

PeopleSoft®

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EnterpriseOne 8.10  
Advanced Cost Accounting  
PeopleBook

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**May 2004**



EnterpriseOne 8.10  
Advanced Cost Accounting PeopleBook  
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# About These EnterpriseOne PeopleBooks

## Preface

EnterpriseOne PeopleBooks provide you with the information that you need to implement and use PeopleSoft EnterpriseOne applications.

This preface discusses:

- EnterpriseOne application prerequisites
- Obtaining documentation updates
- Typographical elements and visual cues
- Comments and suggestions

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### Note

EnterpriseOne PeopleBooks document only fields that require additional explanation. If a field is not documented with the process or task in which it is used, then either it requires no additional explanation or it is documented with common elements for the section, chapter, PeopleBook, or product line.

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## EnterpriseOne Application Prerequisites

To benefit fully from the information that is covered in these books, you should have a basic understanding of how to use EnterpriseOne applications.

See the *Foundation Guide*.

You might also want to complete at least one EnterpriseOne introductory training course.

You should be familiar with navigating the system and adding, updating, and deleting information by using EnterpriseOne menus and forms. You should also be comfortable using the World Wide Web and the Microsoft Windows or Windows NT graphical user interface.

These books do not review navigation and other basics. They present the information that you need to use the system and implement your EnterpriseOne applications most effectively.

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## Obtaining Documentation Updates

You can find updates and additional documentation for this release, as well as previous releases, on the PeopleSoft Customer Connection Website. Through the Documentation section of PeopleSoft Customer Connection, you can download files to add to your PeopleBook Library. You can find a variety of useful and timely materials, including updates to the full PeopleSoft documentation that is delivered on your PeopleBooks CD-ROM.

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**Note**

Before you upgrade, you must check PeopleSoft Customer Connection for updates to the upgrade instructions. PeopleSoft continually posts updates as the upgrade process is refined.

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**See Also**

PeopleSoft Customer Connection Website, <http://www.peoplesoft.com/corp/en/login.jsp>

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## Typographical Conventions and Visual Cues

This section discusses:

- Typographical conventions
- Visual cues

### Typographical Conventions

The following table contains the typographical conventions that are used in EnterpriseOne PeopleBooks:

<b>Typographical Convention or Visual Cue</b>	<b>Description</b>
<i>Italics</i>	Indicates emphasis, topic titles, and titles of PeopleSoft or other book-length publications. Also used in code to indicate variable values.
<b>Key+Key</b>	A plus sign (+) between keys means that you must hold down the first key while you press the second key. For example, Alt+W means hold down the Alt key while you press W.
<b>Monospace font</b>	Indicates a PeopleCode program or other code example.
<b>“ ” (quotation marks)</b>	Indicates an adjective that is used in a way that might not be readily understood without the quotation marks, for example "as of" date, "as if" currency, "from" date, and "thru" date.
<b>Cross-references</b>	EnterpriseOne PeopleBooks provide cross-references either below the heading "See Also" or preceded by the word See. Cross-references lead to other documentation that is pertinent to the immediately preceding documentation.

## Visual Cues

EnterpriseOne PeopleBooks contain the following visual cues:

- Notes
- Cautions

### Notes

Notes indicate information that you should pay particular attention to as you work with the PeopleSoft system.

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#### Note

Example of a note.

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### Cautions

Text that is preceded by *Caution* is crucial and includes information that concerns what you must do for the system to function properly.

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#### Caution

Example of a caution.

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## Comments and Suggestions

Your comments are important to us. We encourage you to tell us what you like, or what you would like to see changed about PeopleBooks and other PeopleSoft reference and training materials. Please send your suggestions to:

PeopleSoft Product Documentation Manager, PeopleSoft Inc., 4460 Hacienda Drive, Pleasanton CA 94588

Or you can send e-mail comments to [doc@peoplesoft.com](mailto:doc@peoplesoft.com).

While we cannot guarantee an answer to every e-mail message, we will pay careful attention to your comments and suggestions.

# Industry Environments and Concepts for Advanced Cost Accounting

Today's business climate reflects the need for increased fiscal accountability. In a globally competitive marketplace, companies must be able to make better-informed management decisions to operate their business. Failure to do so can have a negative impact on the future of an enterprise. The Advanced Cost Accounting system provides the framework and features to obtain relevant financial information that is not available using traditional accounting methods. The Advanced Cost Accounting system provides the necessary tools for an entity to realize a return on investment in a relatively short time. It empowers a business entity to:

- Target and eliminate waste and inefficiency
- Identify value-add and non-value-add processes and activities
- Improve overhead allocation methods
- Analyze and control costs
- Evaluate profitability by customer and product line
- Project future results based on assumptions
- Reduce overhead expense
- Increase revenues

The Advanced Cost Accounting system applies to many industries and provides detailed financial information to help management make correct decisions. Net income is an important measurement of a company's performance. However, identifying the components of net income is often difficult.

A typical income statement includes revenue and expenses by category, such as salaries or shipping expense, but an area that needs improvement might be hidden. The Advanced Cost Accounting system highlights these areas.

The Advanced Cost Accounting system provides cost information that you can define at a level of detail that meets the individualized needs of your company. Customizing cost information does not require any additional programming.

The Advanced Cost Accounting system provides cost objects for tracking external cost (managerial accounting), and activities and drivers for tracking internal process cost (activity-based costing). It also provides assignments that allow for flexible reporting of numerous user-defined "what if" analyses.

The Advanced Cost Accounting system creates a separate set of records that can be manipulated to incorporate "what if" analyses. The integrity of the original financial records is maintained, but management can look at different situations that are based on various assumptions.

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# The Benefit of the Advanced Cost Accounting System

The following scenarios describe typical problems in the manufacturing and distribution industry, the PeopleSoft EnterpriseOne solution that can resolve each problem, and the return on investment for each solution:

Issue	Solution
<b>Your organization has been ordered to deregulate. It must become competitive immediately. You have no idea what the actual cost of business is for doing internal processes such as accounts payable, inventory, warehousing, customer billing, and so on.</b>	<p>You can track and analyze costs in detail using the following methods:</p> <ul style="list-style-type: none"><li>• Managerial and activity-based costing</li><li>• Cost objects</li><li>• Drivers</li><li>• Activities</li><li>• Assignments</li></ul> <p>By using the Advanced Cost Accounting system, you can determine which internal processes are value-added and which are non-value-added. Value-added processes can be capitalized on and even offered to external customers to increase revenue. Non-value-added processes can be eliminated.</p>
<b>You cannot track cost by product line, customer, and region without making program changes to the system or creating a massive organizational structure (chart of accounts, business unit, reporting category codes).</b>	<p>Cost objects in the Advanced Cost Accounting system provide an additional five fields for tracking detailed cost.</p> <p>By using cost object tracking in the Advanced Cost Accounting system, you can decide the level of detail that you want to track to decrease cost, increase profitability, and increase visibility in earnings per share. The Advanced Cost Accounting system also reduces the need for additional general ledger accounts and business units to track profitability.</p>
<b>You cannot collect data on existing files, such as work orders or sales orders, without making program changes or writing custom reports.</b>	<p>You can use the automatic driver calculation in the Advanced Cost Accounting system to extract data from existing fields that are already populated in the system. For example, the driver calculation can count the number of work orders or sales orders in the system.</p> <p>You can use this information from the automatic driver calculation to create “what if” scenarios for making good business decisions to decrease cost, enhance revenue, and increase profitability.</p>

<b>Issue</b>	<b>Solution</b>
<b>When paying bills, collecting time reporting, and issuing purchase orders, users are not entering detail information regarding product lines, customer, suppliers, and so on.</b>	<p>You can use the cost object edit codes in the Advanced Cost Accounting system to force data entry by general ledger account. Users receive hard error messages if the edit codes are set up properly that force them to enter information before they can continue.</p> <p>By using cost object edit codes in the Advanced Cost Accounting system, you ensure the integrity and accuracy of the data that is collected.</p>
<b>You want to create a budget based on this year's actuals but increase it by 5 to 15 percent in various departments, based on departmental goals.</b>	<p>You can use assignments in the Advanced Cost Accounting system to increase budgets and create “what if” scenarios for each department.</p> <p>By creating “what if” scenarios in the Advanced Cost Accounting system, you can determine the most realistic budget for each department.</p>

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## Advanced Cost Accounting Overview

The PeopleSoft EnterpriseOne Advanced Cost Accounting system provides a foundation for managerial accounting and activity-based costing. The Advanced Cost Accounting foundation includes fully integrated building blocks that are designed around business processes.

Advanced Cost Accounting allows you to analyze data using traditional cost accounting, activity-based costing, or a combination of the two. You can combine traditional cost accounting and activity-based costing for greater flexibility in managing your business.

Traditional accounting and activity-based costing differ in that activity-based costing is not required to follow Generally Accepted Accounting Principals (GAAP). In activity-based costing, debits do not have to equal credits. You can focus on a segment of your business instead of your entire business.

Typically, you use activity-based costing when a more accurate allocation of indirect expense-to-cost object is required.

In general, cost objects are divided into two major categories: customer and product. You can determine the level of detail for customer and product based on the needs of your business.

Managerial accounting provides the information that managers of economic organizations use to plan and control their operations. It analyzes an organization at the profit center level rather than at the organizational level used in financial accounting. For example, managerial accounting analyzes customer and product information rather than organizational levels such as marketing, administration, and manufacturing.

In managerial accounting systems, traditional financial accounting systems provide databases that are used in modeling, simulation, and “what if” analyses. Allocations are run over indirect cost pools to assign all revenues and expenses to the profit center level. This process provides the information that is necessary to make high-level decisions about product lines, customer profitability, marketing strategies, reorganizations, and cost reduction projects.

The Advanced Cost Accounting system addresses the reporting needs for managerial decision-making. For example, by producing unique views of financial information, the Advanced Cost Accounting system demonstrates that the same sales volume can have vastly different profit margins because of shipment size, special packaging, special requirements, and product mix.

To address these needs, the Advanced Cost Accounting system enables you to do the following:

- Capture financial information within the cost analyzer table for further analysis
- Track and assign transactions using cost objects
- Capture quantity information
- Reassign costs based on cost drivers

Activity-based costing (ABC) allows you to identify and capture direct or indirect costs for specific products or customers by using cause-and-effect relationships. The Advanced Cost Accounting system enables you to collect, track, and assign activities to specific cost objects.

The Advanced Cost Accounting system includes the following features:

<b>Cost object tracking</b>	Allows you to directly assign transactions to their original cost objects. Cost objects are the lowest level at which costs are calculated or tracked. Examples of cost objects include customers, item numbers, and sales numbers.
<b>Cost analyzer</b>	Allows you to arrange and analyze managerial accounting information without affecting your financial accounting information.
<b>Detailed product costs</b>	Allows you to capture detailed product costs when you create automatic journal entries. Use detailed product costs to analyze costs for material, labor, or overhead.
<b>Driver calculations</b>	Allows you to calculate volumes that are based on transaction information. For example, you can calculate the number of sales order lines by customer. Driver volumes are used to reassign indirect costs to cost objects.
<b>Cost assignments and allocations</b>	Allows you to process calculations for activity-based costing, as well as managerial accounting, over the Cost Analyzer Balances table (F1602). You can define allocations according to your business needs. The system provides an audit trail of the calculations and provides separate balances for amounts that are transferred from and to original balances.
<b>Activity-based costing</b>	Allows you to define cost objects, activities, and processes, and to create relationships between them. It also allows you to analyze business process costs.

