Tax Decision Maker Engine

The Tax Decision Maker Engine interfaces with J.D. Edwards Sales Order Management, Procurement, Accounts Receivable, Accounts Payable, and CSMS systems.

When a J.D. Edwards program calls the Tax Decision Maker Engine, the Tax Decision Maker Engine determines the following:

- Whether the transaction is interstate or intrastate
- The transaction's taxing jurisdiction
- The appropriate tax rate
- The maximum tax base
- Excess amounts, if applicable
- Tax exceptions, if applicable

The Tax Decision Maker Engine then:

- Retrieves the appropriate tax rate
- Calculates tax amounts
- Returns the amount to the calling program

The module can also store tax history for an audit trail and for management reports and returns preparation (as an independent function outside the scope of J.D. Edwards generated reports). Because the Data Module isolates the state, county, city, and district rates, Quantum can calculate the four levels individually.

Sales Tax Register file

From the Sales Tax Register file, the Tax Decision Maker Engine produces detail and summary sales tax register reports sequenced by state, county, and city for any billing period. You generate these reports from Quantum menus.

Returns Module

If you purchase the Returns Module in addition to the Quantum for Sales and Use Tax system, the Returns Module completes the sales tax cycle by automating state and local returns preparation. After calculating the amount to be paid to the appropriate tax authorities, the system automatically generates signature-ready sales and use tax forms and check requests.

Interface Considerations

Before you set up the J.D. Edwards/Quantum Sales Tax Interface to reflect your environment, carefully consider the specific conditions and requirements of the company, the product, the customer or supplier, and international tax obligations.

Company and Divisional Considerations

You should understand any special dispensations that the company has arranged with state or local jurisdictions for collecting sales and use taxes at a reduced rate. Then, consider if tax returns are filed for just one company or for multiple companies.

Product Considerations

You should understand the business and how products fit into appropriate tax categories. For example, rebuilt machinery might be taxed differently than spare parts for the same machinery. Decide how the company intends to set up the taxing policies for J.D. Edwards and Quantum software.

Customer and Supplier Considerations

You must properly identify the tax category to which customers and suppliers belong. For example, a customer might be a provider of goods or services, a reseller, a charitable organization, or other tax group. Decide how you will set up customers and suppliers into both the J.D. Edwards and Quantum software modules.

International Tax Considerations

Be aware of international tax obligations. Know whether to use the J.D. Edwards Tax Calculation software or Quantum to manage and process non-U.S. and non-Canadian tax transactions.

Co-existence Considerations

Although you can work with OneWorld and WorldSoftware in a coexistent environment, the Vertex Sales and Use Tax for J.D. Edwards WorldSoftware and Quantum for Sales and Use Tax for OneWorld do not co-exist with each other. For coexistent customers, the system creates two Tax Registers depending on the system that is writing to the Register, either WorldSoftware or OneWorld. While the two systems do not share the Tax Decision Maker (TDM) table, you can copy the Tax Decision table between the two systems. For the Quantum Tax Returns table, you can merge the two Register tables.

Setting Up the J.D. Edwards/Quantum Interface

If your company wants to apply sales taxes automatically, you can use Quantum software along with the J.D. Edwards system. Quantum software can co-exist with the J.D. Edwards tax calculator software, which means that you can perform tax calculations using either system or both of them. However, if you want to perform a tax-only calculation, you must use the J.D. Edwards software.

Setting up Quantum consists of:

- ❑ Activating Quantum
- ❑ Setting up automatic accounting instructions for Quantum
- ❑ Assigning non-stock product categories to order types
- ❑ Defining tax information for items

Before You Begin

- ❑ Review order line types. See *Setting Up Order Line Types.*
- ❑ Review order activity rules. See *Setting Up Order Activity Rules.*
- ❑ Verify that each customer address book record has a corresponding record in customer master information,and that all suppliers have a record in supplier master information.

What You Should Know About

Tax only calculations	For tax only calculations, use tax types ST (sales tax) and UT (use tax) along with the J.D. Edwards tax rate/area code. You cannot use these tax types with a Quantum GeoCode. For records with ST and UT tax types, records are not to be written to the Quantum Tax Register file, even if Quantum is active.
Returns Module	If you plan to use the Quantum Sales Tax Returns Module, you should install it after performing all other setup steps.

Activating Quantum

You must activate the Quantum feature before you can use GeoCodes to perform tax calculations.

Before You Begin

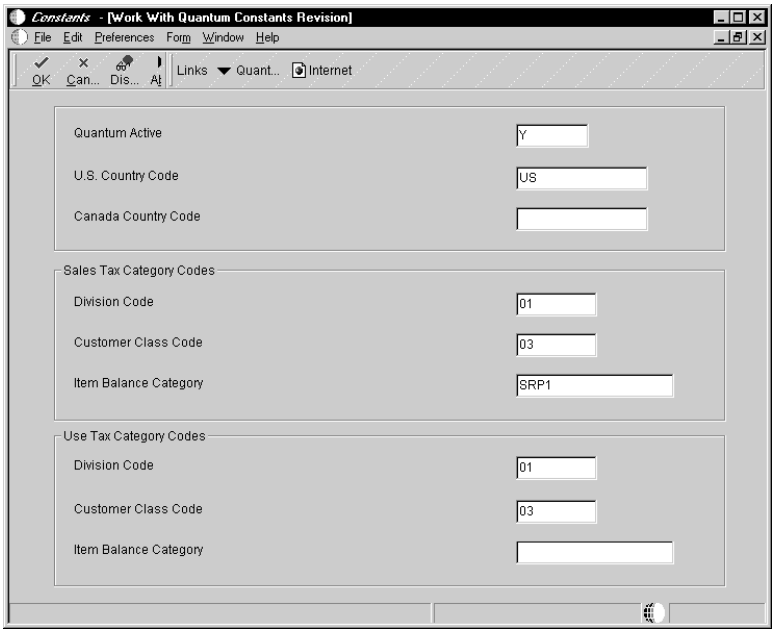
❑ You must set up database connections to establish communication to the Quantum databases, both Quantum for Sales and Use Tax and Quantum for Payroll.

See *Setting Up Database Connections* in the *OneWorld Installation Guide* for more information.

▶ To activate Quantum

From the Complementary Products menu (G73), choose Quantum Sales and Use Tax. From the Vertex Quantum Sales and Use Tax menu (G731), choose Constants.

On Work with Quantum Constants Revisions



1. Complete the following fields:
   - Quantum Active
   - U.S. Country Code
   - Canada Country Code
2. Complete the following fields for sales tax category codes:

- Division Code
- Customer Class Code
- Item Balance Category

3. Complete the following fields for use tax category codes and click OK:
   - Division Code
   - Customer Class Code
   - Item Balance Category

Field	Explanation
Quantum Active	This flag determines whether to use the Vertex Tax Compliance system for tax calculations. Y Use Vertex system to calculate taxes. N Do not use Vertex system to calculate taxes. Instead, use JDE tax calculations.
U.S. Country Code	The code used to indicate to the Vertex Sales and Use Tax system that you choose to represent the United States.
Canada Country Code	The code used to specify Canada to the Vertex Sales and Use Tax System.
Division Code	This field tells the Vertex Tax Interface the Address Book Category Code to use for Division/Store Code for Sales Tax. The Division/Store Code is used by the Vertex Tax Decision Maker module. The interface will use the corresponding category code based on the value specified in this field.
Customer Class Code	This field tells the Quantum Tax Interface the Address Book Category Code to use for Customer Class Code for Sales Tax. The Customer Class Code is used by the Quantum Tax Decision Maker module. The interface will use the corresponding category code based on the value specified in this field.
Item Balance Category	This field tells the Vertex Tax interface the Item Branch/Plant category code to use for Product Category for Sales Tax. The Product Category code is used by the Vertex Tax Decision Maker module. The interface will use the corresponding category code from the Item Branch/Plant file based on the value specified in this field.
Division Code	This field tells the Vertex Tax Interface the Address Book Category Code to use for Division/Store Code for Use Tax. The Division/Store Code is used by the Vertex Tax Decision Maker module. The interface will use the corresponding category code based on the value specified in this field.

Field	Explanation
Customer Class Code	This field tells the Quantum Tax Interface the Address Book Category Code to use for Customer Class Code for Use Tax. The Customer Class Code is used by the Quantum Tax Decision Maker module. The interface will use the corresponding category code based on the value specified in this field.
Item Balance Category	This field tells the Vertex Tax interface the Item Branch/Plant category code to use for Product Category for Use Tax. The Product Category code is used by the Vertex Tax Decision Maker module. The interface will use the corresponding category code from the Item Branch/Plant file based on the value specified in this field.

Setting Up Automatic Accounting Instructions for Quantum

You must create AAIs for each unique combination of company, transaction, document type, and G/L class (G/L offset account) that you want to use. Each AAI is associated with a specific G/L account that consists of a business unit, an object, and optionally, a subsidiary.

If you are required to collect taxes on customer invoices, you must distribute the tax amounts to the correct G/L accounts. When you set up AAIs for a specific type of tax, such as VAT or use tax, you designate the accounts to debit and credit for an invoice tax amount. The AAIs, PT_ _ _ _ (for payables) and RT_ _ _ _ (for receivables), are used only for taxes. The system is hard coded to look at the tax AAIs for the company. The system uses the state code prefix of the GeoCode as a subsidiary to search the Account Master (F0901) for the appropriate G/L account. If none is found, the system uses the business unit and object account in the company.

When you set up AAIs to use Quantum, you can set up G/L accounts by state. You must add the state code value as the subsidiary of the base account. During the post process, the system verifies the state code against the GeoCodes to search for the proper account.

See Also

- *Understanding AAIs for General Accounting* in the *General Accounting Guide*

Assigning Non-Stock Product Categories to Order Types

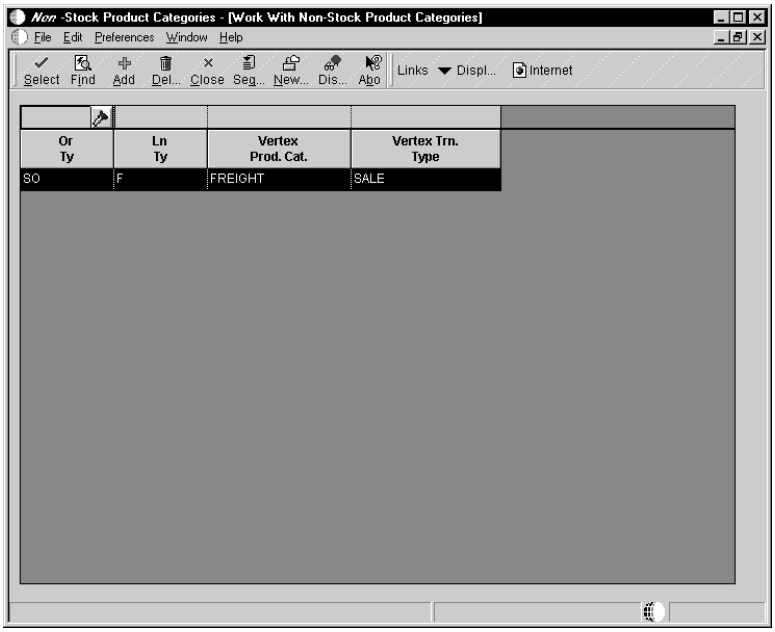
For non-stock order lines (such as lines for freight charges or other miscellaneous charges), you must define non-stock product categories within the Quantum system. The J.D. Edwards/Quantum interface uses these codes when you enter order lines to determine tax information.

You can specify a Quantum product category or a Quantum transaction type for each order type and line type combination. The Quantum product category is used for product exceptions in TDM. The Quantum transaction type indicates to Quantum the type of transaction that is being processed (for example, sales, purchase, rental, or service) so Quantum can apply the appropriate tax type. You define tax types on the Quantum TDM Override Subtable form.

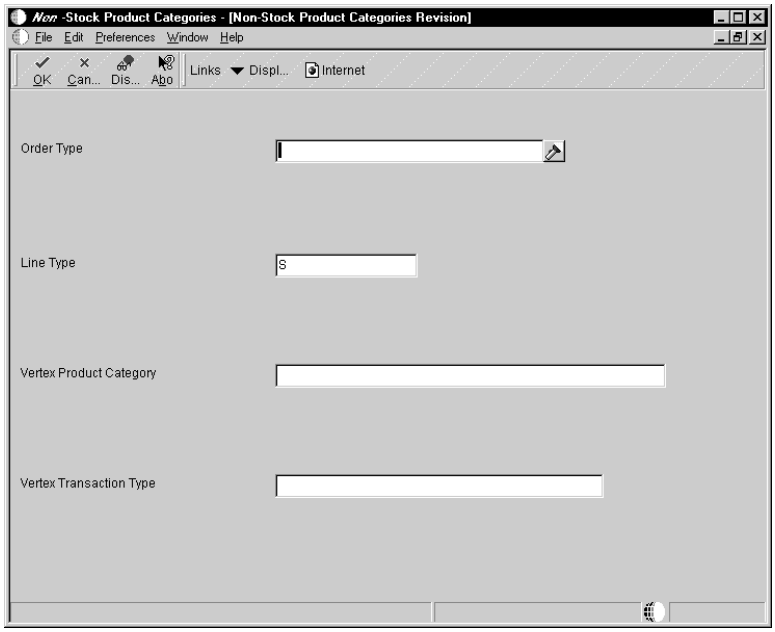
▶ To assign non-stock product categories to order types

From the Complementary Products menu (G73), choose Vertex Quantum Sales and Use Tax. From Vertex Quantum Sales and Use Tax menu (G731), choose Non-Stock Product Categories.

On Work with Non-Stock Product Categories



1. Click Add.



2. Complete the following fields:
   - Order Type
   - Line Type
   - Vertex Product Category
   - Vertex Transaction Type

Defining Tax Information for Items

To apply tax to the sales or purchase of an item, you perform two tasks to specify that the item is taxable:

- Activate the tax fields for the item on Item Branch/Plant Information to yes
- Assign the item to a tax category

In Quantum, the tax category corresponds to product categories that you define in Tax Decision Maker (TDM) for any special tax exceptions or overrides. For example, when you sell a stock item, the J.D. Edwards Sales Order Management system passes the tax category code to the Quantum system.

Before Quantum calculates the tax, it compares the tax category code to TDM product categories. If it finds a match (for example, the TDM setting for the category) taxable, exempt, or otherwise, it dictates how Quantum specifies a tax. If it does not find a match, Quantum taxes the item at the standard rate for that jurisdiction.

Taxes are calculated for items only if the customer is also taxable. If the value in the taxable field is No, the system writes the transaction to the Quantum Tax Register as exempt.

▶ To define tax information for items

From the Inventory Management menu (G42), choose Inventory Master/Transactions. From the Inventory Master/Transactions menu (G4111), choose Item Branch/Plant.

On Item Branch/Plant Information

1. Locate the item whose tax information you want to define.
2. Complete the following fields:
   - Sales Taxable
   - Purchasing Taxable
3. Access Item Branch Class Codes.
4. On Item Branch Class Codes, complete fields as follows:
   - For sales tax, the field that corresponds to the value that you specified in the Item Balance Category field under Sales Tax Category Code on the Quantum Tax System Constants form.
   - For use tax, the field that corresponds to the value you specified in the Item Balance Category field under Use Tax Category Code on the Quantum Tax System Constants form.

Assigning GeoCodes to Address Book Records

After you activate the Vertex Quantum for Sales and Use Tax system, you must assign GeoCodes to existing address book records. That is, you must set up GeoCodes for every customer, supplier, Ship To, Ship From, warehouse, or branch/plant in the address book. The Tax Decision Maker Engine uses GeoCodes to calculate sales and use taxes for each customer and specific location.

A GeoCode is a nine-digit code that represents a taxing jurisdiction. All GeoCodes are defined and maintained by Vertex. Each GeoCode has the following format:

XXYYYZZZZ

where

XX = State

YYY = County

ZZZZ = City

You can assign GeoCodes to address book records manually or by using a batch program. You should start with the batch program to complete as many address book records as possible. Then, after reviewing the resulting report, you can use the manual process to change GeoCodes, if necessary. You can also use the manual process to assign a GeoCode to a new address book record.

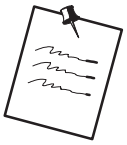
Complete the following tasks:

- ❑ Assigning GeoCodes globally to address book records
- ❑ Assigning GeoCodes manually to address book records
- ❑ Calculating taxes for related addresses

If you use Quantum for Sales and Use Tax, the Tax Rate/Area field in the J.D. Edwards master and transaction tables are used to store the assigned GeoCode. However, a client can choose to use the Quantum tax system as well as the J.D. Edwards tax system.

To distinguish GeoCodes from J.D. Edwards tax area codes, each GeoCode is prefixed with V, M, or O within J.D. Edwards systems:

V (Vertex GeoCode)	A V prefix to the nine-digit GeoCode identifies the code as a literal Vertex GeoCode.
M (Multi-County Situation)	The system assigns M as the prefix to the GeoCode when you run the batch assignment program and it finds postal codes that cross two or more county boundaries. When this occurs, you must review the records and manually assign the appropriate GeoCode based on the county.
O (Outside City Limits)	If an address that is specified in the address book record is not physically located within the city limits and therefore is not subject to city tax, you must manually change the first character of the GeoCode from V to O. This indicates to Quantum not to calculate the city tax for that GeoCode.



Vertex has not defined GeoCodes for non-U.S. or non-Canadian jurisdictions and does not maintain tax rates for these jurisdictions. However, you can create GeoCodes, beginning each GeoCode with “77” (in the state field), which lets you create records in TDM for each non-U.S. or non-Canadian jurisdiction.

Additionally, you can set up the Quantum Override table to maintain tax rates for each non-U.S. or non-Canadian taxing authority.

Before You Begin

- ❑ Verify that you have set up the address book search types in the user defined code table (73/ST) for GeoCode assignments. When you update GeoCodes, the system determines which address book records to update with GeoCodes based on the search type.

Assigning GeoCodes Globally to Address Book Records

You can use the following batch processes to update GeoCode information in multiple address book records:

- Update Address Book GeoCodes (R730101)
- Effective Address Update (R01840)

Update Address Book GeoCodes

From the Vertex Quantum Sales and Use Tax menu (G731), choose Update Address Book GeoCodes.

Use the Update Address Book GeoCodes (R730101) program to add GeoCodes to existing address book records. The system stores the GeoCode in the Tax Rate/Area field of either the Customer Master Information (F03012) table or the Supplier Master Information (F0401) table.

When you perform a batch address book record update, the system populates the Tax Rate/Area field with the appropriate GeoCode.

If there is not enough information to assign a GeoCode, or if an address book record crosses multiple tax jurisdictions, the system does not enter a value in the field.

The system produces reports that show both unmatched records and records that you might want to match. Additionally, the system sends e-mail messages to the Work Center that identify unmatched records. Messages in the Work Center are sent to the person that is processing the batch report, based on the User ID. For example, when an address book record can have more than one GeoCode assigned to it, the system does not match the address book record with a GeoCode. Use these reports and messages to identify any address book records that were not updated with GeoCodes. You will need to manually update those records.

Effective Address Update

From the A/B Advanced and Technical Operations menu (G0131), choose Effective Address Update.

When you run the Effective Address Update, the system verifies effective dates of addresses and updates corresponding supplier and customer records accordingly. The system stores the GeoCode in the Tax Rate/Area field of either the Customer Master Information (F03012) or the Supplier Master Information (F0401) tables.

When you perform a batch update based on effective dates, the system populates the Tax Rate/Area field with the appropriate GeoCode. If a value exists in the field that is not a GeoCode, the system does not update the Tax/Rate Area field.

If there is not enough information to assign a GeoCode, or if an address book record crosses multiple tax jurisdictions, the system does not enter a value in the field.

The system produces reports that show both unmatched records and records that you might want to match. Additionally, the system sends e-mail messages to the Work Center that identify unmatched records. Messages in the Work Center are sent to the person that is processing the batch report, based on the User ID. For example, when an address book record can have more than one GeoCode assigned to it, the system does not match the address book record with a GeoCode. Use these reports to identify any address book records that were not updated with GeoCodes. You will need to manually update those records.

Assigning GeoCodes Manually to Address Book Records

The system assigns a GeoCode to the Business Unit Master, Supplier Master, and Customer Master records based on the following fields in the mailing address for the corresponding address book record:

- City
- State
- Postal Code
- County

You might have to manually change or assign GeoCodes for the following reasons:

- A multi-county situation exists for an address book record
- The address falls outside city limits
- You have added a new address book record for a customer or supplier

When an address book record can have more than one GeoCode assigned to it, you use the Search and Select form to choose a GeoCode. The Quantum GeoCode Select form lists all possible GeoCodes that correspond to county names and postal code ranges.

When you change an address, the system updates any existing GeoCodes. If the address change results in a different GeoCode, the system also updates the Tax Rate/Area field on the Customer Master Information (F03012) and Supplier Master Information (F0401) tables.

Depending on the type of address book record, perform the following tasks to assign GeoCodes to business units, suppliers, and customers:

- Manually assigning GeoCodes to business units

- Manually assigning GeoCodes to suppliers
- Manually assigning GeoCodes to customers

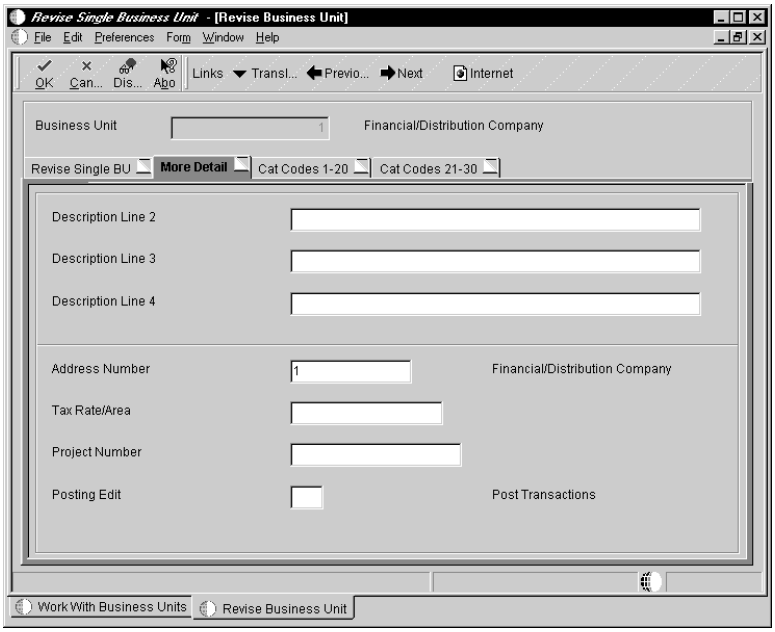
When you access the Search and Select Window from the visual assist for the Tax Rate/Area field in any form, the system verifies whether Quantum is active in the Quantum Constants. If so, the system first displays GeoCodes from which you can review and select appropriately. To review J.D. Edwards tax rates/areas, click Cancel on the GeoCode inquiry form. The system then displays J.D. Edwards tax rates.

To manually assign GeoCodes to business units

From the Organization and Account Setup menu (G09411), choose Revise Single Business Unit.

On Work with Business Units

1. Locate the business unit and click Select.
2. On Revise Business Unit, click the More Detail tab.



3. Complete the following field:
   - Tax Rate/Area

If you try to access GeoCode information using the Visual Assist in the Tax Rate/Area field, you must ensure that the business unit is assigned to an address book number.

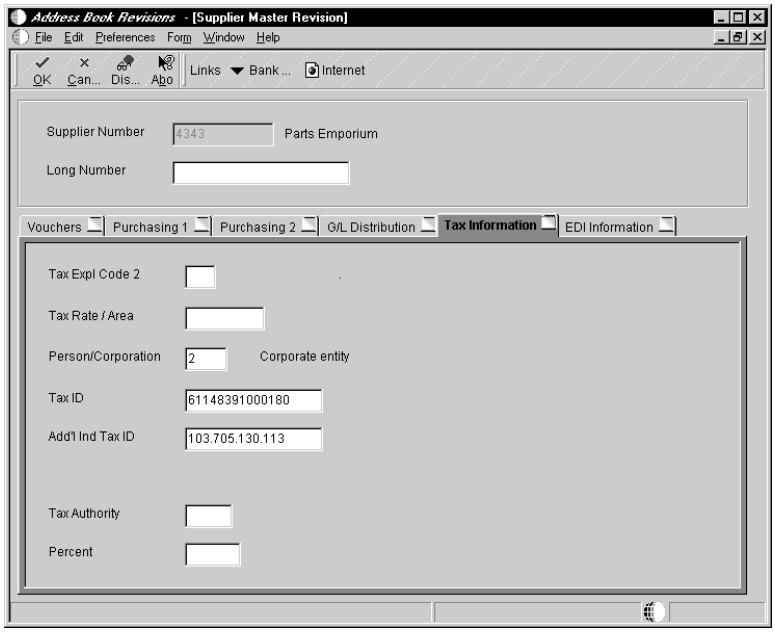
Because there is no tax explanation code, if you are working with CSMS, the business unit tax explanation code is always a sales tax (S).

To manually assign GeoCodes to suppliers

From the Address Book menu (G010), choose Daily Processing. From the Daily Processing menu (G01), choose Address Book Revisions.

On Work with Addresses

1. Locate the address book record whose GeoCode you want to change or add.
2. Choose A/P from the Row menu.



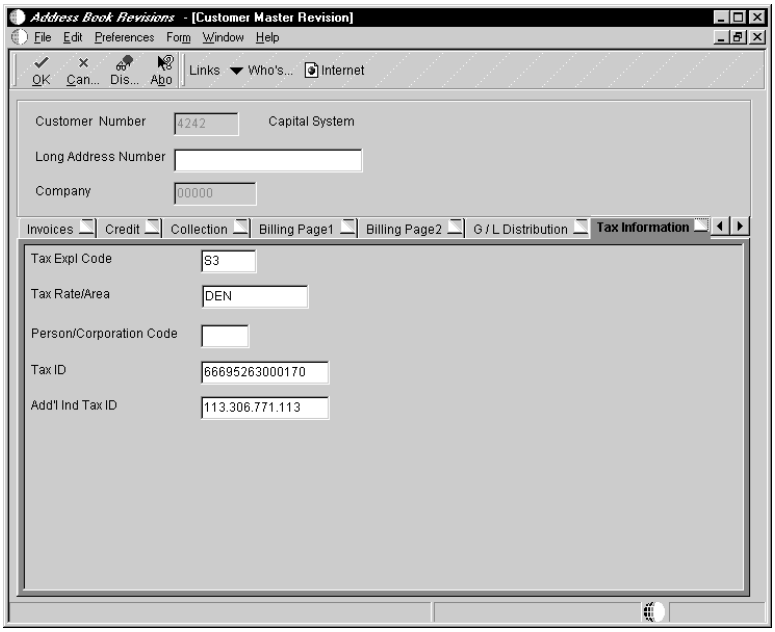
3. On Supplier Master Revision, click the Tax Information tab and complete the following fields:
   - Tax Explanation Code
   - Tax Rate/Area

To manually assign GeoCodes to a customer

From the Address Book menu (G010), choose Daily Processing. From the Daily Processing menu (G0010), choose Address Book Revisions.

On Work with Addresses

1. Locate the address book record whose GeoCode you want to change or add.
2. Choose A/R from the Row menu.



3. On Customer Master Revision, click the Tax Information tab and complete the following fields:

   - Tax Explanation Code
   - Tax Rate/Area

Calculating Taxes for Related Addresses

In order for Quantum to calculate taxes for various jurisdictions laws and regulations, the GeoCodes might be based on one of the following three parameters:

Ship To	The Ship To location is generally the customer's location in a sales or purchase transaction. For example, your cost center, office, or plant location for the customer might be the Ship To. The system calculates Consumer's Use Tax if you are the customer for the purchase.
Ship From	The Ship From location is generally the seller's plant or warehouse that is delivering the product or service. It is crucial to a sales tax calculation, because different rules might apply for intrastate (Ship To and Ship From are in the same state) or interstate (Ship To and Ship From are in different states) transactions.
Order Acceptance	The Order Acceptance location is the place where the seller accepts, acknowledges, or receives the actual order. This is crucial for determining the correct tax on an interstate or intrastate transaction.

When you enter an address book number to represent a customer (Sold To, Ship To), supplier or branch/plant (Ship From), the system uses the following rules for each system:

Vertical	Tax Type	Reason	Ship To	Ship From	Order Acceptance
A/P	Use or Exempt	Accrue Use Tax	Based on a hierarchy: • Business Unit GeoCode • Business Unit Address Number GeoCode • Business Unit Company Address Number GeoCode		Same as Ship To
A/P	Sales	Verify Sales Tax	Based on a hierarchy: • Business Unit GeoCode • Business Unit Address Number GeoCode • Business Unit Company Address Number GeoCode	GeoCode associated with Supplier's address	Same as Ship From
A/R	Sales	Accrue Sales Tax	GeoCode associated with Customer's Address	Based on a hierarchy: • Business Unit GeoCode • Business Unit Address Number GeoCode • Business Unit Company Address Number GeoCode	Same as Ship From
Sales Order Management	Sales	Accrue Sales Tax	Geocode associated with Customer's Ship To address on order detail line	Based on a hierarchy: • Order Detail Line Branch/Plant GeoCode • Order Detail Line Branch/Plant GeoCode Address Number GeoCode • Order Detail Line Branch/Plant Company Address Number GeoCode	Same as Ship From

Vertical	Tax Type	Reason	Ship To	Ship From	Order Acceptance
Procurement	Use	Accrue Sales Tax	Based on a hierarchy: • Order Header Branch/Plant GeoCode • Order Header Branch/Plant Address Number GeoCode • Order Header Branch/Plant Company Address Number GeoCode	GeoCode associated with Supplier's Address on Order Header	Same as Ship To
CSMS	Sales	Accrue Contract Tax	GeoCode on the contract detail line. (This is based on the Site Address Number on the contract detail line.)	GeoCode associated with business unit on the contract detail line. If no GeoCode is assigned, the system retrieves the GeoCode from the Supplier Master, using the address number of the business unit on the contract detail line.	GeoCode associated with Business Unit Address Number on the contract header. If no GeoCode is assigned, the system retrieves the GeoCode from the Supplier Master, using the address number of the business unit on the contract header.
CSMS	Sales	Accrue Service Order Sales Tax	GeoCode on the service order. (This is based on the Site Address Number on the service order.)	GeoCode associated with the Responsible Business Unit on the service order. If no GeoCode is assigned, the system retrieves the GeoCode from the Supplier Master, using the address number of the responsible business unit on the service order.	Same as Ship From
CSMS	Use	Accrue Service Order Use Tax	GeoCode associated with the Responsible Business Unit on the service order. If no GeoCode is assigned, the system retrieves the GeoCode from the Supplier Master, using the address number of the responsible business unit on the service order.	GeoCode associated with Service Provider Address Number on the service order.	Same as Ship To

Working with Quantum Taxes

After you assign GeoCodes to address book records, you might need to override a GeoCode on an invoice, voucher, sales order, purchase order, service order, or contract.

Complete the following tasks:

- ❑ Overriding GeoCodes on an invoice
- ❑ Overriding GeoCodes on a voucher
- ❑ Overriding GeoCodes on a sales order
- ❑ Overriding GeoCodes on a purchase order
- ❑ Overriding GeoCodes on a contract
- ❑ Overriding GeoCodes on a service order

When you enter a sales or purchase order, invoice, service order quote, or voucher, you can inquire on the order and review product information as well as calculated taxes. The system retrieves the tax information from the Tax Rate/Area field in the J.D. Edwards master and transaction tables, which are used to store the assigned GeoCode or J.D. Edwards tax code.