## System Integration

When you process transactions in other systems, you can capture information that is relevant to activity-based costing or managerial accounting by using flex accounting rules or cost object rules, based on the setup method for the application.

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**Note**

It is recommended that you use the Automatic Accounting Instructions (AAI) setup method for the Manufacturing and Distribution systems. If you use another method, you must ensure that it is correct for that system.

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The Advanced Cost Accounting system integrates with the following systems:

<b>Accounts Payable and Accounts Receivable</b>	<p>Advanced Cost Accounting allows you to either enter cost objects manually or let the system determine how to automatically supply the cost object information. You can enter information in cost object fields that are available when the Activate Cost Objects field in the Cost Management Constants table (F1609) is active.</p> <p>You use flex accounting rules to determine how the system automatically completes the cost object fields when creating offset entries during the pre-post voucher and payment processes. The system reviews the flex accounting rules when the following factors apply:</p> <ul style="list-style-type: none"><li>• The Activate Cost Objects field is active</li><li>• The setup method is found for that application</li><li>• Flex accounting rules exist for the object account setup method</li></ul>
<b>General Accounting</b>	<p>Advanced Cost Accounting allows you to enter cost objects in manual transactions. The cost object fields are available when the Activate Cost Objects field in the Cost Management Constants table (F1609) is active.</p>
<b>Inventory Management</b>	<p>Advanced Cost Accounting allows you to use the Item Cost Component Add-Ons table (F30026) to determine inventory-related costs and retrieve information by cost type. If the Product Cost Detail field in the Inventory Constants table (F41001) is active, you must use the standard cost (07) cost method. If the Product Cost Detail field is not active, you can use cost methods 01 through 06 and 08. The system calculates costs based on the Item Cost File table (F4105).</p> <p>You use flex accounting rules to determine how to complete the cost object fields when creating automatic journal entries. The system reviews the flex accounting rules when the following factors apply:</p> <ul style="list-style-type: none"><li>• The Activate Cost Objects field is active</li><li>• The setup method is found for that application</li><li>• Flex accounting rules exist for the AAI setup method</li></ul>
<b>Manufacturing Accounting</b>	<p>You use flex accounting rules to determine how to complete the cost object fields when creating automatic journal entries. The system reviews the flex accounting rules when the following factors apply:</p> <ul style="list-style-type: none"><li>• The Activate Cost Objects field is active</li><li>• The setup method is found for that application</li><li>• Flex accounting rules exist for the AAI setup method</li></ul>

<b>Product Costing</b>	<p>You use flex accounting rules to determine how to complete the cost object fields when you create automatic journal entries. If the Product Cost Detail field is not active, you can use cost methods 01 through 06 and 08. The system calculates costs by using the Item Cost File table (F4105). The system reviews the flex accounting rules when the following factors apply:</p> <ul style="list-style-type: none"> <li>• The Activate Cost Objects field is active</li> <li>• The setup method is found for that application</li> <li>• Flex accounting rules exist for the AAI setup method</li> </ul>
<b>Procurement Management</b>	<p>Advanced Cost Accounting allows you to enter cost objects in manual transactions. The cost object fields are available when the Activate Cost Objects field in the Cost Management Constants table (F1609) is active. You can use flex accounting rules to determine how to complete the cost object fields when creating automatic journal entries. The system reviews the flex accounting rules when the following factors apply:</p> <ul style="list-style-type: none"> <li>• The Activate Cost Objects field is active</li> <li>• The setup method is found for that application</li> <li>• Flex accounting rules exist for the AAI setup method</li> </ul>
<b>Sales Order Management</b>	<p>You use flex accounting rules to determine how to complete the cost object fields when creating journal entries. The system reviews the flex accounting rules when the following factors apply:</p> <ul style="list-style-type: none"> <li>• The Activate Cost Objects field is active</li> <li>• The setup method is found for that application</li> <li>• Flex accounting rules exist for the AAI setup method</li> </ul> <p>Sales Order Management allows you to use the Item Cost Component Add-Ons table (F30026) to determine inventory-related costs and retrieve information by cost type. If the Product Cost Detail field in the Inventory Constants table (F41001) is active, you must use the standard cost (07) cost method. If the Product Cost Detail field is not active, you can use cost methods 01 through 06 and 08. The system calculates costs based on the Item Cost File table (F4105).</p>
<b>Transportation Management</b>	<p>You use flex accounting rules to determine how to complete the cost object fields when creating journal entries. The system reviews the flex accounting rules when the following factors apply:</p> <ul style="list-style-type: none"> <li>• The Activate Cost Objects field is active</li> <li>• The setup method is found for that application</li> <li>• Flex accounting rules exist for the setup method</li> </ul>

## Managerial Accounting and Activity-Based Costing

Managerial accounting processes information used by economic organizations to plan and control your operations. Managerial accounting involves analysis at a profit-center level, such as customers and products, instead of an organizational level, such as marketing, administration, and manufacturing.

Activity-based costing allows you to analyze information and costs from multiple departments and internal organizations to improve business processes. With activity-based costing, you can identify activities, processes, and cost objects, and then calculate total and unit costs by cost objects using cause-and-effect relationships.

Even though business practices have evolved significantly during the last ten years, cost accounting techniques have remained relatively static. In today's highly competitive and changing business environment, companies need the ability to analyze cost structures in more detail than they could by using the methods that are provided by traditional cost accounting systems.

All companies want to maximize profitability by either reducing costs (wastes) or increasing sales. Often, high costs are due to cross-departmental processes, but identifying these sources of waste can be difficult and time intensive.

To increase income, companies might find it difficult to identify the most profitable customers without gathering customer profit/loss information. In manufacturing environments, companies have been able to reduce direct costs for material and labor by implementing techniques, such as just-in-time, automation, total quality management, and outsourcing, at the expense of increasing indirect costs.

These changes have affected cross-departmental process costs drastically. Market competition and globalization have added complexity to business management and coordination, resulting in additional support activities. This shift in today's market requires that companies focus on indirect costs, cross-departmental processes, and customer profitability—rather than direct costs and sweeping mandates—to increase company-wide sales, regardless of customer profitability.

## **Data Model Overview for Activity-Based Costing**

Company 200 manufactures and distributes bicycles and bicycle accessories. The company wants to improve its competitive advantage in the bicycle market. Although sales have been increasing over the years, the overall profitability of the company has decreased. As a result, the company initiates a performance improvement project that is based on analyzing customer and product profitability.

The company believes that by studying its profitability by customer, product family, and sales marketing channel, it can discover why overall profits have decreased. The analysis focuses on the following areas:

- Locating hidden costs in the process of procuring bicycle bags to help the company reduce waste and increase efficiency.
- Assigning marketing and promotional costs to customers, product lines, and sales marketing channels to redirect marketing and sales to the most profitable customers, products, and channels.
- Reviewing the standard costs for painting the bicycle frames. The company suspects that these costs might be incorrect due to rework. Therefore, it would like to determine how much rework, by bicycle model, exists when they paint bicycle frames so that the company can correct the standard cost for painting frames.

## **Example: The Decision Making Process**

Company 200 manufactures and distributes bicycles and bicycle accessories, using the following business units:

- M30 to manufacture bicycles
- D30 to distribute bicycles

Company 200 sells products to wholesale and retail customers. Each customer has a unique address book number, and Company 200 assigns each customer to a business channel. Although many channels exist, Company 200 uses the following:

- Wholesale
- Retail
  - Specialty
  - Discount

The bicycles and accessories have unique inventory item numbers. Although many types of bicycles and accessories exist, the company focuses on three types of bicycles and two types of bicycle bags. The bicycle types are:

- Touring
- Mountain
- Youth

Black bicycle bags can be imprinted with a predetermined logo or left blank. When the company originates its bicycle sales, the customer can decide whether he or she wants plain black bicycle bags, standard logo imprinted bags, or special custom logos on the bags. The bag types are:

- Imported bags
  - Black
    - With logo
    - Without logo
- Domestic bags
  - Black without logo

The company categorizes its products by planning families. Within this scenario, it focuses on two family codes:

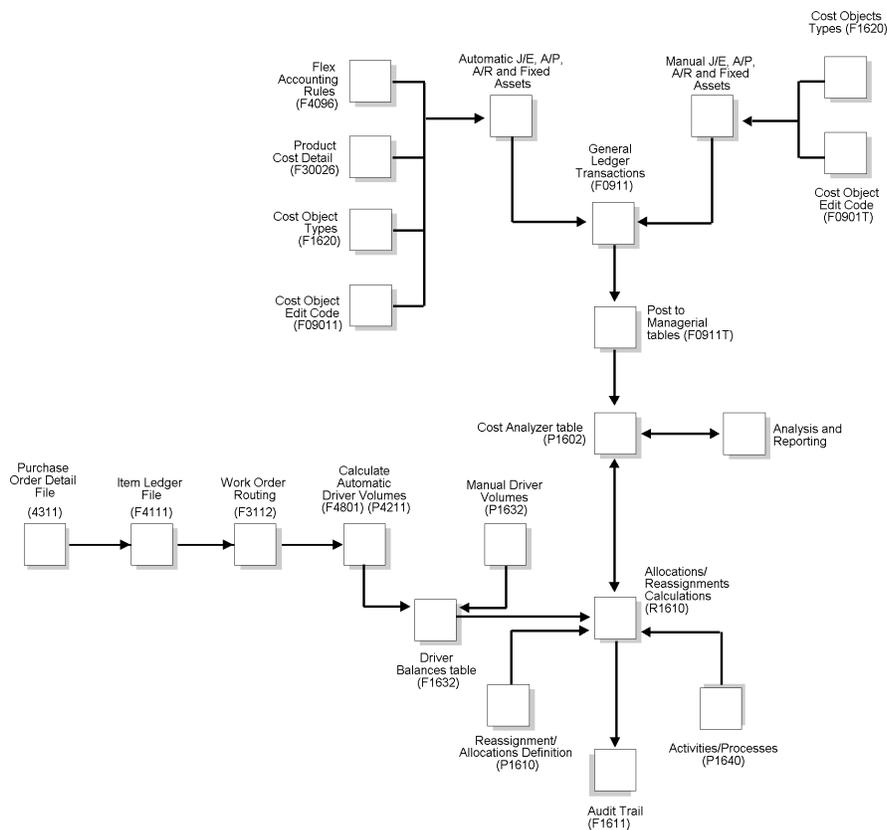
- Bicycle
- Bicycle accessory

Within the Distribution business unit, D30, the merchandise can incur royalty and warehouse costs, in addition to the initial cost. The business unit has adopted standard costs (inventory and sales method 7) to help track each of these cost components. Depending upon type, the bicycles and bags can contain the following cost components:

- Material, component type A1
- Royalty, component type X4
- Warehouse, component type X6

The company believes hidden costs exist in the procurement, manufacturing, and distribution cycles. Therefore, the company wants to determine the customer, product family, or marketing sales channel profitability, as well as internal process costs that are related to manufacturing its bicycles and various suppliers costs by supplier, product family, or marketing sales channel.

## Advanced Cost Accounting System Flow



# Setting Up Advanced Cost Accounting

The correct setup of the Advanced Cost Accounting system is critical to its success as a management decision-making tool. When Advanced Cost Accounting is set up correctly, you can track direct costs by creating “what if” scenarios to make sound business decisions that are based on actual data from existing integrated systems.

Use the Advanced Cost Accounting system to create detailed revenue and cost information by using general ledger transactions from the sales, financials, purchasing, manufacturing, and transportation systems, and the measure of demand on activities or resources (driver volumes) from sales and work order systems.

## Constants

To use the Advanced Cost Accounting system with your integrated system, you set up constants to specify how the system displays and processes information. When you set up constants, you specify the following information:

- Whether the system displays cost object fields
- Whether the system displays activity-based costing fields
- Whether the system displays details of product costs, such as revenues and cost of goods sold

## Cost Objects

A cost object is the final, or lowest, level at which the system calculates or tracks costs or revenues. For example, a cost object might be a customer or an item number. You must identify the object, set up the method by which the system tracks the costs, and define the AAIs and flex accounting rules to report on financial transactions for which you track costs or revenues.

Setting up cost objects allows you to define the kind of data that you want to analyze and how you want to analyze it. You can set up four user-defined cost object types and one cost object type that is defined in the Item Master table (F4101). Examples of cost object types include customers, suppliers, and product lines.

You use cost object types to gather information about costs or revenues. You can then use the information to determine how the costs affect your business, or the source of the revenue. For example, suppose you want to analyze the amount that you are spending on postage and freight by customer. You set up a cost object type for customers. Each time that freight or postage expense is paid for a customer, the customer’s address book number is used in the Cost Object field in the Accounts Payable system. The entry in the Cost Object field lets you track the freight and postage expenses for your customers.

You can define additional cost object types at any time. You should carefully consider the types of costs that you want to analyze to ensure the consistency of the data that you capture.

You can populate cost objects by using one of the following methods:

- AAIs and flex accounting rules set up for the Advanced Cost Accounting system for transactions in other systems, such as work orders, sales orders, and fixed assets
- Direct manual input into an accounting entry, such as accounts payable or general accounting
- Custom programming

## **Cost Object Edit Codes**

Cost object edit codes ensure that the user of the subsidiary systems uses the cost object types that are set up and defined by management. The consistent entry of data into the subsidiary systems maintains the integrity of the data that you gather to analyze.

When you set up and activate edit codes, the system enforces the rules that you set up for entering data into fields in the system, such as whether a cost object must be entered or if a field can be left blank. If you set up an edit code that requires a specific cost object, and the user does not enter a cost object for a transaction on accounts payable or other subsidiary systems, the user receives an error message.

## **Views**

Before you can review the results of calculations for either activity-based costing or managerial accounting, you must define views for the cost analyzer. Cost analyzer views allow you to post data to the Cost Analyzer Balances table (F1602) in a summarized or a detailed format.

Cost analyzer views allow you to look at data that the system summarizes differently in different years or for the same year. When you define a view, you specify the fiscal year and the fiscal date pattern for the data that you want to view. Additionally, you define the level of detail that you want to view, such as the ledger type, business unit of the data, and the cost objects.

## **Activities**

If you use the Advanced Cost Accounting system for activity-based costing, you can set up processes and activities to perform calculations. Activities are the tasks or events that occur in a business process. For example, routing invoices for approval would be an activity in the process of paying a supplier. For each process and activity, you can define the type of calculation, the sequence of steps in the calculation, the source of the balances, the basis for the calculations, and the destination of the results.

## **AAIs and Flex Accounting Rules**

Automatic Accounting Instructions (AAIs) are the links between your day-to-day functions, chart of accounts, and financial reports. Programs that post to specific general ledger accounts use AAIs to create the journal entries. If you want to analyze data by using detailed product costs, you must set up AAIs to create the journal entries that capture the detailed product costs.

The system uses the flex accounting rules that you set up to capture cost object information to complete the profitability management subledger and subledger type. The system provides a flexible format that allows you to determine the information that populates the subledgers. For example, you could create a format that includes the customer number, sales territory, product category, and product for each transaction.

## **Drivers**

A driver is a measure of demand on activities or resources that influence costs or revenue. You set up automatic driver definitions to specify the tables from which the system retrieves information to calculate volumes and quantities. You set up manual driver definitions so that the system can perform calculations on data that is not stored in the PeopleSoft systems.

## Cost Pools

Cost pools are groupings of cost elements. You set up cost pools so that you can collect data about similar costs, and use the combined costs in calculations.

For example, you could use cost pools to collect data about the labor costs that are associated with a particular business process, including regular pay, overtime pay, bonuses, and so on. By collecting all of the labor costs that are associated with the business process, you can compare the labor costs to the revenues associated with the process and determine if the labor costs for the process are in line with the profits generated.

## Prerequisite

- ❑ Review and set up the appropriate manufacturing AAIs. See *Reviewing Manufacturing AAIs* in the *Product Costing and Manufacturing Accounting Guide* for more information.

## See Also

- ❑ *User Defined Codes* in the *Foundation Guide* for more information about setting up user defined codes

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## Setting Up Constants

To use the ACA system in conjunction with your integrated system, you must indicate the parameters that the system uses to standardize information processing. You set up constants to indicate how the system should process information.

You must activate cost objects before using the costing features in the ACA system. You must activate additional features for activity-based costing and define whether the system uses total costs or detail product costs for each branch/plant. Branch/plant constants allow you to customize the daily transaction processes for each branch/plant in the manufacturing and distribution systems.

## Activating Cost Objects

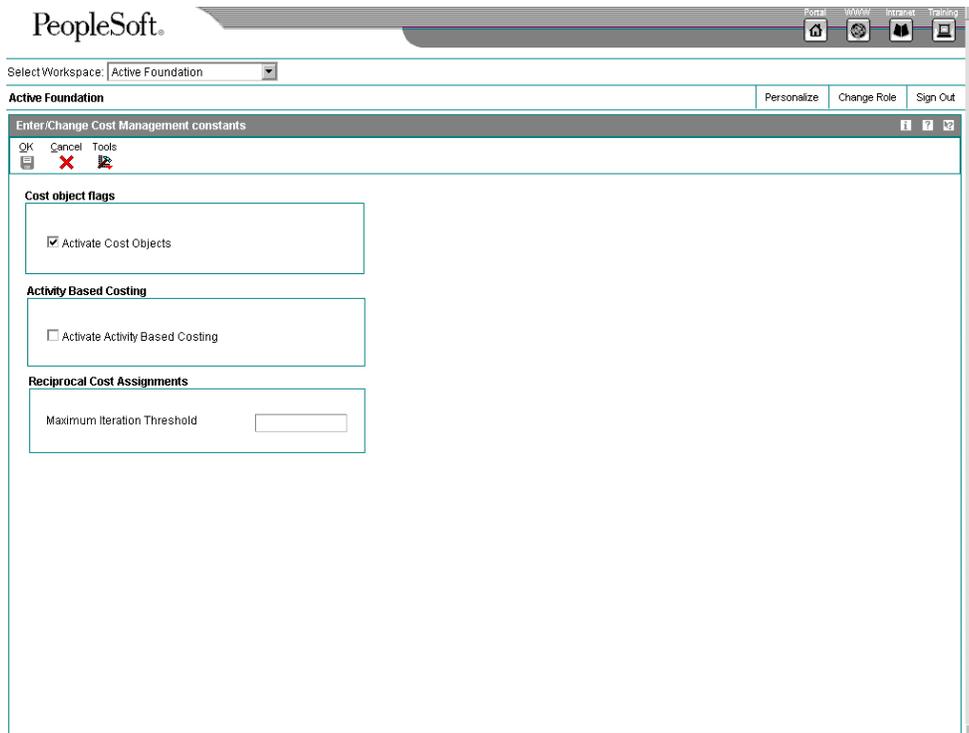
Use the Cost Management Constants program to activate features that are related to cost objects. The system displays additional fields for entering cost object information when you activate these features.

### ► To activate cost objects

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*From the System Setup menu (G1641), choose Cost Management Constants.*

On Enter/Change Cost Management constants, turn on the Activate Cost Objects option and click OK.



## Activating Activity-Based Costing

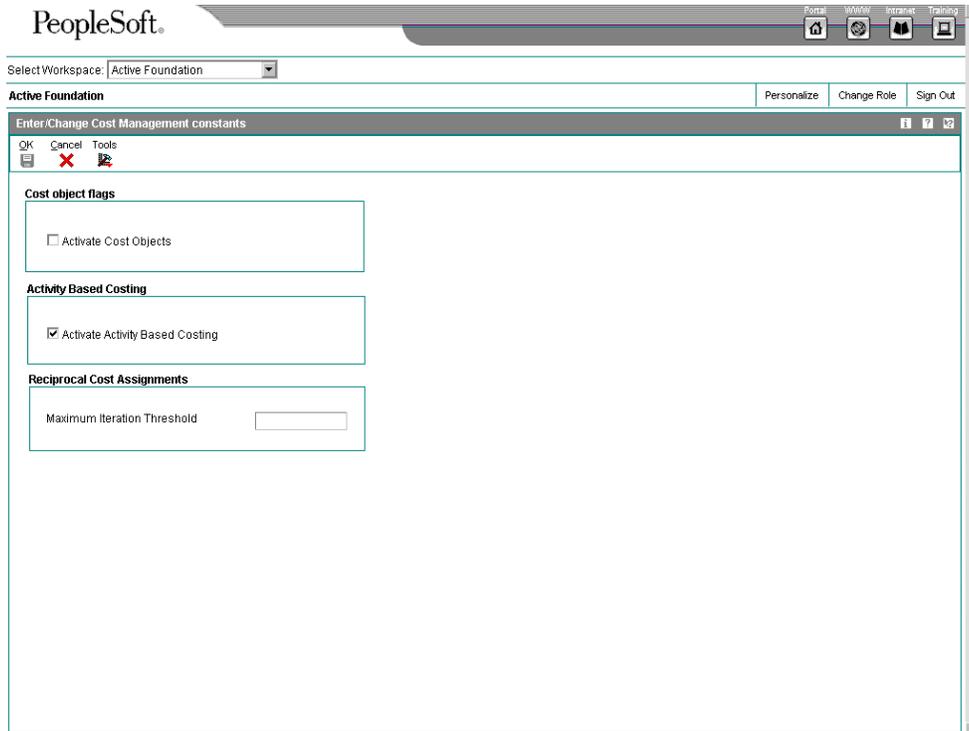
Use the Cost Management Constants program to specify whether to use activity-based costing. The system displays additional activity fields for activity-based costing in forms and reports.

### ► To activate activity-based costing

---

*From the System Setup menu (G1641), choose Cost Management Constants.*

1. On Enter/Change Cost Management constants, turn on the Activate Activity Based Costing option and click OK.



## Activating Detailed Product Costs

You use Flex Accounting rules to determine how to populate the cost object fields when creating automatic journal entries.