The Tax Decision Maker interfaces with the following programs in the J.D. Edwards systems:

Accounts Payable	• Supplier Master • Multi-Company Voucher Entry (P041016) • Multi-Voucher Entry (P041017) • Standard Voucher Entry (P0411) • Speed Voucher Entry (P0411SV)
Procurement	• Purchase Order Entry (P4310) • Purchase Order Workbench (P43101) • Voucher Match (P4314) • Order Revision History (43205) • Release Open Quotes (P43360)

Accounts Receivable	• Customer Master (P03013) • Standard Invoice Entry (P03B11) • Speed Invoice Entry (P03B11SI) • Speed Status Change (P03B114)
Sales Order Management	• Sales Order Entry (P4210) • Online Invoice Inquiry (P42230)
Customer Service Management System (CSMS)	• Contract Revisions (P1721) • Service Order Entry (P17714) • Service Order Quote (R17711) • Online Service Order Quote (P17717)

When a J.D. Edwards program calls the Tax Decision Maker, the Tax Decision Maker Engine determines the following information:

- Whether the transaction is interstate or intrastate
- The transaction's taxing jurisdiction
- The appropriate tax rate
- The maximum tax base
- Excess amounts, if applicable

The Tax Decision Maker then:

- Retrieves the appropriate tax rate
- Calculates tax amounts
- Returns the amount to the calling program

In CSMS, the system does not calculate taxes until you run Service Contract Workfile Generation (R1732) or the Service Order Workfile Generation (R1775) in final mode. However, the system does calculate taxes when you create a service order quote.

See Also

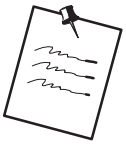
- *Working with Vouchers* in the *Accounts Payable Guide* for more information about reviewing voucher information
- *Working with Invoices* in the *Accounts Receivable Guide* for more information about invoice information
- *Managing Service Contracts* and *Working with Service Orders* in the *Customer Service Management System (CSMS)*
- *Reviewing Sales Order Information* in the *Sales Order Management Guide* for more information about reviewing sales orders

- *Working with Purchase Order Information* in the *Procurement Guide* for more information about reviewing purchase orders

Overriding GeoCodes on an Invoice

After you assign GeoCodes to your customers, the system uses the GeoCode to supply default tax information when you enter an invoice. If you want to override the tax information supplied by the system, you can do so when you enter the invoice.

The system makes accounting entries for sales taxes when you post the invoice based on the AAI item RT _ _ _ _ , which points to the sales tax account.



You can also override tax information during Speed Invoice Entry and Multi-Invoice Entry.

▶ To override a GeoCode on an invoice

From the Accounts Receivable menu (G03), choose Daily Processing. From the Daily Processing menu, choose Customer and Invoice Entry. From Customer and Invoice Entry (G03B11), choose Standard Invoice Entry.

On Standard Invoice Entry

1. Toggle to the alternate tax format, if necessary.
2. Follow the steps to enter an invoice with taxes.

   See *Entering an Invoice with Taxes (P03105)* in the *Accounts Receivable Guide*.

3. Complete the following fields:
   - Tax Amount (optional)
   - Tax Explanation Code (optional)
   - Taxable Amount

Field	Explanation
Tax Expl Code 1	A user defined code (00/EX) that controls how a tax is assessed and distributed to the general ledger revenue and expense accounts. You assign this code to a customer or supplier to set up a default code for their transactions. Do not confuse this with the taxable, non-taxable code. A single invoice can have both taxable and non-taxable items. The entire invoice, however, must have one tax explanation code.
Amount – Taxable	The amount on which taxes are assessed.

Overriding GeoCodes on a Voucher

After you assign GeoCodes to your suppliers, the system uses the GeoCode to supply default tax information when you enter a voucher. If you want to override the tax information supplied by the system, you can do so when you enter the voucher.

The system makes accounting entries for use taxes when you post the voucher. AAI item PT_ _ _ _ (no G/L offset) points to the use tax account.

You can also override tax information during Multi-Company Voucher entry, Multi-Voucher Entry, and Speed Voucher Entry.

▶ To override a GeoCode on a voucher

From the Accounts Payable menu (G04), choose Daily Processing. From the Daily Processing menu, choose Supplier and Voucher Entry. From Supplier and Voucher Entry (G0411), choose Standard Voucher Entry.

On Standard Voucher Entry

1. Toggle to the alternate tax format, if necessary.
2. Follow the steps to enter basic information for a standard voucher.

   See *Entering Standard Vouchers* in the *Accounts Payable Guide*.

3. Complete the following fields:
   - Tax Amount (optional)
   - Tax Explanation Code (optional)
   - Taxable Amount

Field	Explanation
Tax Explanation 2	A user defined code (00/EX) that controls how a tax is assessed and distributed to the general ledger revenue and expense accounts. You assign this code to a customer or supplier to set up a default code for their transactions. Do not confuse this with the taxable, non-taxable code. A single invoice can have both taxable and non-taxable items. The entire invoice, however, must have one tax explanation code.
Amount – Taxable	The amount on which taxes are assessed.

Overriding GeoCodes on a Sales Order

When you enter a sales order, you can inquire on the order and review product information as well as calculated taxes. The system retrieves the tax information for the order from the Tax Rate/Area field in the J.D. Edwards master and transaction tables that are used to store the assigned GeoCode or J.D. Edwards tax code.

You can enter tax information that is specific to a detail line. This information determines whether taxes apply to the items or services on the detail line and how the system calculates the taxes.

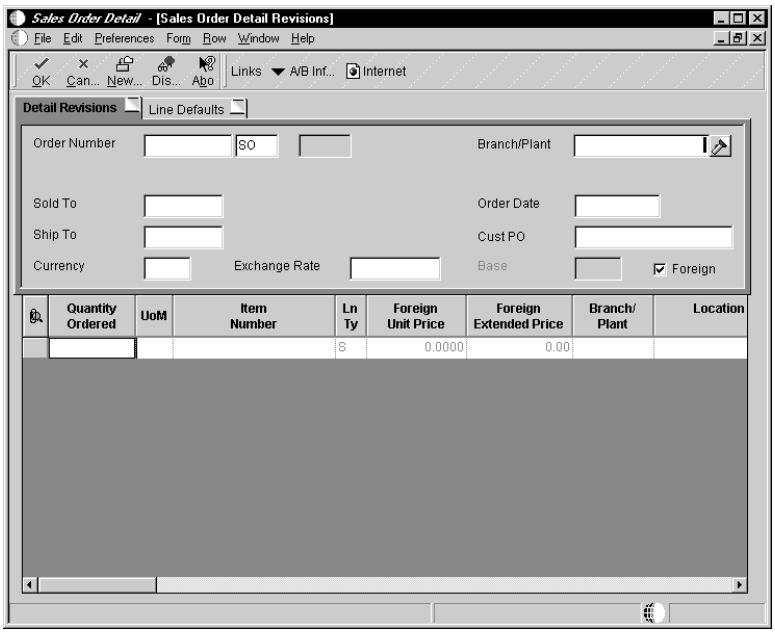
▶ To override GeoCodes on a sales order

From the Sales Order Management menu (G42), choose Sales Order Processing. From the Sales Order Processing menu (G4211), choose Enter Orders Detail.

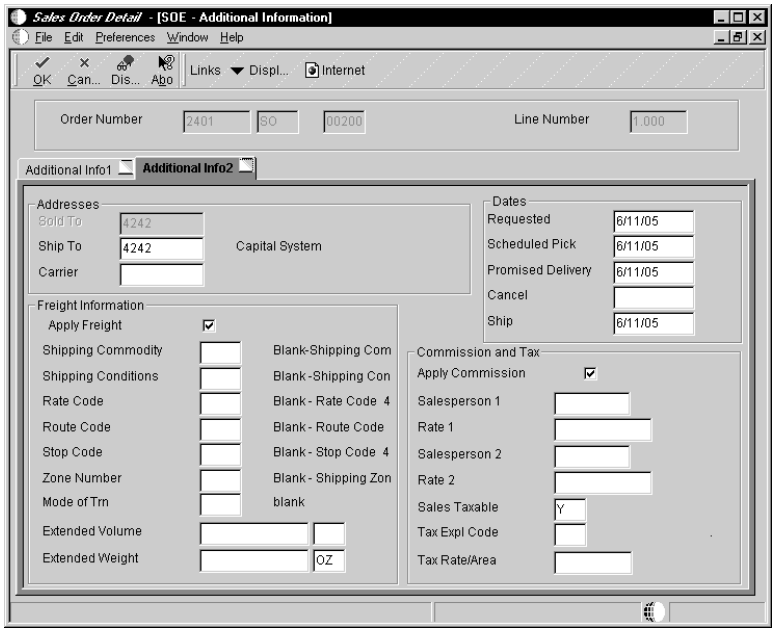
On Work with Sales Order Detail

1. Complete the steps to enter an order.

   To enter sales orders, see *Working with Detail Information* in the *Sales Order Management Guide*.



2. On Sales Order Detail Revisions, select the order detail line and choose SOE – Additional from the Row menu.



3. Click the Additional Info 2 tab and complete the following fields:
   - Tax Rate/Area
   - Tax Expl Code

Overriding GeoCodes on a Purchase Order

When you enter a purchase order, you can inquire on the order and review product information as well as calculated taxes. The system retrieves the tax information for the order from the Tax Rate/Area field in the J.D. Edwards master and transaction tables that are used to store the assigned GeoCode or J.D. Edwards tax code.

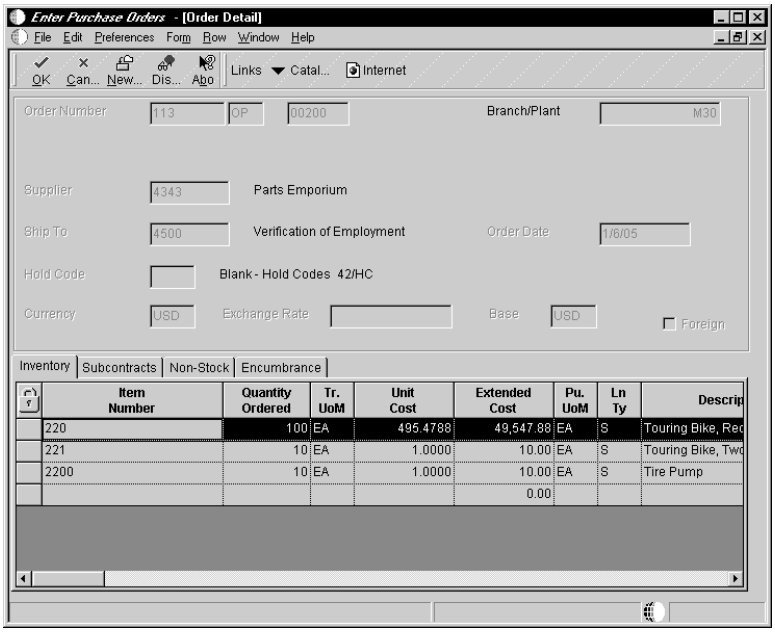
You can enter tax information that is specific to a detail line. This information determines whether taxes apply to the items or services on the detail line and how the system calculates the taxes.

You can review and change tax information on the Purchase Order Workbench and Voucher Match.

▶ To override GeoCodes on a purchase order

From the Procurement menu (G43), choose Daily Processing. From the Daily Processing menu (G4310), choose Stock Based. From Stock Based (G43A), choose Purchase Order Processing. On Purchase Order Processing (G43A11), choose Enter Purchase Orders.

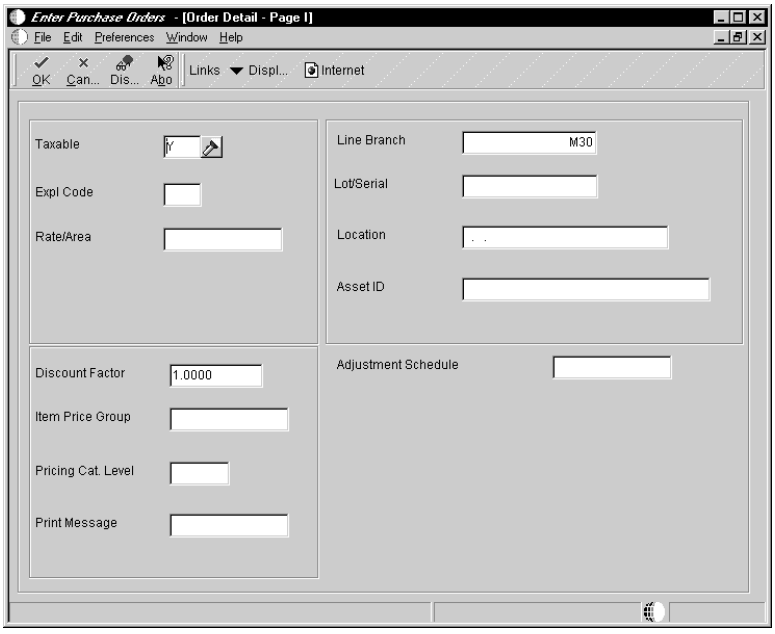
On Work with Purchase Order Detail



1. Complete the steps to enter an order.

   See *Entering Purchase Order Detail Information* in the *Procurement Guide*.

2. On Purchase Order Detail Revisions, select the order detail line and choose Tax/Terms from the Row menu.



3. On Order Detail – Page 1, complete the following fields:

   - Tax Rate/Area
   - Tax Expl Code

Overriding GeoCodes on a Contract

When you enter a service contract, you are accessing the starting point of the contract programs. When you enter service contracts, you can review and override detail information about the contract such as customer entitlements, service packages, item numbers, and billing information, as necessary.

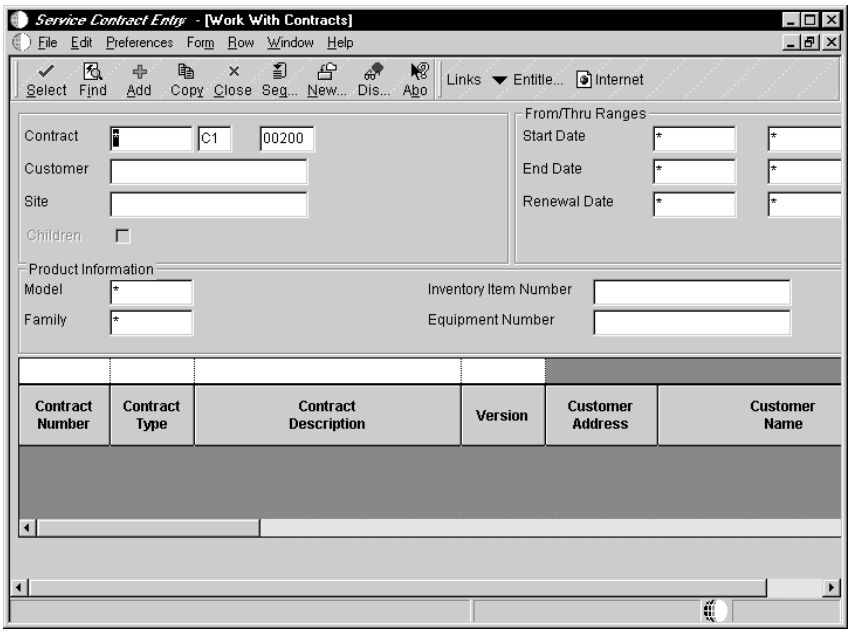
You can override tax information on a contract when you create a contract using direct entry.

In CSMS, the system does not calculate taxes until you run Service Contract Workfile Generation (R1732) in final mode.

▶ To override GeoCodes on a contract

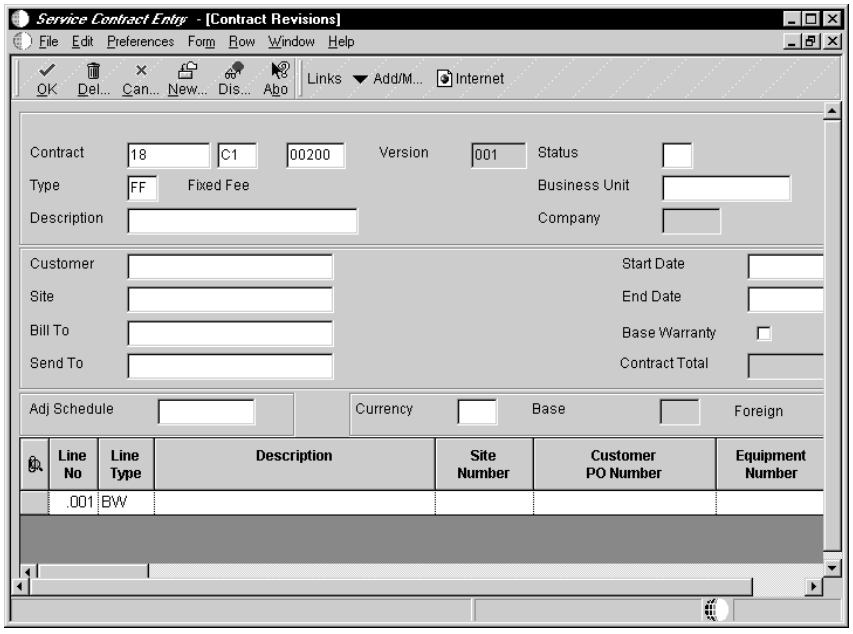
From the Daily Service Contract Processing menu (G1714), choose Service Contract Entry.

On Work with Contracts



To review service contract entry, see *Entering Service Contracts* in the *Customer Service Management Systems Guide.*

1. Click Find.



2. On Contract Revisions, review the value in the following field and override if necessary:
    - Tax Explanation Code
    - Tax Rate/Area

Overriding GeoCodes on a Service Order

You can override tax information when you enter or modify a service order. You must enter a service order under the following circumstances:

- You need to bill for the parts required to fix a piece of equipment
- You need to send a technician to the site to repair the problem
- You use a service provider to resolve the problem and you need to create a voucher for payment

You can retrieve numerous default values from a parent service order. For example, you can use values from a parent service order to retrieve the following information:

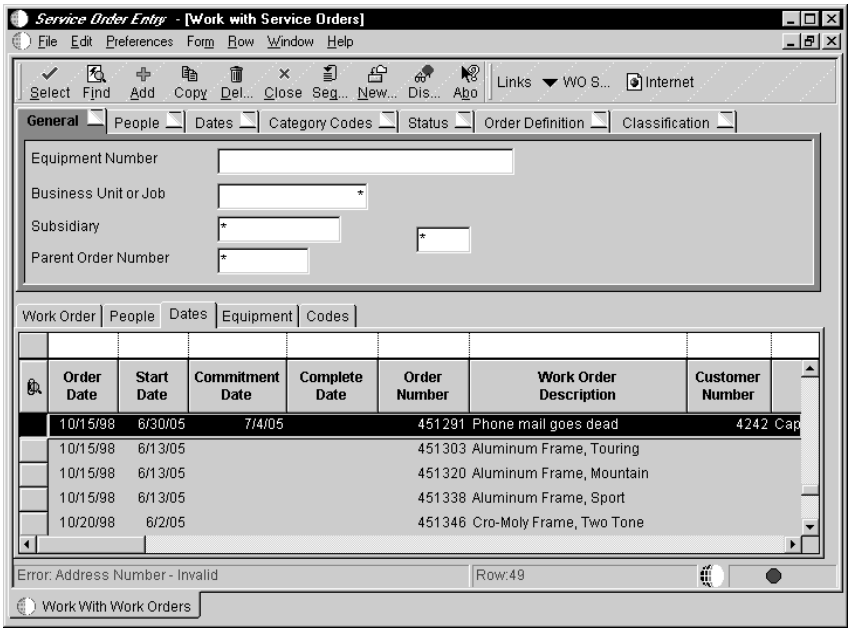
- Service type
- Start date
- Planned completion date

In CSMS, the system calculates taxes when you create a service order quote.

To override a GeoCode on a service order

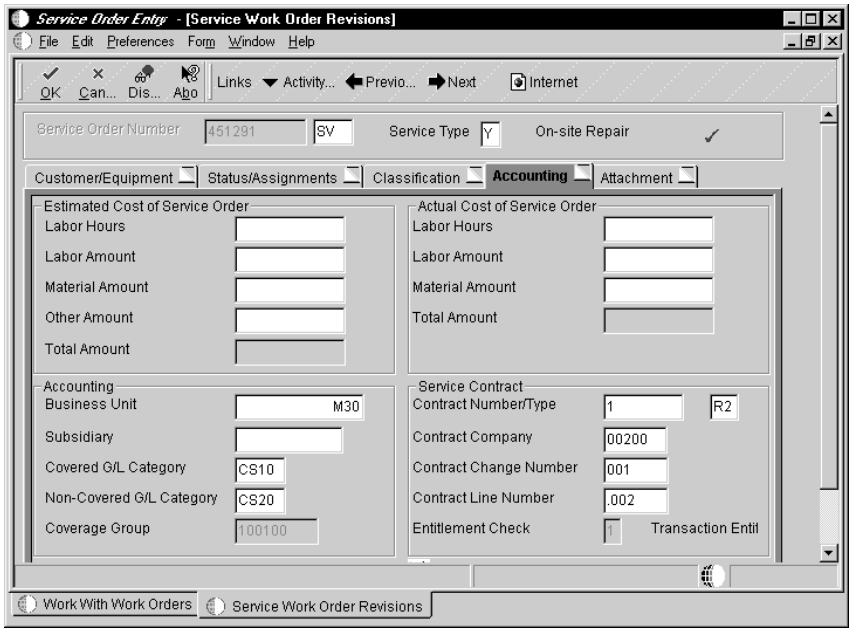
From the Daily Service Order Processing menu (G1712), choose Service Order Entry.

On Work with Service Orders



To review service order entry, see *Working with Service Order Entry* in the *Customer Service Management System Guide.*

1. Click Find.
2. Click the Accounting tab.



3. Review the value in the following field and override if necessary:
    - Tax Explanation Code
    - Tax Rate/Area

Processing Quantum Tax Information

During transaction processing, you can choose to print tax information when you print documents for your customers. When you post accounts payable and accounts receivable information to the general ledger, the system posts Quantum tax information to the Quantum Tax Register and J.D. Edwards tax information to the J.D. Edwards tax table (F00018). You can specify the G/L accounts to which the system posts the taxes.

Complete the following tasks:

- ❑ Printing tax information
- ❑ Posting tax information

Printing Tax Information

You can print calculated taxes when you print a contract, sales order, purchase order, invoice, or voucher in the following J.D. Edwards programs:

Accounts Payable	• Print Voucher Journal (R04305)
Procurement	• Print Purchase Orders (R43500) • Print Order Detail (R4401P)
Accounts Receivable	• Invoice Print (R03B505)
Sales Order Management	• Print Invoice (R42565) • Open Orders by Item Report (R42632) • Open Orders by Customer Report (R42620) • Held Orders Report (R42640)
CSMS	• Service Order Quote (R17711) • Invoice Print (R48504)

Posting Tax Information

In the standard J.D. Edwards tax processing system, the system calculates any taxes that have not been previously calculated and posts financial record information to the J.D. Edwards tax table (F0018).

In the Quantum for Sales and Use Tax system, the system taxes based on the GeoCode and posts financial record information Quantum Tax Register.

If you use Quantum in conjunction with the J.D. Edwards tax processing system, the system writes GeoCode tax information to the Quantum Tax Register and J.D. Edwards tax information to the J.D. Edwards tax table (F0018). For example, if you post transactions with VAT taxes, identified in the system with a user defined tax code, the system writes VAT taxes to the J.D. Edwards tax table (F0018). If you post U.S. taxes, identified by a GeoCode, the system writes taxes to the Quantum Tax Register. If you post U.S. taxes that are by a user defined code, the system writes the U.S. taxes to the J.D. Edwards tax table (F0018).

When you run the Post process (R09801), the following pre-post business functions are responsible for creating and maintaining a workfile to store all the tax information for each detail record that it is processed for the appropriate batch:

- A/P Voucher Pre-Post (B0400115) based on the Supplier Ledger (F0411)
- A/R Invoice Pre-Post (P03B0025) based on the Customer Ledger (F03B11)

During the post process, the system reads the values in the Tax Rate/Area table (F4008) to determine the breakdown of taxes for each transaction. For example, if you have multiple tax authorities and corresponding tax rates, the system computes the tax for each Taxing Authority and creates a G/L record in the Account Ledger (F0911) for each tax authority.

When you create financial records in the Accounts Receivable Ledger (F03B11), Accounts Payable Ledger (F0411), and General Ledger (F0911) in the J.D. Edwards General Business systems (General Accounting, Accounts Receivable, Accounts Payable), the system writes the information to the Quantum Tax Register and J.D. Edwards tax table.

If the financial information was created in the J.D. Edwards Manufacturing and Distribution systems, the system writes the tax information to the Quantum Tax Register when you create records in the Accounts Receivable (F03B11) and General Ledger (F0911) tables. This occurs, for example, at Sales Update or Voucher Match. Unlike tax processing in the J.D. Edwards General Business systems, the system does not write the tax information when you post the resulting batches.

With the Customer Service Management System (CSMS), the system writes the tax information to the Quantum Tax Register when you create records in the Service Billing system. This occurs, for example, when you run the Service Contract Workfile Generation or Service Order Workfile Generation program. Unlike tax processing in

the J.D. Edwards General Business systems, the system does not write the tax information when you post the resulting batches.

See Also

- *Voucher Processing* in the *Procurement Guide*
- *Updating Sales Information* in the *Sales Order Management Guide*
- *Billing Contracts* in the *Customer Service Management Guide*
- *Posting Journal Entries* in the *General Accounting Guide*
- *Posting Vouchers* in the *Accounts Payable Guide*
- *Posting Invoices* in the *Accounts Receivable Guide*
- *Setting Up Automatic Accounting Instructions for Quantum*

Glossary

Glossary

52 period accounting. A method of accounting that uses each week as a separate accounting period.

AA ledger. The ledger type that the system uses for transactions in domestic amounts (actual amounts).

account status. The state or condition of a customer's A/R transaction account.

accounting period. One of the divisions of a fiscal year. A fiscal year can contain 12 to 14 accounting periods, or more rarely, 52 periods. There can also be an additional period for year-end adjustments and an additional period for audit adjustments.

activity priority. A code that you assign to an activity type to determine whether it requires attention during the credit collection process.

activity type. A code that represents an action that is to be taken when reviewing and working customer accounts for credit and collection management purposes. For example, credit review required and delinquency notice approval required.

aging. A classification of accounts by the time elapsed since the billing date or due date. Aging is divided into schedules or accounting periods, such as 0-30 days, 31-60 days, and so on.

algorithm. A predetermined set of instructions for solving a specific problem with a limited number of steps. For example, you define A/R algorithm methods to instruct the system about how to apply receipts during the automatic receipts process, such as invoice selection match, balance forward match, or a combination invoice match. You can use a given base method or create different versions of a base method through the use of processing options, selection criteria, and sequencing specifications.

application. A computer program or set of programs used to accomplish a task. In OneWorld, there are interactive applications and batch applications. Interactive applications are made up of a set of forms through which the user interacts with OneWorld. Interactive application identifiers begin with "P." For example, Address Book Revisions (P01012) is an interactive application. Batch applications run without user interaction. Reports and table conversions are examples of batch applications. Batch application identifiers begin with "R." For example, the Print Mailing Labels report (R01401) is a batch application.

approver number. The user ID of the person who approves vouchers for payment.

As Of report. A report that lists information from the A/R Ledger and A/P Ledger tables in summary or detail for a specific point in time.

audit adjustments. The adjustments you make to G/L accounts following an audit. You generally enter these adjustments annually, following the close of the fiscal year.

audit trail. The detailed, verifiable history of a processed transaction. The history consists of the original documents, transaction entries, and posting of records and usually concludes with a report.

automatic accounting instruction (AAI). A code that refers to an account in the chart of accounts. AAIs define rules for programs that automatically generate journal entries, including interfaces between the Accounts Payable, Accounts Receivable, Financial Reporting, and General Accounting systems. Each system that interfaces with the General Accounting system has AAIs. For example, AAIs can direct the General Ledger Post program to post a debit to a specific expense account and a credit to a specific accounts payable account.

automatic debits. A payment instrument that authorizes a company to collect money directly from their client's bank account. The company sends an electronic file (EFT) to its bank, which collects the money from the client's account.

AZ ledger. The ledger type that the system uses for cash basis accounting.

BACS. Bank Automated Clearing System. An electronic funds transfer method used in the United Kingdom.

balance forward receipt application method. A receipt application method in which the receipt is applied to the oldest or newest invoices in chronological order according to the net due date.

bank tape (lock box) processing. The receipt of payments directly from a customer's bank by means of customer tapes for automatic receipt application.

batch control. A feature that verifies the number of transactions and the total amount in each batch that you enter into the system.

batch input. A group of transactions loaded from an external source.

batch job. A task or group of tasks you submit for processing that the system treats as a single unit during processing, for example, printing reports and purging files. The system performs a batch job with little or no user interaction.

batch processing. A method by which the system selects jobs from the job queue, processes them, and sends output to the outqueue. Contrast with interactive processing.

batch receipts entry. An alternative method (such as an optical reader or magnetic scanner) to load receipts into Accounts Receivable system.

batch type. A code assigned to a batch job that designates to which system the associated transactions pertain, thus controlling which records are selected for processing. For example, the Post General Journal program selects for posting only unposted transaction batches with a batch type of O.

broadcast message. 1) An e-mail message that you send to multiple recipients. 2) A message that appears on a form instead of in your mailbox.

business unit. A division of your business organization that requires a balance sheet or profit and loss statement. It is the lowest level of profitability reporting. Each business unit is unique and is owned by only one company. Also known as a cost center.

cash basis accounting. A method of accounting that recognizes revenue and expenses when monies are received and paid.

category code. A type of user defined code for which you can provide the title. For example, if you were adding a code that designated different sales regions, you could change category code 4 to Sales Region, and define E (East), W (West), N (North), and S (South) as the valid codes. Sometimes referred to as reporting codes. See also user defined code.

chargeback. A receipt application method that generates an invoice for a disputed amount or for the difference of an unpaid receipt.

chart of accounts. The structure for general ledger accounts. The chart of accounts lists types of accounts, describes each account, and includes account numbers and posting edit codes.

check. See payment.

consolidation. A method of grouping or combining financial statements for companies or business units. Consolidation is used for budgeting, inquiries, and reports.

consolidation reporting. The process of combining financial statements for companies or business units so that the different entities can be represented by a single balance sheet or income statement. If the different entities operate in different currencies, consolidation reporting may be complicated by the need for currency restatement.

constants. Parameters or codes that you set and that the system uses to standardize the processing of information by associated programs.

contra/clearing account. A G/L account used by the system to offset (balance) journal entries. For example, you can use a contra/clearing account to balance the entries created by allocations.

cost center. See business unit.

credit message. A code that indicates information about a customer's account status, such as Over Credit Limit.

currency code. A code that designates the currency used by a customer, supplier, bank account, company, or ledger type.

currency restatement. The process of converting amounts from one currency into another currency, generally for reporting purposes. It can be used, for example, when many currencies must be restated into a single currency for consolidated reporting.

customer ledger. A detailed transaction history for a customer that includes invoices, receipts, chargebacks, write-offs, and so on. You use the customer ledger for in-depth analysis of A/R information for your customer accounts.

data dictionary. A database table that OneWorld uses to manage the definitions, structures, and guidelines for the usage of fields, messages, and help text. J.D. Edwards has an active data dictionary, which means that it is accessed at runtime.

data types. Supplemental information attached to a company or business unit. Narrative type contains free-form text. Code type contains dates, amounts, and so on.

database. A continuously updated collection of all information that a system uses and stores. Databases make it possible to create, store, index, and cross-reference information online.

date pattern. A period of time set for each period in standard and 52-period accounting.

debit statement. A list of debit balances.

deduction. An amount by which a customer reduces payment for reasons that might be related to a specific invoice, such as damaged goods.

default. A code, number, or parameter that the system supplies when the user does not specify one.

delinquency policy. A common set of rules that the system applies equally to a class of customers when processing late fees and delinquency notices in the A/R system.

denominated–in currency. The company currency in which financial reports are based.

detail. The specific information that makes up a record or transaction. Contrast with summary.

detail area. An area of a form that displays detailed information associated with the records or data items displayed on the form. See also grid.

displacement days. The number of days calculated from today's date by which you group vouchers for payment. For example, if today's date is March 10 and you specify three displacement days, the system includes vouchers with a due date through March 13 in the payment group. Contrast with pay–through date.

display sequence. A number that the system uses to reorder a group of records on the form.

document number. A number that identifies the original document, such as voucher, invoice, unapplied receipt, journal entry, and so on.

draft. A promise to pay a debt. Drafts are legal payment instruments in certain European countries.

effective date. The date upon which an address, item, transaction, or table becomes effective. Examples include the date a change of address becomes effective and the date a tax rate becomes effective. In the Address Book system, effective dates allow you to track past and future addresses for suppliers and customers.