The system uses the following cost tables:

- F4105 (Item Cost File)
- F30026 (Item Cost Component Add-Ons)

### See Also

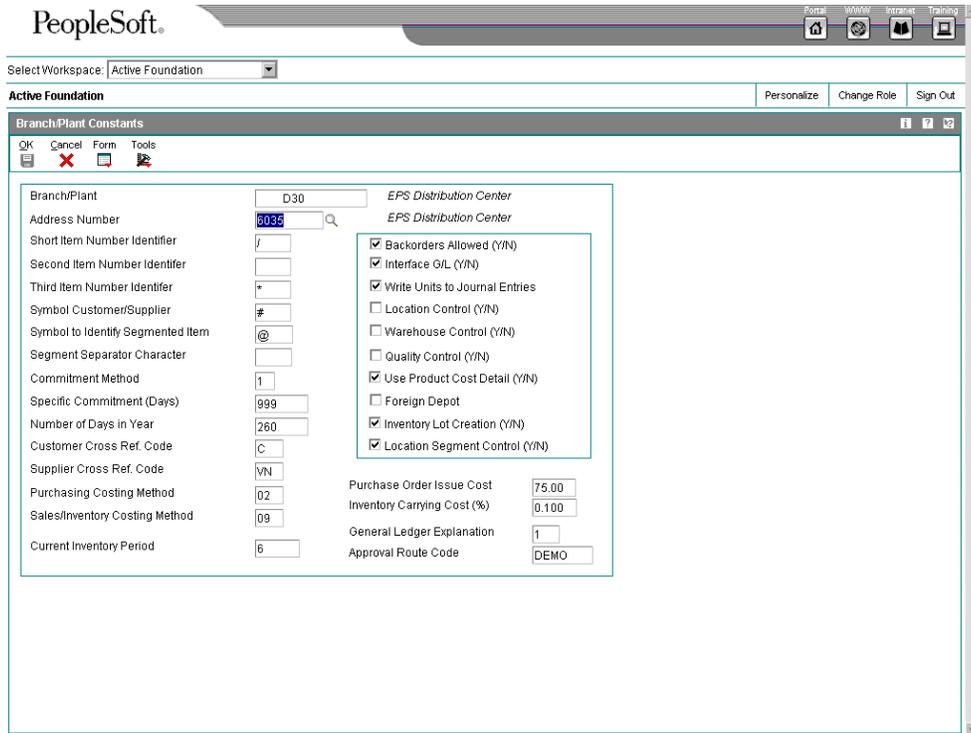
- ❑ *Setting Up Constants* in the *Inventory Management Guide* for information about branch/plant constants that affect other transactions

### ► To activate detailed product costs

---

*From the Inventory Setup menu (G4141), choose Branch/Plant Constants.*

1. On Work With Branch/Plant Constants, complete the following field and click Find:
  - Branch/Plant
2. On Work With Branch/Plant Constants, choose a record in the detail area and click Select.



3. On Branch/Plant Constants, click the following option to activate it, and then click OK:
  - Use Product Cost Detail (Y/N)

## Recording Variances at the Work Center Level

You must activate the Cost by Work Center constant in the Manufacturing Constants program (P3009) to record variances at the work center level.

To record a variance, the system uses a formula that includes a combination of standard, current, planned, actual, completed, and scrapped costs based on the type of variance. The following table shows the formula for each type of variance:

Type of Variance	Formula
Engineering	Standard – Current
Planned	Current – Planned
Actual	Planned – Actual
Other	Standard – (Completed + Scrapped)

### See Also

- *Manufacturing Variances* in the *Product Costing and Manufacturing Accounting Guide* for more information about identifying and working with variances in a manufacturing process

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## Setting Up Cost Object Edit Codes

When you set up cost object edit codes, you can include edit rules to edit your chart of accounts. A chart of accounts provides the structure for your general ledger accounts. It lists specific types of accounts, describes each account, and includes account numbers. A chart of accounts typically lists asset accounts first, followed by liability and capital accounts, and then revenue and expense accounts.

As part of creating your chart of accounts, you must define the length of the account segments. These segments are business unit.object.subsidiary. For the ACA system, you can also indicate edit codes for cost object fields for specific accounts. The cost object edit codes define whether an object is required, edited for validity, or used for a specific cost object value.

To use the product or catalog number, set up a cost object type for either the product number or catalog number. Then set up a cost object edit code, select Specific, and enter the cost object type as the option. Based on this setup, the account is specific to one cost object type.

---

### Note

After you revise your chart of accounts for cost object edit codes, you can copy the object and subsidiary accounts to other business units. When you revise your accounts to include cost object edit codes, the system copies the new edit code flags for the cost object fields to the new business unit.

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### Prerequisite

- ❑ Activate cost object tracking to access additional forms. See *Setting Up Constants* in the *Advanced Cost Accounting* Guide for more information.

### See Also

See the following topics in the *General Accounting Guide*:

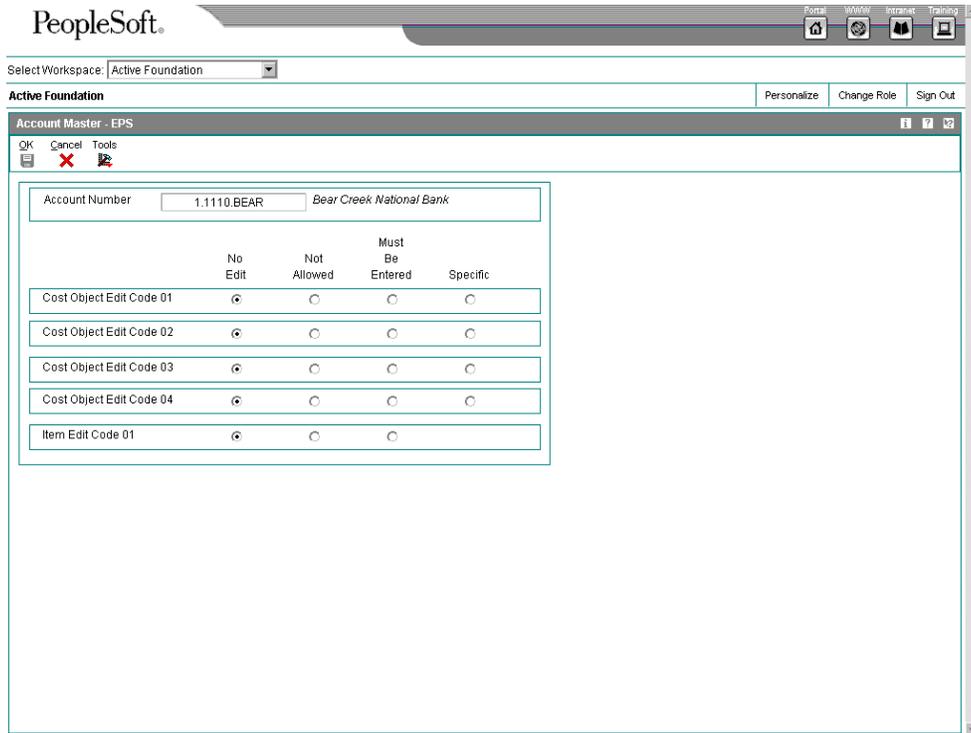
- ❑ *Creating Your Chart of Accounts*
- ❑ *Working With Subledgers*

### ► To set up cost object edit codes

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*From the Organization & Account Setup menu (G09411), choose Review and Revise Accounts.*

1. On Work With Accounts, click Find to locate the charts of accounts by company.
2. Choose a row, and then choose ACA from the Row menu.



3. On Account Master—ACA, choose one of the following options for each of the edit codes:
  - No Edit
  - Not Allowed
  - Must Be Entered
  - Specific (where you want to enter a specific cost object type)

If you choose Must Be Entered as the option for an Item Edit Code, the system uses the short item number. To use the second or third item number (product or catalog number), do not use the field Item Edit Code. Instead, define a cost object.

4. Click OK.

## Processing Options for Accounts by Business Unit (P0901)

### Security

Please enter a value of '1' in the corresponding field to protect the value of field(s) which contain the Legal Account information

Object:

Subsidiary

Category Code 21

Category Code 22

Category Code 23

# Setting Up Cost Object Types

A cost object is the lowest level at which costs or revenue are calculated or tracked. Cost object tracking allows you to assign daily transactions to their original cost objects. For example, if you decide to track information by customers, item numbers, and sales order numbers, each piece of information can be a cost object type.

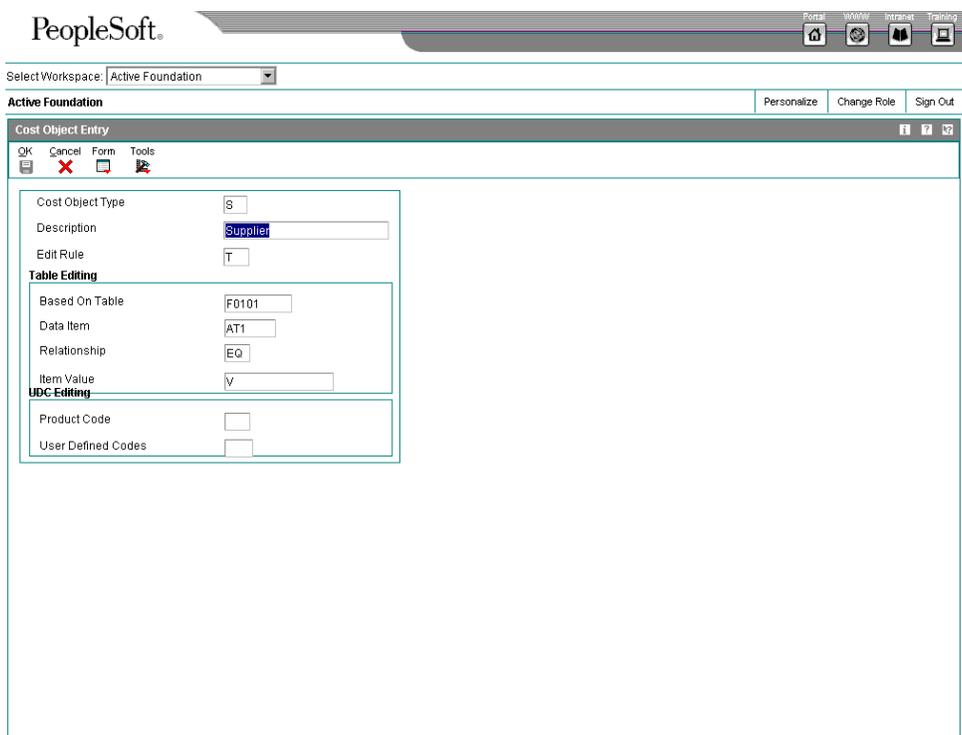
Set up editing rules for the system to validate transactions against cost object information such as journal entries for vouchers or invoices. Editing rules validate information on master tables such as the Address Book Master table (F0101) or user defined code tables. For example, if you track customers, you can set up a cost object type C, define the edit rule to compare the information in the cost object field against the Address Book Master, and verify that the search type information has a specific value. You can also use an editing rule to format information.

Use this program to set up user defined cost object types. The new cost object types can then be included in manual journal entries, vouchers, and invoices. You can also use the cost object types when setting up flex accounting rules and driver definitions. Fields on Cost Object Entry differ, based on which edit rule value you choose.