EFT. Electronic Funds Transfer. A method of transferring funds from one company's bank account to that of another company.

Electronic Data Interchange (EDI). The paperless, computer-to-computer exchange of business transactions, such as purchase orders and invoices, in a standard format with standard content.

Enterprise Workflow Management. A OneWorld system that provides a way of automating tasks, such as notifying a manager that a requisition is waiting for approval, using an e-mail-based process flow across a network.

facility. An entity within a business for which you want to track costs. For example, a facility might be a warehouse location, job, project, work center, or branch/plant. Sometimes referred to as a business unit.

field. 1) An area on a form that represents a particular type of information, such as name, document type, or amount. 2) A defined area within a record that contains a specific piece of information. For example, a supplier record consists of the fields Supplier Name, Address, and Telephone Number.

file. A set of information stored under one name. See also table.

finance charge. An amount charged to a customer based on a percentage of an unpaid invoice exceeding the grace period associated with the due date.

financial reporting date. The user defined date used by the system when you run financial reports.

fiscal year. A company's tax reporting year. Retained earnings are generally calculated at the end of a fiscal year. It is often different from a calendar year. For example, a fiscal year may be a period October 1 through September 30.

flash message. A code that you define to describe the credit status of a customer. Examples include over credit limit, COD only, bad credit risk, and requires a purchase order.

float days. The number of days from the time you write a payment to the time the bank makes the payment and deducts the amount from your bank account.

form. The element of the OneWorld graphical user interface by which the user exchanges data with interactive applications. Forms are made up of controls, such as fields, options, and the grid. These controls allow the user to retrieve information, add and revise information, and navigate through an application to accomplish a task.

G/L offset. A G/L account used by the post program to create automatic offsetting entries.

G/L posted code. A code that indicates the posting status of individual documents. For example, P indicates that a voucher or invoice has been posted.

G/L receipt. A receipt for an amount that is not directly associated with a customer or an invoice. For example, you might receive a refund check from an insurance company that is not associated with an A/R account. These receipt types allow you to credit the appropriate general ledger account.

grid. A control that displays detail information on a form. The grid is arranged into rows, which generally represent records of data, and columns, which generally represent fields of the record. See also detail area.

GST. Goods, Services, and Taxes. A tax assessed in Canada.

hash total. A total produced by numbers with different units. For example, the total of amounts expressed in different currencies is a hash total.

header. Information at the beginning of a table or form. Header information is used to identify or provide control information for the group of records that follows.

indexed allocations. A procedure that allocates or distributes expenses, budgets, adjustments, and so on, amoung business units, based on a fixed percentage.

install system code. See system code.

integrity test. A process used to supplement a company's internal balancing procedures by locating and reporting balancing problems and data inconsistencies.

interactive processing. Processing actions that occur in response to commands that you enter directly into the system. During interactive processing, you are in direct communication with the system, and it might prompt you for additional information while processing your request. Contrast with batch processing.

invalid account. A G/L account that has not been set up in the Account Master table (F0901).

invoice. A document that provides an itemized list of goods shipped or services rendered. An invoice might state quantities, prices, fees, shipping charges, taxes, and so on.

invoice match. A receipt application method where the receipt is applied to a specific invoice or group of invoices. A discount can be allowed or disallowed using invoice match.

job queue. A group of jobs waiting to be batch processed. See also batch processing.

language preference. An address book code that specifies a language for the computer to use when displaying information.

ledger type. A ledger used by the system for a particular purpose. For example, all transactions are recorded in the AA (actual amounts) ledger type in their domestic currency. The same transactions might also be stored in the CA (foreign currency) ledger type.

level of detail. The degree to which account information in the General Accounting system is summarized. The highest level of detail is 1 (least detailed) and the lowest level of detail is 9 (most detailed).

logged receipt. A receipt that is not applied to a specific customer or invoice. Instead, it is applied to a G/L suspense account, where it is held until you redistribute it to the correct G/L account or accounts.

logged voucher. A voucher that is not applied to a specific expense account. Instead, it is applied to a G/L suspense account, where it is held until you redistribute it to the correct G/L account or accounts.

mail distribution list. A list of people to whom you send e–mail messages. This list enables you to quickly send notices, instructions, or requests to a predefined group of people.

master business function. A central system location for standard business rules about entering documents, such as vouchers, invoices, and journal entries. Master business functions ensure uniform processing according to guidelines you establish.

master table. A database table used to store data and information that is permanent and necessary to the system's operation. Master tables might contain

data, such as paid tax amounts, supplier names, addresses, employee information, and job information.

matching document. A document associated with an original document to complete or change a transaction. For example, a receipt is the matching document of an invoice.

menu masking. A security feature that lets you prevent individual users from accessing specified menus or menu selections.

monetary account. An account with a balance in a currency other than the domestic currency of the company.

negative pay item. An entry in an account that indicates a prepayment. For example, you might prepay a supplier before goods are sent or prepay an employee's forecasted expenses for a business trip. The system stores these pending entries, assigning them a minus quantity as debit amounts in a designated expense account. After the prepaid goods are received or the employee submits an expense report, entering the actual voucher clears all negative pay items by processing them as regular pay items. Note that a negative pay item can also result from entering a debit memo (A/P) or a credit memo (A/R).

next numbers. A feature used to control the automatic numbering of items such as new G/L accounts, vouchers, and addresses. Next numbers provides a method of incrementing numbers.

next status. The next step in the payment process for payment control groups. The next status can be either WRT (write) or UPD (update).

NSF receipt. Non-sufficient funds receipt. A procedure that designates that a customer's bank account does not have sufficient funds available to pay the receipt. Designating a receipt as NSF reverses (deletes) the receipt and reopens the associated invoice.

offsetting account. An account that reduces the amount of another account to provide a net balance. For example, a credit of 200 to a cash account might have an offsetting entry of 200 to an A/P Trade (liability) account.

original document. The document that initiates a transaction in the system.

originated–in currency. The currency in which transactions occur.

output queue. See print queue.

P&L. Profit and loss statement.

parameter. A number, code, or character string you specify in association with a command or program. The computer uses parameters as additional input or to control the actions of the command or program.

parent/child relationship. Hierarchical relationships among your addresses (suppliers, customers, or prospects). One address is the parent and one or more subordinate addresses are children for that parent. This relationship is helpful, for example, when you want to send billing for field offices or subsidiary companies (children) to the corporate headquarters (parent).

pay item. A line item in a voucher or an invoice.

pay status. The current condition of the payment or receipt, such as paid or payment-in-process.

pay–through date. A specific calendar date by which you group vouchers for payment. This date corresponds to the due dates on the vouchers. For example, you can choose to pay all vouchers with due dates through March 15. March 15 would then be your pay-through date. Contrast with displacement days.

payment. The financial settlement made to a supplier for services rendered or goods received.

payment group. A system-generated group of payments with similar information, such as a bank account. The system processes all payments in a payment group at the same time.

payment instrument. The method of payment, such as check, draft, EFT, and so on.

payment stub. The printed record of a payment.

payment terms. The amount of time allowed to pay a voucher or an invoice, with or without a discount.

posted code. A code that indicates whether a transaction or batch has been posted.

pre–note code. A code that indicates whether a supplier is set up or in the process of being set up for electronic funds transfer (EFT).

print queue. A list of tables, such as reports, that you have submitted to be written to an output device, such as a printer. The computer spools the tables until it writes them. After the computer

writes the table, the system removes the table identifier from the print queue.

processing option. A feature that allows you to direct the functions of a program. For example, processing options allow you to specify defaults for certain forms, control the format in which information prints on reports, and change how information appears on a form or in a report.

PST. Provincial sales tax. A tax assessed by individual provinces in Canada.

purge. The process of removing records or data from a system table.

rate type. For currency exchange transactions, the rate type distinguishes different types of exchange rates. For example, you can use both period average and period-end rates, distinguishing them by rate type.

realized gain or loss. Currency gains and losses are incurred due to fluctuation currency exchange rates. A gain or loss is realized when you pay the invoice or voucher. Contrast with unrealized gain or loss.

receipt. The payment you receive from a customer.

receipt logging. See logged receipt.

record. A collection of related, consecutive fields of data that the system treats as a single unit of information.

recurring frequency. The cycle in which a recurring voucher or invoice becomes due for payment. For example, a payment cycle can be monthly or quarterly.

recurring invoice. An invoice that becomes due for payment on a regular cycle, such as a lease payment.

recurring voucher. A voucher that comes due for payment on a regular cycle, such as a lease payment.

recycle. A process that creates the next (for example, next month's) recurring invoice or voucher.

refresh. A process that updates a customer's credit and collection information, such as Credit Analysis Refresh.

reset. The process of changing a payment from a next status of UPD (update) to a next status of WRT (write). This allows you to correct or reprint payments.

retainage. The amount of a payment withheld to ensure satisfactory contract or project performance. In many cases, a certain percentage is withheld until the project, or a percentage of the project, is completed or until a specified date.

reverse. A process that creates an opposite entry on the first day of the next G/L accounting period when the original accrual entry is posted to the G/L.

routing/transit number. A number that uniquely identifies U.S. banks. This number is assigned by Federal Reserve Board. It consists of two parts: a routing number and a transit number.

self–reconciling item. An item that does not require reconciliation.

sequence ID. A code that defines the order in which payments print in a payment group. Each sequence review ID has its own data sequence and a code that indicates whether the system sorts each data item in ascending or descending order.

SIC. Standard Industry Classification. A U.S. government code that classifies U.S. companies according to their economic activity. Examples include agricultural services (0100), wholesale trade (5000), and services(7000).

special period/year. The date that determines the source balances for an allocation.

speed code. A user defined code that represents a G/L account number. You can use speed codes to simplify data entry by making G/L accounts easier to remember.

spool. The function by which the system stores generated output to await processing.

stop date. The date that an allocation becomes inactive.

summary. The presentation of data or information in a cumulative or totaled manner in which most of the details have been removed. Many systems offer forms and reports that summarize information stored in certain tables. Contrast with detail.

supplemental data. Different types of data for customers and suppliers. You can enter supplemental data for information such as notes, comments, plans, or other information that you want in a customer or supplier record. The system maintains this data in generic databases, separate from the standard master tables (Customer Master, Supplier Master, and Address Book Master).

supplier. An individual or organization that provides goods and services. Also known as a vendor.

supplier ledger. The record of transactions between your company and a particular supplier.

suspense account. A G/L account that holds funds until they can be allocated to the correct account. Also known as a transit account.

system. A group of related applications identified by a name and a system code. For example, the Address Book system code is 01. All applications, tables, and menus within a system can be identified by the system code.

system code. A code that identifies a system, for example, 01 for the Address Book system and 31 for the Shop Floor Management system.

table. In database environments, a two-dimensional entity made up of rows and columns. All physical data in a database are stored in tables. See also file.

three–tier processing. The task of entering, reviewing and approving, and posting batches of transactions.

TI (type input) code. A code that identifies the type of receipt application, which directly affects the way the receipt is processed.

tolerance range. The amount by which the taxes you enter manually may vary from the tax calculated by the system.

transaction code. A code that distinguishes the type of transaction on a bank statement.

transit account. See suspense account.

translation adjustment account. An optional G/L account used in currency balance restatement to record the total adjustments at a company level.

unapplied receipt. A receipt that is applied to a customer's account balance instead of being matched to an invoice or group of invoices.

unrealized gain or loss. Currency gains and losses are incurred due to fluctuating currency exchange rates. A gain or loss is unrealized until you pay the invoice or voucher. Contrast with realized gain or loss.

update payments. A process that enters data in empty data fields or replaces existing data with current data. For example, updating payments adds new payments and void payments to the A/P Ledger (F0411), Accounts Payable Matching Document (F0413), and Accounts Payable Matching Document Detail (F0414) tables. The system updates these tables during payment processing and prints the payment register.

user defined code (UDC). A code that users can define, assign code descriptions, and assign valid values. Examples of such codes are unit-of-measure codes, state names, and employee type codes.

user defined code type. The identifier for a table of codes with a meaning that you define for the system, such as ST for the Search Type codes table in Address Book. OneWorld provides a number of these tables and allows you to create and define tables of your own.

variable numerator allocations. A procedure that allocates or distributes expenses, budgets, adjustments, and so on, amoung business units, based on variable.

VAT. Value-added tax. A recoverable tax assessed in some countries.

vendor. See supplier.

vocabulary overrides. A feature that you can use to override field, row, or column title text on forms and reports.

void. A process that creates a reversing entry for the original transaction. Voiding a transaction leaves an audit trail.

voucher. A document that provides a means by which the payor ascertains that goods or services were received and that payment is authorized. A voucher contains all information about an invoice to be processed and paid.

voucher logging. See logged voucher.

voucher match. A payment application method where the payment is applied to specific vouchers.

who's who. The contacts at a particular company. Examples include billing, collections, and sales personnel.

write payment. A step in processing payments. Writing payments includes printing checks, drafts, and creating a bank tape table.

write–off. A method for getting rid of inconsequential differences between amounts. For example, you can apply a receipt to an invoice and write off the difference. You can write off both overpayments and underpayments.

Index

Index

Symbols

Empty, 7–64

A

A/R – A/P Netting Report, processing options, 13–26
A/R and A/P Netting Workfile table (F03465), 13–23
A/R Batch Control, 6–5
  Notify, 6–5
A/R Batch Draft Creation report, 9–36
A/R Cash Forecasting, processing options, 18–4
A/R constants
  A/R aging information setup, 2–9
  A/R controls, 2–6
  automatic offset method, 2–8
  cash management controls setup, 2–8
  default company, 2–4
  line of business processing, 2–4
  setup, 2–3
A/R Controls, setup, 2–6
A/R Conversion, E–1
A/R Details with Aging, processing options, 13–11
A/R draft processing, setup, 9–9
A/R Drafts, approving and posting, 9–57
A/R drafts
  posting, 9–58
  posting journal entries, 9–58
A/R invoices, printing, 14–3
A/R Magnetic Draft Remittance report, 9–50
A/R Notifications
  printing, 14–1
  processing, 14–1
A/R reports, 13–1
A/R Speed Status Update, processing options, 6–97
A/R Statistical History Purge/Repost, processing options, 12–80
A/R Statistical History Refresh, processing options, 12–76
A/R Summary with Currency, processing options, 13–4
A/R Tax Setup, 4–1
A/R to G/L by Batch, integrity reports, 15–10
A/R to G/L by Offset, integrity reports, 15–11
A/R to G/L Receipts by Batch, integrity reports, 15–12
A/R Unrealized Gains/Losses, processing options, 16–9
About A/R cash forecasting, 18–1
Account, balances by currency, B–2
Account activities
  managing, 12–57
  reviewing, 12–58
Account Activity Log form, 12–59
Account balance information, reviewing, 12–51, 12–53
Account Balance Inquiry form, 12–51
Account information
  entering G/L distribution information, 6–15
  reviewing, 12–49
Account numbering, 1–8
Account Statistical Summary form, 12–78
Account Status Summary form, 12–52
Accounts receivable
  account numbering, 1–8
  features, 1–2
  menu overview, 1–14
  multi-national functionality, 1–7
  overview, 1–1
  system flow, 1–10
  system integration, 1–1
  table relationships, 1–11
  tables and descriptions, 1–12
Activating A/R processing, 2–4
Activity Log Report, processing options, 12–61
Address Book – Additional Information form, 5–10
Address Book Revisions form, 4–4, 5–6
Advanced payment term codes, 2–19
advanced payment term codes, setting up, 2–31

Advanced Payment Term Revision form, 2–39, 2–41
Aging categories setup, 12–3
Aging Trend Analysis report, printing, 13–21
Algorithms
  balance forward method, 8–9
  base methods, 8–8
  combination invoice match method, 8–11
  creating the version identification, 8–13
  defining, 8–5
  defining selection criteria, 8–16
  defining sequence specifications, 8–17
  invoice selection match method, 8–8
  known invoice match with amount method, 8–9
  known invoice match without amount method, 8–11
  setting the processing options, 8–16
Alternate currency ledger, posting, 6–68
Alternate currency payments, example, 7–82
Alternate currency receipts
  application outside of the EMU, 7–81
  clearing account, 3–13
  example, 7–81, 7–83
  gain and loss calculation, 7–79
  T-accounts, 3–13
Analytical reports, printing, 13–15
Apply Receipts to Invoices (R03B50), processing options, 8–52
Approved batches, set back to pending, 2–11
Approving and posting receipts, 7–75
Approving invoice batches, 6–59
As if currency, Customer Ledger Inquiry, 6–87
Assigning, next numbers by company and fiscal year, 2–60
Assigning execution lists to customers, 8–40
Assigning GeoCodes to address book records, G–15
  global updates, G–17
  manual updates, G–18
    business units, G–19
    customer, G–20
    suppliers, G–20
Assigning non-stock product categories to order types, G–10
Assigning policies to customers, 12–21
Automated delinquency processing
  defining a policy, 12–11
  delinqency notices and fees, 12–34
  fee instructions setup, 12–13
  increasing fees on delinquent invoices, 12–15
  late fees, 12–39
  set up notification rules, 12–17
  setting up letter text for delinquency notices, 12–4
Automatic accounting instructions
  about AAIs for A/R, 3–5
  Automatic Accounting Instructions Master table (F0012), 3–1
  defaults, 3–2
  elements of an AAI form, 3–3
  for discounts taken, 3–10
  for drafts, 9–9
  for finance charges, 3–10
  for gains and losses, 16–5
  for logged receipts, 3–9
  for realized gains and losses, 3–10
  for receivables bank accounts, 3–8
  for receivables class accounts, 3–8
  for taxes, 4–15
  for unapplied receipts, 3–9
  for unrealized gains and losses, 3–11
  for write-offs, 3–9
  overview, 3–1
  prefixes and suffixes, 3–1
  reviewing, 3–17, 3–18
  revising, 3–17, 3–18
  search sequence, 3–7
  setup, 3–17, 3–22
Automatic debits, 10–3
  overview, 10–1
  Working with automatic debits, 10–3
Automatic drafts, creating, 9–35
Automatic receipts
  algorithms, 8–5
  applying receipts to invoices automatically, 8–51
  bank tape information, 8–43
  execution lists, 8–37
  processing, 8–1, 8–45
  purge, 8–63
  unprocessed items, 8–55
  update receipts register, 8–45
Automatic Receipts Activity Register, processing options, 8–61

B

Balance Forward Match (R03B50B), processing options, 8–21
Balance forward receipts, 7–67
Balances by currency codes and decimals, B–2
Bank
  exception report for draft processing, 9–19
  setting up account information for A/R drafts, 9–16
Bank account address information, setup, 2–66
Bank account addresses, revising, 2–68
Bank Account Cross-Reference form, 9–16
Bank Account Exception Report, processing options, 9–19
Bank account exception report for A/R drafts, printing, 9–19
Bank account information, entry for customers, 5–28
Bank account information for A/R drafts, setup, 9–16
Bank register
  creating and revising for A/R drafts, 9–44
  remitting drafts, 9–43
  reviewing for drafts, 9–47
Bank tapes, loading bank tape information, 8–43
Bank transit addresses, setting up, 2–68
Banking requirements, automatic debits, 10–3
Banks, remitting paper drafts (registers), 9–49
Batch Approval form, 6–60
Batch control, 6–5
Batch headers, 6–21
Batch invoice information, reviewing, 17–17
Batch invoice processing, overview, 17–1
Batch invoices
  See also Invoices; Recurring invoices
  posting, 17–16
  processing, 17–11
  purging processed batch invoices, 17–25
  purging processed invoices, 17–25
  reviewing, 17–17
  revising, 17–21
  revising unprocessed invoices, 17–22
  submitting for processing, 17–13
  verifying, 17–15
Batch processing, converting batch invoices, 17–3
Batch status
  approved set back to pending, 2–11
  posting, 6–61, 6–63
  updating the batch status, 6–63
Batches
  A/R batch control, 6–5
  invoice approving, 6–59
  manager approval, 6–60
  preventing posting, 6–59
Batches, posting
  setting up batch approval, 2–11
  setting up batch approval and post security, 2–11
Billing instructions, entry, 5–4
Build A/R and A/P Netting File, processing options, 13–24
Build the Netting Report Workfile (P03465), 13–23

C

Calculation rules for A/R, setup, 4–22
Calculations
  discounts, 6–23
  due dates for credit memos, 6–30
  rules setup, 4–22
  taxes, 4–11, 6–31
Category codes, entering customer records, 5–4
Chargeback invoices, 7–30
Chargebacks
  for discounts, 7–29
  stand-alone entries, 7–48
Chart of accounts, example, F–2
Check digits, activating for next numbers, 2–59
Codes
  quick reference for A/R, A–1
  tax explanation, 4–11
  type input (TI), 7–7
Collection Information form, 12–22
Collection Report, processing options, 13–22
Collection report (R03B461), 13–22
Collections. *See* Credit and collections management
Combination Invoice Match (R03B50F), processing options, 8–33
Company 00000, 2–4
Company structure, example, F–1

Completing required fields
F0311Z1 table, 17–3
F0911Z1 table, 17–6
F0911Z1T table, 17–8
Constants
See also A/R constants
setting up, 2–11
Conversion, E–1
Customer Master, E–4
Conversion programs, customer master conversion, 19–7
Converting A/R data from WorldSoftware to OneWorld, E–1
Converting invoices for batch processing, 17–3
Converting invoices with taxes, 17–10
Create Automatic Debit Batch, processing options, 10–5
Creating, A/R and A/P Netting Workfile table, 13–23
Creating credit reporting tapes, 12–65
Creating taxes for related addresses, G–22
Credit agencies, creating credit reporting tapes, 12–65
Credit Analysis Refresh, processing options, 12–25
Credit and collections information
aging categories, 12–3
date patterns, 12–70
entry, 5–18, 5–20
managing account activities, 12–57
managing credit, 12–45
reviewing accounts, 12–49
reviewing statistics, 12–77
setup, 12–3
statistical, 12–74
Credit Granting/Management form, 12–62
Credit information, managing, 12–45
Credit Inquiry form, 12–62
Credit memos, entry, 6–30
Credit reimbursements
generating, 15–3
posting, 15–7
reviewing and approving, 15–6
Credit reporting tapes, creating, 12–65
Creditel
creating credit reporting tapes, 12–65
processing options, 12–67
Criteria Design form, 6–69
Currencies, mixing, 16–7
Currency
See also Multi–currency
calculating alternate amount, 16–7
Currency – Foreign/Domestic with Aging, processing options, 13–9, 13–10
Currency codes and decimals
based on ledger types, B–1
monetary amounts, B–2
original and denominated currencies, B–2
Currency Detail – Foreign and Domestic, processing options, 13–8
Currency Detail with Aging report (R03B429B), 13–8
Custom master information entry, 5–5, 5–14
Customer acceptance drafts, 9–2
Customer identification, entry, 5–5
Customer identification entry, 5–6
Customer information, 5–1
entry, 5–5, 5–14
line of business processing, 2–4, 5–14
Customer ledger detail, reviewing, 6–88
Customer Ledger Detail Information form, 6–88
Customer ledger information, 6–83
Customer Ledger Inquiry, processing options, 6–92
Customer location, 5–31
Customer Master Information, processing options, 5–30
Customer Master Revision form, 5–14
Customer Receipts History Report, processing options, 13–16
Customer Receipts History report (R03B4201A), printing, 13–15
Customer Receipts Inquiry form, 7–13
Customer records, 5–1
category codes, 5–4
creating, 5–3
deleting, 5–4
entering address book information, 5–10
entering bank account information, 5–28
locating, 5–31
saving and changing, 5–4
Customers
assigning policies, 12–20
converting customer currency codes and amounts, 19–7
reviewing invoice information, 6–86
reviewing invoice revisions, 6–90

setting up drafts as default payment instrument, 9–13
updating the status of an invoice, 6–89
working with ledger information, 6–83

D

Date patterns, setup, 12–70
Date Range Revision form, 2–33
Dates, G/L warnings, 6–7
Deduction Entry form, 11–12
Deductions
associated with receipts, 11–13
processing, 11–1
processing disputed items, 11–10
researching and resolving deductions, 11–16
stand-alone entries, 7–52
voiding, 11–20
working with deductions, 11–9
Deductions Activity Entry form, 11–16
Default company 00000, 2–4
Defining tax information for items, G–12
Definitions of terms, g–43
Delinqency notices, generating, 12–34
Delinquency Fee Detail form, 12–41
Delinquency information, updating, 12–34
Delinquency notices
See also Payment reminders
approving, 12–37
creating, 12–34
generating, 12–33
letter text setup for delinquency notices, 12–4
working with notices and fees, 12–33
Delinquency Notification Review Detail form, 12–35, 12–37
Delinquency Policy Definition form, 12–12
Denominated-In currency, B–2
Designating receipts as NSF, 7–89
Detailed Restatement field, 16–7
Discounts, calculating, 6–23
Displaying open items, 7–12
Disputed items, processing, 11–10
Document, numbering, 2–57
Document types
invoice, 7–5
receipt, 7–6
Draft bank accounts for customers, setup, 9–16
Draft collection, working with draft collection, 9–53
Draft Collection with Status Update, processing options, 9–54
Draft Entry, processing options, 9–31
Draft processing
approving, 9–57
approving drafts for posting, 9–57
automatic accounting instructions (AAIs), 9–9
automatic drafts, 9–2
bank account exceptions report, 9–19
bank account information setup, 9–16
bank register for remitting drafts, 9–44
contingent liability, 9–52
creating automatic drafts, 9–35
creating bank register, 9–44
entering drafts, 9–25
entering manual drafts, 9–25
manual drafts, 9–2
overview, 9–1
pay status codes, 9–12
payment instrument codes, 9–11
posting, 9–57
posting A/R drafts, 9–58
posting journal entries, 9–57
pre-authorized drafts, 9–35
printing invoices and statements, 9–21
printing invoices with drafts, 9–21
printing register for bank, 9–49
printing statements with drafts, 9–23
remitting paper drafts (registers), 9–49
reviewing and revising drafts, 9–38
reviewing bank registers, 9–47
reviewing journal entries, 9–57
setup, 9–9
setup for cross-references for bank accounts, 9–16
setup for drafts as default payment instrument, 9–13
setup for statements, 9–15
types of drafts, 9–2
user defined codes setup, 9–11
Draft Remittance, processing options, 9–50
Draft remittance, working with draft remittance, 9–43
Drafts
acceptance, 9–5, 9–25
approving, 9–57
bank registers, 9–44

collection, 9–6
contingent liability, 9–52
discounted, 9–52
origination, 9–4, 9–21
posting, 9–57
remittance, 9–5, 9–43, 9–49
reviewing and revising, 9–38
revising, 9–38
revising bank registers, 9–47
setting up drafts as the default payment instrument, 9–14
working with draft acceptance, 9–25
working with draft origination, 9–21
Due date rules, 2–16
date ranges, 2–18
setting up, 2–31
Simulator, 2–35
Due upon receipt payment term, 2–24
Dun and Bradstreet, creating credit reporting tapes, 12–65

E

Electronic Data Interchange (EDI), 5–28
Electronic Funds Transfer (EFT), 10–1
Electronic receipts, purging electronic receipts, 8–63
Enhanced A/R Constants form, 2–5
Error messages
credit reimbursements, 15–6
fiscal date patterns, 6–8
posting, 6–72
Euro. *See* Euro Implementation Guide
Euro Address Book Conversion – F0301/F03012, processing options, 19–11
Execution lists
assigning to a customer, 8–40
defining, 8–37
modifying, 8–40
working with execution lists, 8–37

F

Features, system, 1–2
Fee instructions, setup, 12–13
Fee Instructions form, 12–14
Forecasting A/R cash flow, 18–3
Foreign and Domestic Transactions report (R03B429A), 13–8
Foreign and Domestic Transactions with Aging report (R03B429C), 13–8
Forms
Account Activity Log, 12–59
Account Balance Inquiry, 12–51
Account Statistical Summary, 12–78
Account Status Summary, 12–52
Address Book Revisions, 4–4, 5–6
Advanced Payment Term Revision, 2–39, 2–41
Bank Account Cross-Reference, 9–16
Batch Approval, 6–60
Batch Overrides, 6–70
Collection Information, 12–22
Create/Revise Batch Header, 6–70
Credit Granting/Management, 12–62
Credit Inquiry, 12–62
Criteria Design, 6–69
Customer Ledger Detail Information, 6–88
Customer Master Revision, 5–14, 19–8
Customer Receipts Inquiry, 7–13
Date Range Revision, 2–33
Deduction Entry, 11–12
Deductions Activity Entry, 11–16
Delinquency Fee Detail, 12–41
Delinquency Notification Review Detail, 12–35, 12–37
Delinquency Policy Definition, 12–12
Due Date Rules Revision, 2–32
Enhanced A/R Constants, 2–5
Fee Instructions, 12–14
G/L Distribution, 5–23
Global Change Values, 6–96
Installment Revision, 2–42
Invoice Entry – Batch Invoices, 17–19
Invoice Entry – G/L Distribution, 6–15
Invoice Entry Journal Review, 6–58
Invoice Pay Items – Detail, 17–19
Invoice Revisions, 6–90
Letter Text Identification, 12–4
Media Objects, 6–22, 12–5
Next Numbers Constants, 2–61
Notification Instructions, 12–18
Notification Review Detail, 12–38
Notification Summary, 14–17
Periodic Statistics, 12–78
Policy LOB Cross Reference, 12–23
Receipts Entry, 7–13, 7–23