## ► To set up table-based cost object types

*From the System Setup menu (G1641), choose Cost Object Types.*

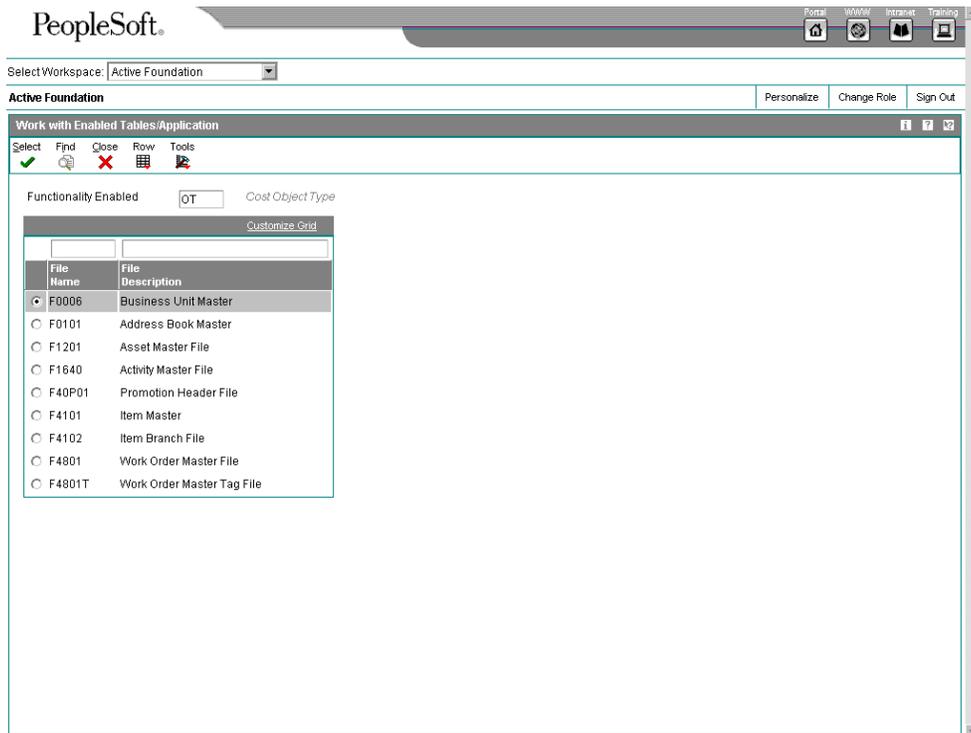
1. On Work With Cost Object Types, click Add.



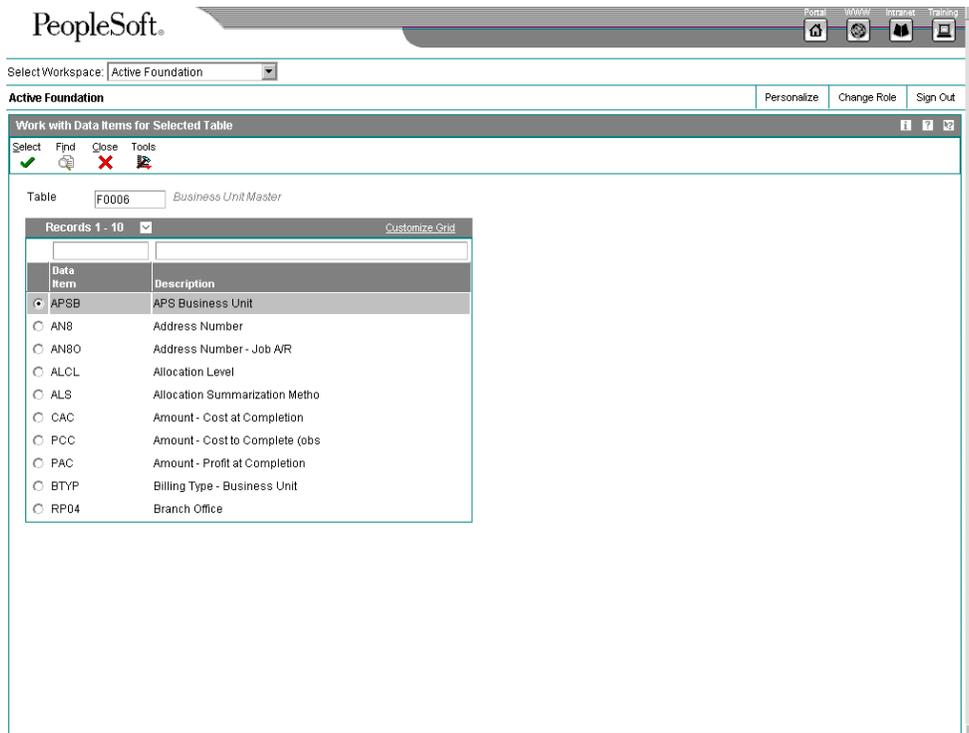
The screenshot shows the PeopleSoft web interface for setting up a cost object type. The browser window title is "PeopleSoft". The page header includes "Select Workspace: Active Foundation" and navigation links for "Personalize", "Change Role", and "Sign Out". The main form is titled "Cost Object Entry" and contains the following fields:

Cost Object Type	S
Description	Supplier
Edit Rule	T
<b>Table Editing</b>	
Based On Table	F0101
Data Item	AT1
Relationship	EQ
Item Value	V
<b>UDC Editing</b>	
Product Code	
User Defined Codes	

2. On Cost Object Entry, complete the following fields:
  - Cost Object Type
  - Description
  - Edit Rule
3. Complete the following field in the Table Editing area:
  - Based On Table
4. To choose a based-on table, choose Tables by Function from the Form menu.



5. On Work with Enabled Tables/Application, choose a record in the detail area, and then click Select.
6. On Cost Object Entry, choose Data Items by Table from the Form menu to select a data item within the based on table.



7. On Work with Data Items for Selected Table, choose a record in the detail area and click Select.

The system displays the values that you selected on the Work with Enabled Tables/Application form and the Work with Data Items for Selected Table form. The system displays these values for the Based on Table and Data Items fields on the Cost Object Entry form.

8. On Cost Object Entry, complete the following fields:
  - Relationship
  - Value
9. Click OK.

► **To set up user defined code-based cost object types**

*From the System Setup menu (G1641), choose Cost Object Types.*

1. On Work With Cost Object Types, click Add.

PeopleSoft®

Select Workspace: Active Foundation

Active Foundation Personalize Change Role Sign Out

Cost Object Entry

OK Cancel Form Tools

Cost Object Type WV

Description Work Order Types

Edit Rule U

**Table Editing**

Based On Table

Data Item

Relationship

Item Value

**UDC Editing**

Product Code 00

User Defined Codes TY

2. On Cost Object Entry, complete the following fields:

- Cost Object Type
- Description
- Edit Rule

The edit rule for a UDC table is U.

3. Complete the following fields in the UDC Editing area:

- Product Code
- User Defined Codes

4. Click OK.

► **To set up non-editing cost object types**

---

*From the System Setup menu (G1641), choose Cost Object Types.*

1. On Work With Cost Object Types, click Add.

2. On Cost Object Entry, complete the following fields:

- Cost Object Type
- Description
- Edit Rule

The screenshot shows the 'Cost Object Entry' form in the PeopleSoft Active Foundation workspace. The form includes the following fields and sections:

- Cost Object Type:** A dropdown menu.
- Description:** A text input field containing '2nd Item Number'.
- Edit Rule:** A dropdown menu with 'C' selected.
- Table Editing:** A section containing four input fields: 'Based On Table', 'Data Item', 'Relationship', and 'Item Value'.
- UDC Editing:** A section containing two input fields: 'Product Code' and 'User Defined Codes'.

The form has a toolbar at the top with buttons for 'OK', 'Cancel', 'Form', and 'Tools'. The workspace header shows 'Active Foundation' and navigation links for 'Personalize', 'Change Role', and 'Sign Out'.

3. Click OK.

---

## Setting Up AAIs by Cost Component

Automatic accounting instructions (AAIs) are the links between your day-to-day functions, chart of accounts, and financial reports. The system uses AAIs to determine how to distribute general ledger (G/L) entries that the system generates. For example, in the Sales Order Management system, AAIs indicate how to record the inventory, costs of goods sold (COGS), and revenue transactions when you sell an item to a customer. The system stores AAIs in the Distribution/Manufacturing - AAI Values table (F4095).

Programs that post to specific G/L accounts use AAIs to create journal entries. Create an AAI entry for each unique combination of company, transaction, document type, and G/L class. AAIs for manufacturing also use the cost type. The Advanced Cost Accounting (ACA) system allows you to separate the inventory and COGS accounts by cost component such as materials, labor, and overhead.

---

### Note

You must use the standard cost method (07) to calculate COGS for inventory and sales to capture detailed product cost information in the distribution system.

---

Although the ACA system uses all types of AAIs, the following information explains how to use AAIs for ACA within the distribution and manufacturing systems.

You define AAIs by a unique combination of company number, document type, and G/L class code. The system also uses a series of specific search steps to locate the correct AAI rule before creating the transactions for the journal entry. If the system cannot find an AAI rule, it returns an error message for the missing rule number for the transaction by company, document type, and G/L class code.

The following scenario illustrates how the system uses the search steps within the AAI rules:

- If the company number is 00001, the document type is SO, and the G/L class code is IN20, then the system first searches for a rule that is specific to company 00001 and a G/L class code of IN20.
- If a rule is not found, the system searches for a rule that is defined for company 00001 and a G/L class code of \*\*\*\*.
- If a rule is not found, the system searches for a rule that is defined for company 00000 and a G/L class code of IN20.
- If a rule is not found, the system searches for a rule that is defined for company 00000 and a G/L class code of \*\*\*\*.
- If a rule is not found, the system does not create the transaction, and you receive an error message that says the AAI rule is invalid because the rule is not defined.

You can also locate G/L class codes using inventory interface rules. Transactions originating in manufacturing and distribution use inventory interface rules by order line type. This information tells the system where to locate the G/L class code information. Then the G/L class code is used in the AAI to locate the corresponding AAI rule.

To locate the inventory interface rules information, use the Line Type Constants program (P40205). Each order line type contains a value for the inventory interface rule. The following list of valid values determines how the system locates the G/L class code information:

- Y and D use the G/L class code for the item using item branch/plant location
- N does not use the G/L class code because it has no inventory interface
- A uses the G/L class code for purchase price variances for the item by line type
- B uses the G/L class code for purchase price variances for the item using item branch/plant location

The system can create journal transactions using the AAIs for purchasing when a difference exists between receipted cost of an item and the actual cost of an item. The system uses this value for line types with a value of A or B as the value for inventory interface rule. The Voucher Match Variance Account field for the order line type must be checked if you want the system to create a journal entry for any cost differences using a cost variance AAI rule.

### See Also

- ❑ *Automatic Accounting Instructions* in the *General Accounting Guide* for more information about defining AAIs and the AAI search hierarchy
- ❑ *Working with Journal Entries for Voucher Transactions* in the *Procurement Guide* for information about reviewing the general ledger transactions created with vouchers

# AAIs for Detailed Product Costs

You can use only the following AAI for entries for branch/plants that use detail product costing:

- 4122 Provides the balance sheet inventory valuation account
- 4124 Produces the expense or cost-of-goods-sold account
- 4240 Credits the cost amount to an inventory account

## Prerequisite

- Verify that the Cost Type processing option for distribution AAI is active.