Revise Algorithm Execution List, 8–38
Revise Bank Information, 2–71
Revise Payment Terms, 2–26, 2–28, 2–29
Revise Receipt Application Algorithms, 8–13
Set Up Bank Accounts By Address, 2–68
Set Up Bank Accounts by Address, 2–67, 5–28
Set Up Bank Transit Address, 2–69
Set Up Credit/Collection Date Pattern, 12–72
Set Up G/L Bank Account, 2–71
Set Up Multiple AAI Items, 3–22
Set Up Next Numbers by System, 2–58
Set Up Single AAI Item, 3–19, 3–23
Sort sequence, 8–17
Speed Invoice Entry, 6–52
Speed Receipts Entry, 7–64, 7–73
Speed Status Change-Detail, 6–90, 6–94
Stand-Alone Write-off, 7–45, 7–47
Standard Invoice Entry, 6–11, 6–24, 6–32, 6–43
Statement Review, 14–17, 14–19
Tax Information, 5–26
Tax Rate/Area Revisions, 4–6
Tax Rules Revisions, 4–21
UDC Value Alternate Descriptions, 2–56
User Defined Codes, 2–54
Version Add, 8–14
Void Reason Entry, 11–22
Work Center, 6–73
Work Day Calendar Revisions, 2–38
Work With A/R Constants, 2–6
Work With Addresses, 4–3, 5–31
Work With Advanced Payment Terms, 2–39, 2–40
Work With Algorithm Execution Lists, 8–38
Work With Automatic Accounting Instructions, 3–3, 3–18
Work With Automatic Acctg Instructions, 3–23
Work With Bank Accounts By Address, 2–68
Work With Bank Accounts by Address, 2–66, 5–28, 9–17
Work With Bank Transit Addresses, 2–68
Work With Batch Invoices, 17–17, 17–23
Work With Batch Versions, 8–14
Work With Batches, 6–57, 6–70
Work With Credit/Collection Date Patterns, 12–71
Work With Customer Ledger Inquiry, 6–18, 6–34, 6–48, 7–25
Work with Customer Ledger Inquiry, 6–88
Work With Customer Master, 8–40, 9–14
Work with Customer Master, 5–5
Work With Deductions, 11–16
Work With Delinquency Approval, 12–37
Work With Delinquency Policies, 12–11
Work With Due Date Rules, 2–31, 2–35
Work With Fee Instructions, 12–14
Work With G/L Bank Accounts, 2–70
Work With Late Fee, 12–41
Work With Letter Text, 12–4
Work With Next Numbers, 2–58
Work With Notification Instructions, 12–18
Work With Notifications, 14–16
Work With Payment Terms, 2–25, 2–28, 2–29
Work With Recurring Invoice History, 6–46
Work With Speed Status Change, 6–93, 6–96
Work With Tax Rate/Areas, 4–5
Work With Tax Rules, 4–20
Work With User Defined Codes, 2–44, 2–53, 2–55
Work With Work Day Calendar, 2–36
French Bank Account Exceptions report, 9–19

G

G type receipts, 7–70
delete unposted, 7–73
G/L bank account information, setup, 2–70
G/L date warnings, 6–7
G/L distribution information for customers, 5–23
Gains and losses, calculating realized gains/losses, 7–79
Gains/losses
AAIs, 16–5
calculating unrealized gains and losses, 16–7
General ledger information, reviewing, 6–59
General Ledger Post report (R09801), 6–73
Generating credit reimbursements, 15–3
Generating delinquency notices, 12–34
Global Change Values form, 6–96

H

Hash totals, 6–56

I

Installment payments, about, 2–20, 6–28
Installment Revision form, 2–42
Integrity reports
  A/R to G/L by Batch, 15–10
  A/R to G/L Receipts by Batch, 15–12
  G/L by Offset Account, 15–11
  out-of-balance conditions, 15–12
  processing, 15–9
  running, 15–9
Intercompany settlements, 6–81
Invoice amounts
  update PYE, 12–69
  update YTD, 12–69
Invoice batch processing, processing errors, 17–12
Invoice Batch Processor, processing options, 17–13
Invoice Entry – Batch Invoices form, 17–19
Invoice Entry – G/L Distribution, 6–15
Invoice Entry Journal Review form, 6–58
Invoice Entry MBF Processing Options, processing options, 6–39
Invoice entry methods
  draft processing, 9–1
  speed entry, 6–51
  standard entry, 6–9
Invoice Journal, processing options, 6–81
Invoice Journal report, 6–81
Invoice Pay Items – Detail form, 17–19
Invoice Revisions form, 6–90
Invoice Selection Match (R03B50A), processing options, 8–18
Invoice Transaction - Batch table (F0311Z1), 17–3
  completing required fields, 17–3
Invoice Trend Analysis report, printing, 13–19
Invoice Trend Analysis report (R03B166), 13–21
Invoice Trend Analysis report (R03B168), 13–19
Invoice/Receipt Transaction Purge, processing options, 17–29
Invoices
  See also Recurring invoices
  adding an attachment to an entire text, 6–22
  adding text to, 6–21
  adding to an existing batch, 6–58
  applying receipts to invoices, 8–51
  approving batches, 6–59
  changing multi-currency, 6–34
  changing posted, 6–77
  changing posted invoices with taxes, 6–78
  deleting unposted invoice pay items, 6–21
  deleting unposted invoices, 6–21
  entering accounting distributions, 6–15
  entering claims against, 11–10
  entering credit memos, 6–30
  entering invoices with taxes, 6–31
  entering match receipts, 7–12
  entering recurring invoices, 6–43
  entering speed invoices, 6–51
  entering split payment invoices, 6–27
  entering standard invoices, 6–10
  entry methods, 6–3
  entry with discounts, 6–23
  increasing fees on delinquent invoices, 12–15
  invoices with taxes entry, 6–31
  locating, 6–18
  locating open invoices, 6–94
  multi-currency invoice entry, 6–34
  posting, 6–65
  printing, 14–3
  printing invoice journal information, 6–81
  printing with draft attachments, 9–21
  processing, 6–1
  recurring, 6–41
  reviewing, 6–55
  reviewing and approving, 6–55
  reviewing batch information, 17–17
  reviewing batches, 6–57
  reviewing individual batch invoices, 17–19
  reviewing information, 6–58, 6–86
  reviewing invoice revisions, 6–90
  reviewing invoices in an as if currency, 6–87
  revising information, 6–58
  revising posted, 6–77
  revising unposted invoices, 6–10, 6–20
  revising unprocessed batch invoices, 17–22
  selecting the data to post, 6–61
  speed entry, 6–3, 6–52
  splitting payments, 6–27

submitting for processing, 17–13
three methods of posting, 6–65
three tier processing, 6–1
types, 6–3
understanding the post process for A/R, 6–61
updating a group of invoices, 6–96
updating for payment, 6–93
updating individual invoices, 6–94
updating the status, 6–89
verifying batch invoice information, 17–15
verifying posted invoices, 6–72
voiding paid, 6–79
voiding posted, 6–79
working with other types, 6–9
working with standard invoices, 6–9

J

Journal entries
preventing posting, 6–74
reviewing and posting for drafts, 9–57
Journal entries for A/R drafts, reviewing and approval, 9–57
Journal entry, when posting, 7–61
Journal Entry Transaction - Batch table (F0911Z1), completing required fields, 17–6
Journal Entry Transaction - Batch Tag File table (F0911Z1T), completing required fields, 17–8
Journal Entry Transactions - Batch table (F0911Z1), 17–3

K

Known Invoice Match with Amount (R03B20D), processing options, 8–22
Known Invoice Match without Amount (R03B20E), processing options, 8–29

L

Late fees, 12–33, 12–39
approving, 12–39
Ledger types, using currency codes with, B–1
Letter Text Identification form, 12–4
Line of Business, 2–1
Line of business processing, 2–4, 5–14
Loading all open items for a customer, 7–12
Loading bank tape information, 8–43
Locating Customer Records, processing options, 5–33
Logged receipts, 7–69
entering logged receipts, 7–69
Losses/gains, AAIs, 16–5

M

Manual drafts
entering, 9–25
entry, 9–26
Manual receipts
designating as NSF, 7–89
entering speed receipts, 7–63
entering standard receipts, 7–12
posting, 7–76
processing, 7–1
review and approve for posting, 7–75
revising, 7–85
voiding, 7–87
Master Business Function (P03B0011), 6–38
Media Objects form, 6–22, 12–5
Menus, overview, 1–14
Messages, electronic mail, 6–72
Modeless processing, 6–84
Modifying an execution list, 8–40
Multi-currency
See also Currency
batch total example, 6–56
codes. *See* Currency codes and decimals
deleting multi-currency information, 6–34
posting by summary or detail, B–2
processing transactions, 17–10
Multi-currency information, deleting, 6–34
Multi-currency invoices
changing, 6–34
entry, 6–34
Multi-national functionality
currency processing, 1–7
multiple languages, 1–7

N

Net payment term, 2–23
Net with discount payment term, 2–24
Netting
  Netting – Aging report, 13–25
  receivables and payables report, 13–24
Netting – Aging Report (P03466), 13–25
Next numbers, 2–57
  activating check digits, 2–59
  assigning by company and fiscal year, 2–60
  reviewing, 2–58
  setup, 2–57
Next Numbers Constants form, 2–61
Non-Sufficient Funds (NSF), 7–89
Notification Instructions form, 12–18
Notification Review Detail form, 12–38
Notification rules, setup, 12–17
Notification Summary form, 14–17

O

Open A/R Detail - Summarized with Currency report, printing, 13–3
Open A/R Detail with Aging Report, printing, 13–11
Open A/R Detail with Aging report, 13–11
Open A/R Detail with Remarks report, printing, 13–6
Open A/R Detail with Remarks report (R03B4201A), 13–6
Open A/R Details, processing options, 13–7
Open A/R Foreign Amounts report, printing, 13–7
Open A/R Summary Analysis report, printing, 13–17
Open A/R Summary Analysis report (R03B155), 13–17
Open A/R Summary with Currency report, 13–4
Open A/R with Foreign Amounts report, 13–7
Open invoices, locating, 6–94
Open items
  loading for a customer, 7–12
  locating specific open items for a customer, 7–15
Originated-In currency, B–2
Out-of-balance batches, posting, 6–70
Out-of-balance conditions, correcting, 15–12
Overriding GeoCodes on a contract, G–32
Overriding GeoCodes on a purchase order, G–30
Overriding GeoCodes on a sales order, G–29
Overriding GeoCodes on a service order, G–33
Overriding GeoCodes on a voucher, G–28
Overriding GeoCodes on an invoice, G–27
Overview, accounts receivable, 1–1

P

Pay items, deleting, 6–21
Pay status codes, for drafts, 9–12
Payment instrument codes, for drafts, 9–11
Payment terms
  advanced, 2–31
  advanced codes, 2–19
  due date rules, 2–16
  due upon receipt, 2–24
  due upon receipt terms, 2–24
  installment payments, 6–28
  net, 2–23
  net with discount, 2–24
  net with discount terms, 2–24
  proximate date, 2–24
  proximate date terms, 2–24
  setting up codes, 2–38
  setting up due date rules, 2–31
  setting up net payment terms, 2–23
  setting up standard, 2–23
  setup, 2–23
  split, 2–24
  split payment terms, 2–24
  standard types of, 2–25
  work day calendars, 2–18, 2–36
Period-end processing
  integrity reports, 15–9
  overview, 15–1
Periodic Statistics form, 12–78
Policies
  assigning to customers, 12–20
  defining, 12–11
  setup, 12–9
Policy LOB Cross Reference form, 12–23
Posted codes
  posting, 6–63
  updating the posted codes, 6–63

Posted invoices, revising, 6–77
Posting
creating automatic offsets, 6–62
credit reimbursements, 15–7
General Ledger Post Report (R09801), 6–73
invoices, 6–65
out-of-balance batches, 6–70
Post Detail Error report, 6–74
preventing, 6–74
understanding the post process, 6–61
validating and error processing, 6–61
Posting credit reimbursements, 15–7
Posting Invoices, processing options, 6–74
Posting tax information, G–38
Pre–Authorized Drafts, processing options, 9–36
Pre-authorized drafts, 9–2, 9–35
Printing netting reports, 13–23
Printing tax information, G–37
Printing the Netting – Aging report, 13–25
Printing the receivables and payables netting report, 13–24
Processing automatic receipts, 8–45
Processing batch invoices, 17–11
Processing disputed items, 11–10
Processing errors, invoice batch processing, 17–12
Processing integrity reports, 15–9
Processing options
A/R – A/P Netting Report, 13–26
A/R Cash Forecasting, 18–4
A/R Details with Aging, 13–11
A/R Speed Status Update, 6–97
A/R Statistical History Purge/Repost, 12–80
A/R Statistical History Refresh, 12–76
A/R Summary with Currency, 13–4
A/R Unrealized Gains/Losses, 16–9
Activity Log Report, 12–61
Apply Receipts to Invoices (R03B50), 8–52
Automatic Receipts Activity Register, 8–61
Balance Forward Match (R03B50B), 8–21
Bank Account Exception Report, 9–19
Build A/R and A/P Netting File, 13–24
Collection Report, 13–22
Combination Invoice Match (R03B50F), 8–33
Create Automatic Debit Batch, 10–5
Credit Analysis Refresh, 12–25
Creditel, 12–67
Currency – Foreign/Domestic with Aging, 13–9, 13–10
Currency Detail – Foreign and Domestic, 13–8
Customer Ledger Inquiry, 6–92
Customer Master Information, 5–30
Customer Receipts History Report, 13–16
Draft Collection with Status Update, 9–54
Draft Entry, 9–31
Draft Remittance, 9–50
Euro Address Book Conversion – F0301/F03012, 19–11
Invoice Batch Processor, 17–13
Invoice Entry MBF Processing Options, 6–39
Invoice Journal, 6–81
Invoice Selection Match (R03B50A), 8–18
Invoice/Receipt Transaction Purge, 17–29
Known Invoice Match with Amount (R03B50D), 8–22
Known Invoice Match without Amount (R03B50E), 8–29
Locating Customer Records, 5–33
Open A/R Details, 13–7
Posting Invoices, 6–74
Pre–Authorized Drafts, 9–36
Purge Electronic Receipts Input, 8–63
Receipt Journal, 8–61
Receipts Journal Report, 7–93
Recurring Invoice Report, 6–45
Recycle Recurring Invoices, 6–50
Resetting Statements, 14–20
Speed Invoice Entry, 6–54
Speed Receipts Entry, 7–73
Standard Invoice Entry, 6–37
Standard Receipts Entry, 7–57
Statement Notification Refresh, 14–10
Statement Print with Draft, 9–24
Statement/Notification Purge, 14–21
Tax Rate/Areas, 4–10
TRW and Dun & Bradstreet, 12–67
Update A/R from Address Book, 14–5
Update PYE and YTD Amounts, 12–70
Update Receipts Register From Electronic, 8–46
User Defined Codes, 2–56
Processing tax information, G–37
posting, G–38
printing, G–37
Processing transaction information, 17–11

Processing transactions, multi-currency, 17–10
Program ID, P00241, 2–12, 2–13
Program IDs
G03B12 (Manual Receipts Processing), 7–73
P0000 (System Setup), 3–23
P0000 (Work With A/R Constants), 2–6
P0004A (User Defined Codes), 2–55
P00071 (Work Day Calendar), 2–36
P0010 (Company Names & Numbers), 6–7
P0011 (Batches), 6–70
P0011 (Work With Batches), 6–57
P0012 (Work With Automatic Accounting Instructions), 3–18
P0014 (Payment Terms Revisions), 2–25, 2–28, 2–29
P00145 (Advanced Payment Terms), 2–39, 2–40
P00146 (Due Date Rules Revisions), 2–31
P00146 (Due Date Rules), 2–35
P0022 (Work With Tax Rules), 4–20
P00304 (Work With Bank Accounts by Addresses), 2–66
P0030A (Bank Account by Address), 2–68
P0030G (Work With G/L Bank Accounts), 2–70
P0101 (Work With Addresses), 4–3
P01012 (Address Book Revisions), 5–6
P03012QD (Conversion), E–4
P03013 (Customer Master Revision), 5–14
P03013 (Work With Customer Master), 5–5
P0301I (Customer Master Information), 9–14
P0301I (Work With Customer Master), 5–31, 8–40
P03450 – Receivables and Payables Netting Report, 13–24
P03465 - Build the Netting Report Workfile, 13–23
P03466 - Netting – Aging Report, 13–25
P03802, 14–5
P03B08 (Work With Credit/Collection Date Patterns), 12–71
P03B102 (Customer Receipts Inquiry), 7–13
P03B114 (Work With Speed Status Change), 6–94
P03B11SI (Speed Invoice Entry), 6–52
P03B11Z1 (Work With Batch Invoices), 17–17, 17–23
P03B120 (Work With Recurring Invoices History), 6–46
P03B16 (Account Statistical Summary), 12–78
P03B2002 (Customer Ledger Inquiry), 6–48
P03B2002 (Work With Customer Ledger Inquiry), 6–18, 6–24, 6–32
P03B202 (Work With Notifications), 14–16
P03B218 (Account Balance Inquiry), 12–51
P03B2501 (Work With Delinquency Policies), 12–11
P03B2801 (Work With Letter Text), 12–4
P03B305 (Credit Inquiry), 12–62
P03B31 (Account Activity Log), 12–59
P03B40 (Work With Deductions), 11–16
P03B52 (Revise Receipt Application Algorithms), 8–13
P04520, 18–3
P4008 (Work With Tax Rate/Areas), 4–5
R03110Z (Invoice Batch Processor), 17–11
R8903012A, R8903012 (A/R conversion), E–4
Promise messages, working with promise messages, 12–59
Proximate date payment term, 2–24
Purge Electronic Receipts Input, processing options, 8–63