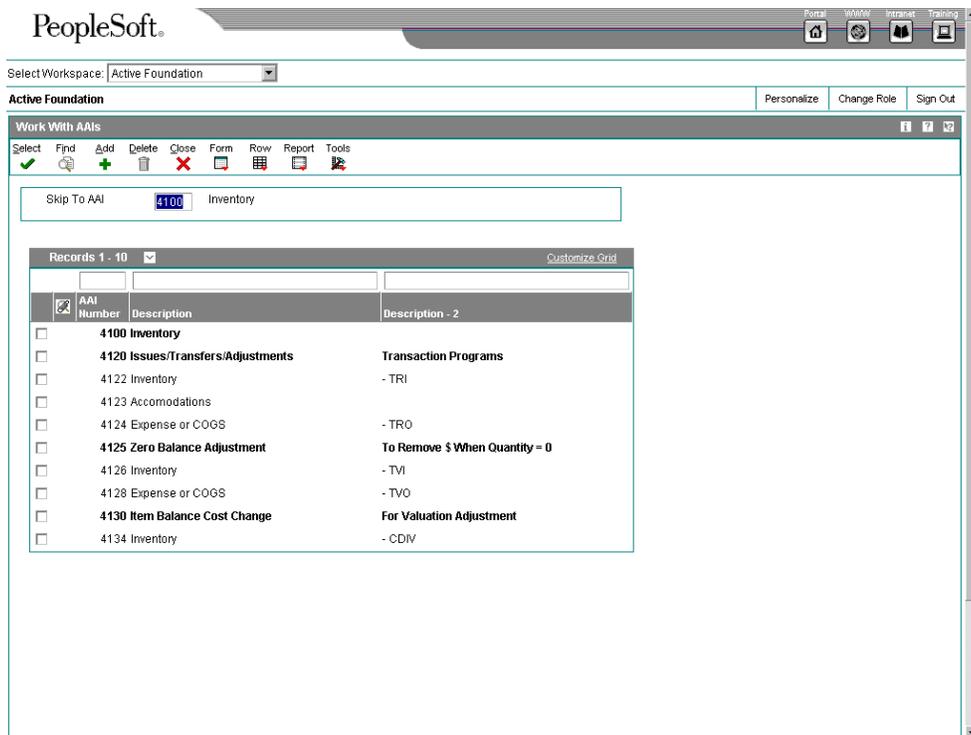
### ► To set up AAI by cost component

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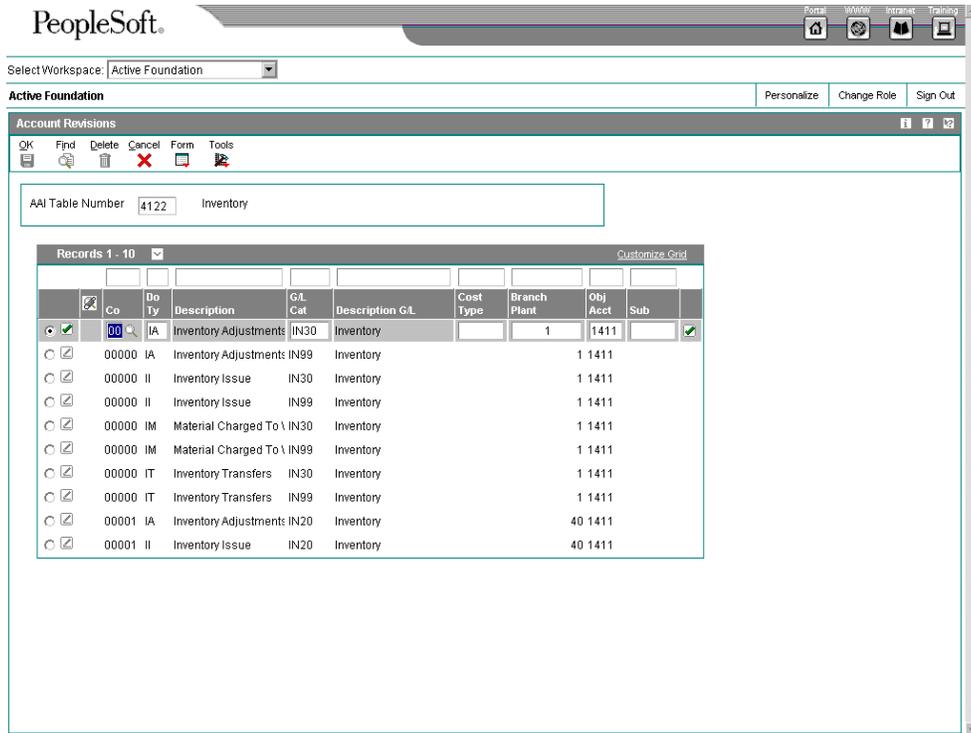
*From the Inventory Setup menu (G4141), choose Automatic Accounting Instr.*

1. On Work With AAI, complete the following field and click Find:

- Skip To AAI



2. Choose a record in the detail area and click Select.



3. On Account Revisions, complete the following fields:

- Co
- Do Ty
- G/L Cat
- Branch Plant
- Sub

4. Click OK.

### Processing Options for Distribution AAI's (P40950)

#### Defaults

#### AAI Table Number

Enter a '1' if the cost type field should be available to Distribution AAI tables listed below: 4122, 4124, 4134, 4136, 4220, 4240 and 4310.

---

## Setting Up Flex Accounting

You use flex accounting to define how you capture cost object information to complete the profitability management subledger and subledger type. The flexible format allows you to define rules to determine which fields populate which subledgers. For example, you might use a format that includes customer number, sales territory, product category, and product.

The standard PeopleSoft EnterpriseOne account structure is formatted with the following segments:

- Business unit
- Object account
- Subsidiary account
- Subledger
- Cost Object 1
- Cost Object 2
- Cost Object 3
- Cost Object 4
- Item

Flexible format accounts have the same segments. The length of all segments cannot exceed 90 characters. Each segment of the flexible format account has a character limit, as follows:

<b>Business unit</b>	12 characters
<b>Object account</b>	6 characters
<b>Subsidiary account</b>	8 characters
<b>Subledger</b>	8 characters
<b>Cost object 1–4</b>	12 characters
<b>Item</b>	8 characters

To create a flexible account number, you must define one or more of these segments. To do this, associate one or more pieces of information with each segment. Each piece of information is associated with a field and is stored in one of the tables that you access from the Row menu on the Flexible Sales Account Revisions form. Cost objects 1–4 require you to enter a value in the Type field. These values are defined in the Cost Object Types program (P1620). In addition, you are required to define which cost object you are associating with the flexible rule in the Cost Object column.

To associate information with a segment, you must know the data item name that PeopleSoft has defined for the corresponding field in the table.

You cannot define an object segment. You must define the object account through AAIs.

The subledgers are not visible online but are stored in the Account Ledger table (F0911).

You activate flexible sales accounting through a processing option in the Sales Update program (R42800).

## Rules for Defining a Flexible Format

You can define only one subledger type for each cost object. Consider the following rules about flexible account numbers when you define flexible formats:

- Each piece of information that you associate with a segment corresponds to a PeopleSoft field. Each of these fields is hard-coded in a user defined code table that you access from the Enabled Functionality by Application program (P1690). You can view both the tables and the valid fields for flexible rules. To use a field that is not included in these tables, you must use custom programming.
- You can define a flexible accounting rule only for applications that have been flex-enabled. You can view these programs using the Cost Object Rule Setup Method program (P1691).
- When the system searches for an account for an AAI, it searches the Sales Flex Accounting table (F4096), as follows:
  - The system checks for a flexible account number that has been defined for a specific AAI and a specific company.
  - If no account has been defined for a specific AAI and a specific company, the system checks for an account that has been defined for a specific AAI and company 00000.

## How to Determine Account Information

When you process a transaction that requires the system to record information to the general ledger, the system searches for flexible account information only if you have set up the appropriate processing options in the appropriate update program.

## Enabling Flex Accounting

To enable flex accounting rules in a specific program, complete the appropriate processing options in that program that correspond to flex accounting. Use the Cost Object Rules Setup Method program (P1691) to display the programs that are enabled for flex accounting.

### ► To set up flex accounting

---

*From the Sales Order Management Setup menu (G4241), choose Flexible Sales Accounting.*

1. On Work With Flexible Sales Accounts, click Add.
2. On Flexible Sales Account Revisions, complete the following fields:
  - AAI Table Number
  - Company
  - Document Type
3. To associate a flex rule with the item subledger, enter an X in the Item column.

4. To associate the flexible segment to the standard format segment, complete the following fields:
  - Cost Object
  - Cost Type
5. To associate a table with a segment, complete the following field (required):
  - File Name
6. To associate the data item with this segment, complete the following field (required):
  - Data Item
7. Complete the following field if the data item that you entered is a field that is stored in the Address Book Master table, and click OK:
  - Data Type

---

## Setting Up Cost Analyzer Views

You can define the information that is posted to the Cost Analyzer Balances table (F1602) to summarize G/L transaction information. Views are uniquely defined by using a combination of a view number, fiscal year, and date pattern code. For example, if you define a view to identify profitability by customer for the fiscal year 2005 and assign view number 1 with a fiscal date pattern code R, you cannot define a second view as 1 for 2005 with a fiscal date pattern of R.

The following rules apply to Cost Analyzer views:

- Each fiscal year can have a maximum of ten view definitions.
- Valid view numbers can be between one and ten.
- You cannot have duplicate view definitions (that is, two identical view numbers for the same fiscal year).
- Each view must contain a valid date pattern code.

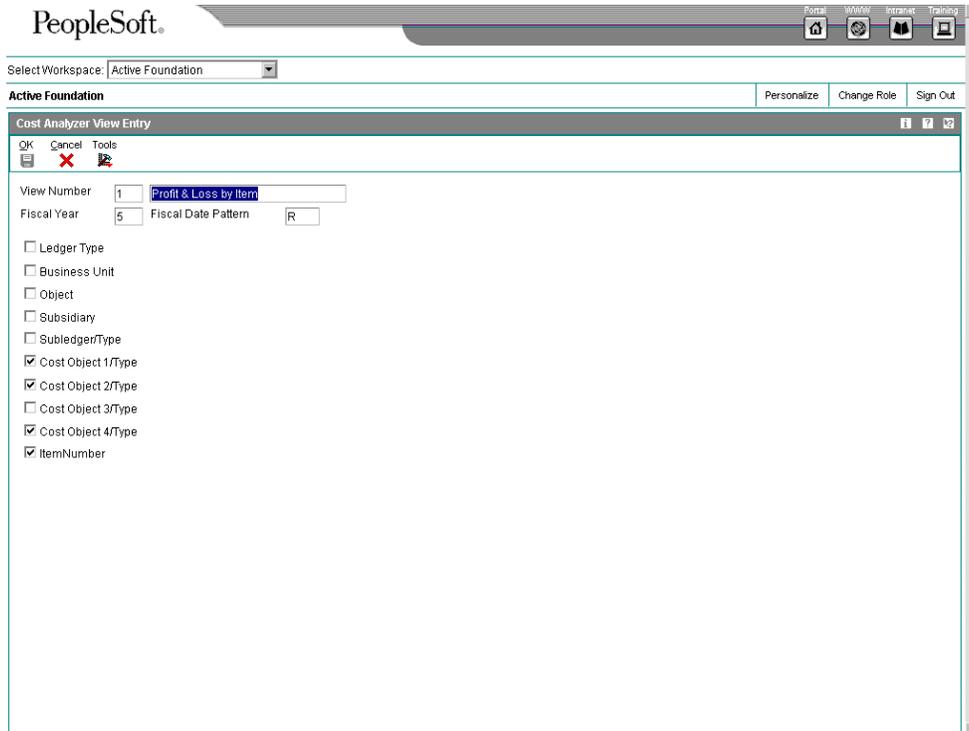
After you post transactions to a particular view and fiscal year, you can make changes to the view definition only by purging the posted information and regenerating it.

### ► To set up cost analyzer views

---

*From the Cost Analyzer menu (G1612), choose Cost Analyzer View Setup.*

1. On Work With Cost Analyzer Views, click Add.
2. On Cost Analyzer View Entry, complete the following fields:
  - View Number
  - Description
  - Fiscal Year
  - Fiscal Date Pattern



3. Based on your selected view, turn on any of the following options, complete any of the corresponding fields, as necessary, and then click OK:

- Summarize Ledger Type
- Summarize Business Unit
- Summarize Object
- Summarize Subsidiary
- Summarize Subledger/Type
- Summarize Cost Object 1/Type
- Summarize Cost Object 2/Type
- Summarize Cost Object 3/Type
- Summarize Cost Object 4/Type
- Summarize Item Number

---

#### Note

These options allow you to control the level of detail that you want to view. When you turn on an option, the detail for the corresponding option is not included in the view. The system does not include any transactions that are related to options that are turned on.

---

The system creates a new record in the Cost Analyzer Balances table (F1602) whenever the option value changes. Otherwise, the system creates one balance record in the Cost Analyzer Balances table for each transaction that originates from the Account Ledger table (F0911).

# Setting Up Profit Management User Defined Codes

*From the Profit Management User Defined Codes menu (G16411), choose an option.*

Before you can use the features of the Advanced Cost Accounting (ACA) system, you need to define the critical information that the system uses for processing.

Many fields throughout the ACA system require user defined codes. You can customize fields in your system by setting up user defined codes to meet the needs of your organization.

The User Defined Codes program (P0004A) allows you to establish and maintain a table that defines valid codes for various types of information. Codes are categorized by system and code type.

The ACA system uses the following user defined codes:

<b>Driver Category Codes</b>	<p>You can set up drivers to identify the cause of a process or how costs are assigned. Use the following user defined code tables to set up category codes for drivers:</p> <ul style="list-style-type: none"> <li>• 16/01</li> <li>• 16/02</li> <li>• 16/03</li> <li>• 16/04</li> <li>• 16/05</li> </ul>
<b>Activity Attributes</b>	<p>If you use activity-based costing, you must set up activities. An activity is an aggregation of actions that are performed within your organization. Use the following user defined code tables to define attributes for activities:</p> <ul style="list-style-type: none"> <li>• 16/06</li> <li>• 16/07</li> <li>• 16/08</li> <li>• 16/09</li> <li>• 16/10</li> </ul>
<b>Activity Category Codes</b>	<p>If you use activity-based costing, you must set up activities. An activity is an aggregation of actions that are performed within your organization. Use the following user defined code table to group your activities by category code:</p> <ul style="list-style-type: none"> <li>• 16/11</li> <li>• 16/12</li> <li>• 16/13</li> <li>• 16/14</li> <li>• 16/15</li> </ul>
<b>Cost Pools</b> (16/CP)	<p>Set up cost pools to identify groupings for cost elements that have a common driver.</p>
<b>Cost Object Types</b> (00/ST)	<p>A cost object is the final level at which costs or revenues are calculated or tracked. Set up a cost object to identify the type of managerial analysis.</p>

<b>Edit Rules</b>  <b>(16/ER)</b>	<p>When you enter cost objects, you can use a value from this table to identify a rule, which determines how the system edits or formats a cost object.</p> <p><b>Caution</b> PeopleSoft EnterpriseOne has predefined values for this user defined code table. If you change the values, unpredictable results might occur.</p>
<b>Cost Object Rules Setup Method</b>  <b>(16/SM)</b>	<p>When you enter a cost object edit rule, you must specify the method by which the system edits or formats a cost object.</p> <p><b>Caution</b> PeopleSoft EnterpriseOne has predefined values for this user defined code table. If you change the values, unpredictable results might occur.</p>
<b>Cost Management Method</b>  <b>(16/TF)</b>	<p>You can set up the functionality type in the user defined code (16/TF) and the enabled tables in the Enabled Functionality by Application program (P1690).</p> <p><b>Caution</b> PeopleSoft EnterpriseOne has predefined values for this user defined code table. If you change the values, unpredictable results might occur.</p>
<b>Driver Calculation Method</b>  <b>(16/CM)</b>	<p>When you set up drivers, you can define how the system reassigns costs to activities. Use this user defined code table to identify whether the system calculates the driver automatically or manually.</p> <p><b>Caution</b> PeopleSoft EnterpriseOne has predefined values for this user defined code table. If you change the values, unpredictable results might occur.</p>
<b>Driver Result Type</b>  <b>(16/RT)</b>	<p>When you set up a driver calculation method, use this table to identify the resulting volume type, such as number of transactions or amount.</p> <p><b>Caution</b> PeopleSoft EnterpriseOne has predefined values for this user defined code table. If you change the values, unpredictable results might occur.</p>

**See Also**

- *User Defined Codes* in the *Foundation Guide* for more information about setting up user defined codes

## Understanding Cost Pools

In addition to user defined codes for activities and drivers, you can set up cost pools. A cost pool is a grouping of cost elements. When you set up rates, you can assign drivers or activities to a single cost pool. For example, you can create a cost pool called personnel expenses by aggregating all personnel-related costs, such as salaries, overtime, benefits and so on; and the driver could be man-hours invested in each activity.

You can create alternate approaches to cost pools based on your business needs, such as:

- You can specify original G/L accounts as the FROM (source) of the cost assignment definition. In this example, all of the accounts should have a common driver.
- Use account category codes to link accounts that correspond to the same cost pool. Then when you define your cost assignment, the FROM definition is the category codes group, which equals the cost pool. For example, you could set up an account category code group for personnel expenses (PE) and building related costs (BL). In the Account Master table (F0901), you can assign the category codes to the appropriate accounts and, in this way, group your accounts to different cost pools.
- You can create a specific account for cost pools, and then, using a cost assignment, move balances from the original accounts to the account that you set up specifically for the aggregate total of the cost pool expenses.

## **Processing Options for User Defined Codes (P0004A)**

### **Defaults Tab**

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#### **1. Enter the desired System Code:**

Use this processing option to enter a user defined code (98/SY) that identifies a PeopleSoft EnterpriseOne system.

#### **2. Enter the desired Record Type:**

Use this processing option to specify a default user defined code (UDC). You should enter only appropriate UDCs that belong to the product code that you entered in the Enter the Desired System Code processing option.

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# Cost Object Tracking

Cost object tracking is the most critical part of ACA. If costs are not monitored in detail, information is not available for managerial accounting and activity-based costing. Every transaction that is applicable to a specific customer, product, item number, or other criteria must have the appropriate cost object value.

To facilitate cost object tracking, the cost management constant for activating cost objects must be turned on. This setting opens additional fields for the five different cost objects that are available in ACA and enables transactions to be entered with cost objects attached. Cost object edits are also important to cost object tracking. If cost object edits are not set up properly, the resulting output might be unpredictable.

For example, ABC Company wants to know the profitability of individual product lines. Using ACA, the company can set up a cost object for product lines, and track costs and revenues that are associated with each specific product. It can also allocate indirect costs that are based on a business driver, such as warehouse square footage. Profitability by product can be obtained because all of the costs and revenues have been accounted for at the product level.

You can capture cost object information when you enter transactions in multiple systems, such as purchase orders, receipts, invoices, and so on. When you create journal entries, you can update, verify, and post cost object information. These transactions can be used in managerial accounting or activity-based costing through the Cost Analyzer table. This step is, perhaps, the most important step in the cost management cycle because the system updates the records with cost object information in the other systems with which it interfaces, such as the Accounts Receivable and Inventory Management systems.

## See Also

- *Creating Journal Entries in the Product Costing and Manufacturing Accounting Guide*

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## Calculating and Managing a Project Budget

Using the Advanced Cost Accounting system, you can calculate project budgets and then compare them with actual costs and expenses to determine whether a project is on budget. By breaking down costs by cost object, you can determine which parts of a project meet budgetary requirements and which are over or under budget. You can then make more informed decisions about future production, such as where to add resources or where to reduce them. You might also determine that you need to adjust the cost structure of your manufacturing process.

For example, when you analyze cost objects, you might determine that you are exceeding the budget for materials that you use to manufacture a bicycle. You could find new suppliers to provide the materials at a lower cost to bring costs to the amount that you budgeted. Alternatively, you could conclude that while the materials are over budget, the personnel costs are under budget and you do not need to make any adjustments. Using the information gathered from your analysis of the cost objects, you can more effectively manage the budgets for your projects.

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## Tracking Purchase Price Variances by Cost Object and Component

The Advanced Cost Accounting system uses data from the Procurement system to track purchase price variances by cost object and component.

The item master record contains the unit cost of each component that you purchase to use in the manufacturing process. You can use the unit cost of components from an item master record to determine the purchase price of cost objects. After you determine the purchase prices of cost objects, you can follow fluctuations in those prices over time. You can analyze the cost objects to locate the components that contribute to the variance, and thereby make more informed purchasing decisions.

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## Freight Cost Management

The transportation of materials to manufacturing facilities and the distribution of goods to customers are the largest costs incurred by manufacturing and distribution companies. Managing those costs effectively is critical to the profitability of those companies.

You assign freight costs to cost objects to perform profitability analysis, which provides management with the information needed to make freight-related decisions.

Freight cost management is a three-step process:

1. Assign freight costs to cost objects
2. Track freight variance by cost object
3. Add freight costs to sales orders

### Assign Freight Costs to Cost Objects

Freight costs are either billed by the supplier or incurred by the distributor. Using the Advanced Cost Accounting system, you can assign the freight costs to the cost object. After you record the freight costs, you can track the freight costs associated with cost objects, such as the freight costs for a particular model of bicycle.

### Track Freight Variance by Cost Object

After a voucher is entered in the Transportation system, you can match the voucher amount to outstanding shipping charges using the Match Voucher to Open Freight program (P0411). If the amounts on the voucher that you entered and the amounts on the invoice that you receive from the supplier are not the same, you can enter an adjustment for the freight variance using the Work with Freight Audit History program (P4981).

After you enter the adjustment, the system writes the adjustment record to the Freight Audit History table (F4981), which you then post to the Account Ledger table (F0911). The Voucher Match program (P4314) retrieves the adjustment records to create vouchers in the Accounts Payable system.

## Add Freight Costs to Sales Orders

When you sell an object, you might charge a freight cost to ship the object to the customer. You add freight costs to sales orders to determine the actual costs of providing goods to customers. When you define a cost driver for freight costs, you base the driver on the F4981 table.

### See Also

- ❑ *Adjusting the Freight Audit History* in the *Transportation Management Guide* for information about recording freight charges in the transportation system
- ❑ *Allocating Freight Costs by Item for Outbound Transactions* in the *Transportation Management Guide* for information about allocating different types of freight charges

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## Cost Object Tracking in General Accounting

The General Accounting system ensures that all information is fully integrated into the general ledger. In turn, the general ledger provides flexible and accurate financial reporting. Typically, you generate transactions, such as invoices, vouchers, receipts, and payments, using other PeopleSoft systems. However, you can also enter transactions directly by using the General Accounting system.