Q

Quantum
Sales and Use Tax, G–1
AAIs, G–10
assigning GeoCodes, G–15
components, G–4
constants, G–8
interface considerations, G–6
interface overview, G–3
item tax information, G–12
non-stock product categories to order types, G–10
overriding GeoCodes, G–25
overview, G–1
posting tax information, G–37
setup, G–7
Vertex documentation, G–2

R

R8903012 (A/R conversion), E–4
R8903012A (A/R conversion), E–4
Receipt deposit journal, printing, 7–92
Receipt Deposit Journal report, 7–92
Receipt Journal, processing options, 8–61
Receipt Trend Analysis report, printing, 13–20
Receipt Trend Analysis report (R03B167), 13–20
Receipts
See also Automatic receipts; Manual receipts; Speed receipts
applying to invoices, 8–51
approving and posting, 7–75
balance forward receipts, 7–67
basic receipt entry, 7–20
changing posted receipts, 7–85
changing unposted receipts, 7–85
creating chargeback invoices, 7–30
creating chargebacks for discounts, 7–29
designating as NSF, 7–89
displaying open items, 7–12
entering balance forward receipts, 7–67
entering basic receipts, 7–20
entering deductions associated with receipts, 11–13
entering G type receipts, 7–70
entering invoice match receipts, 7–12
entering receipts with deductions, 7–38
entering receipts with disallowed accounts, 7–27
entering receipts with disallowed discounts, 7–27
entering receipts with discounts, 7–26
entering receipts with write-offs, 7–36
entering remittance information, 7–17
entering unapplied receipts, 7–32, 7–65
locating, 7–86
modeless processing, 6–84
posting, 7–76
receipts with deductions, 7–38
reviewing receipt information, 6–84
reviewing the results, 7–24
revising, 7–85
speed entry, 7–63
stand-alone chargebacks, 7–48
stand-alone deductions, 7–52
stand-alone write-offs, 7–44
standard entry, 7–11
type input codes (TI), 7–7
updating receipts register information, 8–45
voiding, 7–87
voiding manual receipts, 7–87
with disallowed discounts, 7–27
Receipts Activity Register, 8–61
Receipts entry, reviewing the results of receipts entry, 7–24
Receipts Entry form, 7–13
Receipts entry methods
basic receipt entry, 7–20
speed entry, 7–63
standard entry, 7–11
Receipts information, printing, 7–91
Receipts Journal Report, processing options, 7–93
Receipts Journal report, 7–91
Receipts journal report, reviewing, 8–60
Receipts with discounts, 7–26
Receivables and Payables Netting report (P03450), 13–24
Recurring Invoice Report, processing options, 6–45
Recurring invoices
See also Batch invoices; Invoices
canceling, 6–48
entry, 6–43
recycling, 6–48
reviewing, 6–45
revising, 6–46
revising paid, 6–47
Recycle Recurring Invoices, processing options, 6–50
Recycling recurring invoices, 6–48
Remittance information, entry, 7–17
Remitting drafts, 9–49
Reports
A/R Batch Draft Creation, 9–36
A/R Details with Aging, 13–11
A/R Invoice Details, 13–6
A/R Magnetic Draft Remittance, 9–50
A/R reports, 13–1
A/R Unrealized Gain/Loss, 16–7
Analytical, 13–15
Collection (R03B461), 13–22
Currency Detail with Aging (R03B429B), 13–8
Customer Receipts History (R03B4201A), 13–15

Draft Remittance, 9–49
Foreign and Domestic Transactions (R03B429A), 13–8
Foreign and Domestic Transactions with Aging (R03B429C), 13–8
French Bank Account Exception, 9–19
General Ledger Post (R09801), 6–73
Invoice Journal, 6–81
Invoice Trend Analysis (R03B166), 13–21
Invoice Trend Analysis (R03B168), 13–19
Netting – Aging, 13–25
Open A/R Detail with Aging, 13–11
Open A/R Detail with Remarks (R03B4201A), 13–6
Open A/R Summary Analysis, 13–17
Open A/R Summary Analysis (R03B155), 13–17
Open A/R Summary with Currency, 13–4
Open A/R with Foreign Amounts, 13–7
Post Detail Error report, 6–74
printing, 13–3
Receipt Deposit Journal, 7–92
Receipt Trend Analysis (R03B167), 13–20
Receipts Journal, 7–91
Receivables and Payables Netting, 13–24
Statistical Trend Analysis (R03B165), 13–18
Required fields
F0311Z1 table, 17–3
F0911Z1 table, 17–6
F0911Z1T table, 17–8
Resetting Statements, processing options, 14–20
Reviewing, invoices in an as if currency, 6–87
Reviewing credit reimbursements, 15–6
Reviewing receipts for posting, 7–75
Reviewing statistical information, 12–78
Revise Algorithm Execution List form, 8–38
Revise Bank Information form, 2–71
Revise Payment Terms form, 2–26, 2–28, 2–29
Revise Receipt Application Algorithms form, 8–13
Revising, recurring invoices, 6–46
Revising recurring invoices, 6–46
Running A/R integrity reports, 15–9
Running the A/R to G/L by Batch report, 15–10
Running the A/R to G/L Receipts by Batch report, 15–12

S

Set Up Bank Account Addresses form, 5–28
Set Up Bank Accounts by Address form, 2–67
Set Up Bank Transit Address form, 2–69
Set Up Credit/Collection Date Pattern form, 12–72
Set Up G/L Bank Account form, 2–71
Set Up Multiple AAI Items form, 3–22
Set Up Next Numbers by System form, 2–58
Set Up Single AAI Item form, 3–19
Setting up
batch approval, 2–11
batch approval and post security, 2–11
constants, 2–11
Setting Up AAIs for A/P, overview, 3–1
Setting up AAIs for Quantum, G–10
Setting up batch approval, 2–11
Setting up batch approval and post security, 2–11
Setting up tax authorities for A/R, 4–3
Setting up the J.D. Edwards/Quantum interface, G–7
AAIs, G–10
activating Quantum constants, G–8
item tax information, G–12
non-stock product categories to order types, G–10
Setup
A/R aging information by company, 2–9
A/R constants, 2–3
AAIs, 3–22
AAIs by copying an existing AAI, 3–23
AAIs for drafts, 9–9
AAIs for taxes, 4–15
advanced payment terms, 2–31
aging categories, 12–3
bank account addresses, 2–65
bank account information, 2–65
calculation rules, 4–22
cash management controls, 2–8
credit and collections date patterns, 12–70
credit and collections information, 12–3
cross-references for drafts bank accounts, 9–16
date patterns, 12–71
draft processing, 9–9
drafts as default payment instrument, 9–13
due date rules, 2–16, 2–31

installment payments, 6–28
next numbers, 2–57
notification rules, 12–17
payment term codes, 2–38
policies, 12–9
standard payment terms, 2–23
statements for A/R drafts, 9–15
tax authorities, 4–3
tax rates and areas, 4–5
tax rules by company, 4–19
tolerance information, 4–20
user defined codes for drafts, 9–11
work day calendars, 2–18, 2–36
Simulator, due date rules, 2–35
Sort sequence form, 8–17
Speed invoice, entry, 6–3, 6–52
Speed Invoice Entry, processing options, 6–54
Speed Invoice Entry form, 6–52
Speed invoices
entry, 6–51
revising, 6–51
Speed receipt entry
attach an object or text, 7–64
remove a receipt, 7–64
Speed receipts
See also Receipts
entering balance forward, 7–67
entering G type, 7–70
entering logged receipts, 7–69
entering unapplied, 7–65
Speed Receipts Entry, processing options, 7–73
Speed receipts entry
additional features, 7–64
auto return, 7–64
Speed Receipts Entry form, 7–64
Speed status change, 6–93
Speed Status Change-Detail form, 6–90, 6–94
Split payment term, 2–24
Spot rates, alternate currency receipts, 7–23
Stand-alone entries
chargebacks, 7–48
deductions, 7–52
write-offs, 7–44
Stand-Alone Write-off form, 7–45, 7–47
Standard Invoice Entry, processing options, 6–37
Standard invoice entry, 6–3
Standard Invoice Entry form, 6–11, 6–24, 6–32, 6–43
Standard payment terms, setup, 2–23
Standard Receipts Entry, processing options, 7–57
Standard reports, printing, 13–3
Statement Notification Refresh, 14–7
processing options, 14–10
Statement Print with Draft, processing options, 9–24
Statement Review form, 14–17, 14–19
Statement/Notification Purge, processing options, 14–21
Statements
printing with draft attachments, 9–23
processing, 14–7
processing with statements, 14–7
reviewing an individual statement, 14–17, 14–19
reviewing multiple statements, 14–16
reviewing statements, 14–15
setting up letter text, 12–4
setting up statements for A/R drafts, 9–15
setup for A/R drafts, 9–15
Statistical information
reviewing, 12–77
updating, 12–74
Statistical Trend Analysis report, printing, 13–18
Statistical Trend Analysis report (R03B165), 13–18
Subsystem, posting, 6–67
System flow, accounts receivable, 1–10
System integration, accounts receivable, 1–1
System Setup, overview, 2–1
System setup
A/R constants, 2–3
A/R draft processing, 9–9
bank account addresses, 2–65
bank account information, 2–65
G/L bank account information, 2–70
payment terms, 2–23

T

Table IDs
F0002 - Next Numbers, 2–57
F00021 - Next Numbers by Company/Fiscal Year, 2–57
F0012 - Automatic Accounting Instructions Master, 3–1

F0013 - Currency Codes, B–1
F0014 - Payment Terms, 2–25
F0016 - Generic Text Information, 12–10
F0030 - Bank Transit Number Master, 2–70
F0032 - Cash Summarization, 18–3
F0311Z1 - Invoice Transaction - Batch, 17–3
F03465 – A/R and A/P Netting Workfile, 13–23
F03B08 - Credit/Collection Date Patterns, 12–70
F03B11 - A/R Ledger, 12–74, 14–8, 16–8
F03B112 - A/R Adjustments, 12–74, 14–8
F03B13 - Receipts Application Header, 9–36
F03B13Z1 - Electronic Receipts Input, 8–43
F03B14 - Receipt Application Detail, 14–8, 16–8
F03B14 - Receipts Application Detail, 9–36, 12–74
F03B16 - A/R Statistics History, 12–74
F03B16S - A/R Statistics Summary, 12–74
F03B20 - A/R Notification History, 14–8
F03B21 - A/R Notification History Detail, 14–8
F03B25 - A/R Delinquency Policy Master, 12–10
F03B26 - A/R Delinquency Policy Notifications, 12–10
F03B27 - A/R Delinquency Policy Detail – Fees, 12–10
F03B28 - Letter Text Information, 12–10
F03B50 – Receipt Application Algorithm/Execution Lists, 8–7
F0911Z1 - Journal Entry Transactions - Batch, 17–3
F0911Z1T - Journal Entry Transactions - Batch Tag File, 17–8
Tables
See also Table IDs
descriptions of, 1–12
relationships, 1–11
Tapes, credit reporting, 12–65
Tax authorities for A/R, setup, 4–3
Tax information
loading from external software, 17–10
posting, 6–31
Tax Information form, 5–26
Tax processing
automatic accounting instructions, 4–15
changing information, 6–31
entering taxable and non-taxable amounts, 6–31
entry for customers, 5–26
posting information, 6–31
setup for tax rates and areas, 4–5
setup for tax rules by company, 4–19
tax authorities setup, 4–3
taxes on invoices entry, 6–31
Tax Rate/Area Revisions form, 4–6
Tax Rate/Areas, processing options, 4–10
Tax rates and areas for A/R, setup, 4–5
Tax rates/areas for A/R, setup, 4–5
Tax rules by company for A/R, setup, 4–19
Tax Rules Revisions form, 4–21
Taxes, Work With Tax Rules form, 4–20
Third currency. *See* Euro Implementation Guide
Three tier processing, 6–1
Tolerance information, setup, 4–20
Tolerance information for A/R, setup, 4–20
Transaction information, processing, 17–11
Transactions, posting, 6–63
Translation, translating a user defined code, 2–55
TRW, creating credit reporting tapes, 12–65
TRW and Dun & Bradstreet, processing options, 12–67
Type input codes (TI)
speed receipts, 7–63
stand-alone receipts, 7–43
standard receipts, 7–7

U

UDC Value Alternate Descriptions form, 2–56
Unapplied receipts
See also Credit note reimbursements
applying to invoices, 7–33
entering, 7–65
Understanding contingent liability, 9–52
Unposted invoices, revising, 6–20
Unprocessed items
reviewing, 8–58
revising, 8–62
working with unprocessed items, 8–55
Unprocessed items online, reviewing, 8–59

Unrealized Gains and Losses report, 16–7
Update A/R from Address Book, processing options, 14–5
Update PYE and YTD Amounts, processing options, 12–70
Update Receipts Register From Electronic, processing options, 8–46
Updating A/R from address book, 14–5
Updating invoice amounts, 12–69
User Defined Codes, processing options, 2–56
User defined codes
  activity priority, 2–51
  aging vocabulary, 2–48
  blank codes, 2–55
  chargeback reason, 2–49
  collection reason, 2–48
  deleting, 2–55
  document types, 2–46
  Dun & Bradstreet rating, 2–50
  language preference, 2–51
  overview, 2–43
  paid late, 2–51
  payment instrument, 2–47
  payment status, 2–47
  setting up user defined codes for A/R drafts, 9–11
  setup for drafts, 9–11
  speed add type input, 2–50
  standard receipt entry type input, 2–50
  tax calculation, 2–48
  TRW rating, 2–51
  valid credit messages, 2–49
  write-off reason, 2–49
User Defined Codes form, 2–54

V

Version Add form, 8–14
Vertex. *See* Quantum
Void Reason Entry form, 11–22

W

Work Center form, 6–73
Work Day Calendar Revisions form, 2–38
Work day calendars, 2–18
  setting up, 2–31, 2–36
Work With A/R Constants form, 2–6
Work With Addresses form, 4–3, 5–31
Work With Advanced Payment Terms form, 2–39, 2–40
Work with Algorithm Execution Lists form, 8–38
Work With Automatic Accounting Instructions form, 3–3, 3–18
Work With Bank Accounts by Address form, 2–66, 5–28, 9–17
Work With Bank Transit Addresses form, 2–68
Work With Batch Invoices form, 17–17, 17–23
Work With Batch Versions form, 8–14
Work With Batches form, 6–57
Work With Credit/Collection Date Patterns form, 12–71
Work With Customer Ledger Inquiry form, 6–18, 6–34, 7–25
Work With Customer Master form, 5–5, 8–40
Work With Deductions form, 11–16
Work With Delinquency Approval form, 12–37
Work With Delinquency Policies form, 12–11
Work With Due Date Rules form, 2–35
Work With Fee Instructions form, 12–14
Work With G/L Bank Account Information form, 2–70
Work With Late Fee form, 12–41
Work With Letter Text form, 12–4
Work With Next Numbers form, 2–58
Work With Notification Instructions form, 12–18
Work With Notifications form, 14–16
Work With Payment Terms form, 2–25, 2–28, 2–29
Work With Recurring Invoice History form, 6–46
Work With Speed Status Change form, 6–93
Work With Tax Rate/Areas form, 4–5
Work With Tax Rules form, 4–20
Work With User Defined Codes form, 2–53
  elements, 2–44
Work With Work Day Calendar form, 2–36
Workflow messages
  posting errors and other messages, 6–72
  reviewing, 6–72
Working with advanced payment terms, 2–31
Working with credit reimbursements, 15–3
Working with Quantum taxes, G–25
WorldSoftware, conversion from, E–1

Write-offs
stand-alone entries, 7–44
stand-alone with invoice match, 7–44