## Entering Cost Object Information in G/L Journal Entries

You can use basic journal entries to enter many types of transactions. When you enter a journal entry to a ledger type that is required to balance, the debit and credit amounts must balance.

For each journal entry, you must enter information to identify it in the system, such as the date that the journal entry affects the general ledger.

When you complete a journal entry, the system displays the assigned batch and document numbers. You can use these numbers to locate and review a journal entry. The system assigns batch and document numbers from the Next Numbers function.

### ► To enter cost object information in G/L journal entries

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*From the Journal Entry, Reports, & Inquiries menu (G0911), choose Journal Entry.*

1. On Work With Journal Entries, click Add to access Journal Entry.

If you are using batch control, the Batch Control form appears. In that case, enter the date and expected totals.

2. On Journal Entry, complete the steps to enter a journal entry.
3. To enter cost object information, complete the following fields, and then click OK:
  - C T 1
  - Cost Object 1
  - C T 2
  - Cost Object 2
  - C T 3

- Cost Object 3
- C T 4
- Cost Object 4
- Item Number
- Item Description

### See Also

- *Entering Journal Entries* in the *General Accounting Guide* for information about how to enter a journal entry

## Processing Options for Journal Entries (P0911)

### Defaults Tab

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#### 1. Batch Type

**Blank = \***

**Enter a valid value from the UDC 98/IT or blank will default \* for all batch types.**

Use this processing option to specify the system and type of entries the batch produces. Examples of batch types include G for General Accounting, V for Voucher Entry, and IB for Invoices. If you leave this field blank, the system processes all batch types.

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### Display Tab

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#### 1. Debit/Credit Format

**Blank = No Debit/Credit Format**

**1 = Debit/Credit format**

Use this processing option to specify whether to display journal entries in a Debit or Credit format .

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## Versions Tab

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### 1. Journal Entry MBF Version (P0900049)

**Blank = ZJDE0001**

Use this processing option to specify a version of the Journal Entry program (P0911) for processing. If you leave this processing option blank, the standard journal entry version is used.

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## Edits Tab

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### 1. Fixed Asset ID

**Blank = Fixed Asset ID not required in entry**

**1 = Fixed Asset ID is required in entry**

Use this processing option to specify whether to require an Asset ID if an account is in the AAI asset account range.

Valid values are:

Blank

Do not require an Asset ID in the journal entry.

1

Require an Asset ID in the journal entry.

---

## Updating Cost Object Information in the General Ledger

After you review and approve a batch of journal entries, you can use the Post General Ledger (Pre-Post) program to edit and post each type of transaction. This program also edits transaction batches for the Account Ledger table (F0911) and updates the batch status to allow the system to post transactions to the Account Balances table (F0902). If any errors occur during editing, the system assigns an error status to the batch and does not post it.

When you post journal entries, the system copies the edit code flags for cost objects when you create accounts dynamically.

The system performs the following tasks:

- Selects unposted and approved batches that match the criteria that is specified in the data selection
- Edits each transaction to determine whether:
  - 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.
  - The intercompany setup is correct (if required).
  - Multicurrency is set up for intercompany transactions.
- Edits each batch to ensure that it is in balance and approved
- Sends electronic mail messages for transactions that are in error and batches that do not balance
- Prints a Post Detail Error Report if the batch does not balance
- Places an entire batch in error if any transactions are in error
- Creates offsetting entries by date of transaction
- Posts transactions to the Account Balances table
- Updates posted transactions with a G/L posted code in the Account Ledger table and creates records for the balances in the Account Balances table
- Updates the status of each posted batch in the Batch Control Records table (F0011)
- Posts the domestic amounts to the Actual Amount (AA) Ledger, and if applicable, the foreign amount to the Currency Amount (CA) Ledger
- Performs intercompany settlements, if applicable
- Creates reversing entries, if applicable
- Prints the General Ledger Post Report

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## **Cost Object Tracking in Accounts Receivable**

With the Accounts Receivable system, you can streamline the day-to-day functions of your entire Accounts Receivable department. You can simplify and accelerate the process of applying receipts; and provide up-to-date information that improves communication among your billing, credit, and collections departments. Additionally, you can review or enter cost object information when you enter multiple types of invoices and capture relevant information for managerial accounting or activity-based costing.

### **Entering Cost Object Information in Standard Invoices**

Invoice entry provides the features and flexibility that are required to enter manual invoices for customers. Typically, you create an invoice in the Sales Order Management system, but you can enter an invoice before you receive payment from the customer.

### ► **To enter cost object information in standard invoices**

---

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

1. On Work with Customer Ledger Inquiry, click Add.
2. On Standard Invoice Entry, complete the steps to enter a standard invoice.
3. On G/L Distribution, complete the cost object information and click OK:
  - Object Type 1
  - Cost Object 1
  - Object Type 2
  - Cost Object 2
  - Object Type 3
  - Cost Object 3
  - Object Type 4
  - Cost Object 4
  - Item Number

#### **See Also**

- *Standard Invoice Entry* in the *Accounts Receivable Guide* for information about how to enter invoices

## **Entering Cost Object Information in 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 that includes a single due date and a single tax rate area
- Simple accounting instructions

As with standard invoices, speed invoice information is stored in the following tables:

- Customer Ledger (F03B11)
- Account Ledger (F0911)
- Batch Control Records (F0011)

You can enter cost object information when you enter speed invoices. If you enter cost objects, the system verifies the cost object type and the cost object edit code that you defined in the Account Master table (F0901). If you enter an item, the system edits cost object information against the Item Master table (F4101) only if you have installed the Inventory Management system.

### ► **To enter cost object information in speed invoices**

---

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

1. On Speed Invoice Entry, complete the steps to enter speed invoices.

2. To enter cost object information, complete the following fields and click OK:

- Object Type 1
- Cost Object 1
- Object Type 2
- Cost Object 2
- Object Type 3
- Cost Object 3
- Object Type 4
- Cost Object 4
- Item Number

**See Also**

- *Entering Speed Invoices* in the *Accounts Receivable Guide* for information about how to enter invoices using the Speed Invoice Entry program (P03B11SI)

## Entering Cost Object Information for 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. When you are ready to process your batch invoices, run the Batch Invoice Processor program (R03B11Z1A). The system processes batch invoices in proof or final mode.

<b>Proof mode</b>	In proof mode, the system: <ul style="list-style-type: none"><li>• Verifies the data</li><li>• Produces a report</li><li>• Verifies cost object information</li></ul>
<b>Final mode</b>	In final mode, the system: <ul style="list-style-type: none"><li>• Creates invoices in the Customer Ledger table (F03B11) and associated journal entries in the Account Ledger table (F0911)</li><li>• Assigns document and batch numbers</li><li>• Supplies the information that you left blank</li><li>• Edits invoice entries for errors</li><li>• Produces an exceptions report</li><li>• Verifies cost object information</li></ul>

After you process batch invoices, review your electronic mail for error messages. You can access A/R forms from these error messages. Use the forms to locate the problems and correct them interactively. If no errors exist, the system produces a report of all of the processed transactions.

If you find an error in a batch invoice, correct it before processing the batch invoices in final mode. If the source of the invoice is not a PeopleSoft system, you should purge the records before you transmit the corrected invoice, which prevents duplicate records.

You can enter cost object information when you enter invoices. If cost object information is found in batch invoice processing, the system verifies the cost object type and the cost object edit code that you defined in the Account Master table (F0901). If you enter an item, the system edits cost object information against the Item Master table (F4101) only if you have installed the Inventory Management system.

After processing batch invoices, post them to the General Ledger and Cost Analyzer.

## Entering Cost Object Information for Recurring Invoices

To bill a customer the same amount on a regular basis, enter a recurring invoice. When you enter recurring invoices, the system assigns a document type of RR to the invoice.

You can enter cost object information when you enter an invoice. For a recurring invoice, the system copies the cost object type, cost object edit code, and item field to the recurring invoice. The system verifies the cost object type and the cost object edit code that you defined in the Account Master table (F0901). For each item, the system edits cost object information against the Item Master table (F4101) only if you have installed the Inventory Management system.

### ► To enter cost object information for recurring invoices

---

*From the Other Invoice Entry Methods menu (G03B111), choose Standard Invoice Entry.*

1. On Work with Customer Ledger Inquiry, complete the steps to enter a recurring invoice.
2. On G/L Distribution, complete the cost object information and click OK:
  - Object Type 1
  - Cost Object 1
  - Object Type 2
  - Cost Object 2
  - Object Type 3
  - Cost Object 3
  - Object Type 4
  - Cost Object 4
  - Item Number

### See Also

- *Entering Recurring Invoices* in the *Accounts Receivable Guide* for information about how to enter invoices that recur

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## Cost Object Tracking in Accounts Payable

With the Accounts Payable system, you can streamline the day-to-day functions of your accounts payable department, and you can improve communication and reporting among your personnel. Additionally, you can enter cost object information when you enter multiple types of vouchers, and capture relevant information for managerial accounting or activity-based costing.

## Entering Cost Object Information on Standard Vouchers

Standard vouchers provide the most features and flexibility when you enter vouchers for your suppliers' invoices. When you change, delete, or void vouchers, use standard voucher entry. When you complete a voucher, the system displays the assigned document type and document number. You can use this information to locate and review a voucher.

The system assigns a batch type of V for vouchers. When you enter a standard voucher, the system marks it as unposted and adds it to the Account Ledger (F0911) and Accounts Payable Ledger (F0411) tables. When you post it, the system updates the Account Balances table (F0902), and marks the voucher as posted in the Account Ledger and Accounts Payable Ledger tables.

You can enter cost object information when you enter a standard voucher. If you enter cost objects, the system verifies the cost object type and the cost object edit code that you defined in the Account Master table (F0901). If you enter an item, the system edits cost object information against the Item Master table (F4101) only if you have installed the Inventory Management system.

### ► To enter cost object information on standard vouchers

---

*From the Supplier & Voucher Entry menu (G0411), choose Standard Voucher Entry.*

1. On Supplier Ledger Inquiry, click Add.
2. On Enter Voucher - Payment Information, complete the steps to enter standard voucher information.
3. On G/L Distribution, complete the following fields and click OK:
  - Object Type 1
  - Cost Object 1
  - Object Type 2
  - Cost Object 2
  - Object Type 3
  - Cost Object 3
  - Object Type 4
  - Cost Object 4
  - Item Number

### See Also

- *Entering Vouchers* in the *Accounts Payable Guide* for information about how to enter voucher information

## Entering Cost Object Information on Speed Vouchers

As an alternative to entering standard vouchers, you can use the speed vouchers to enter high-volume, simple vouchers. With speed vouchers, you enter voucher and G/L distribution information on a single form. Consider using this method for a voucher that has:

- A single pay item, which has a single due date, tax rate, and area
- Simple accounting instructions

You cannot use speed vouchers if you have multiple pay items. As with standard vouchers, the information is stored in the Account Ledger (F0911) and Accounts Payable Ledger (F0411) tables.

You can enter cost object information when you enter a speed voucher. If you enter cost objects, the system verifies the cost object type and the cost object edit code that you defined in the Account Master table (F0901). If you enter an item, the system edits cost object information against the Item Master table (F4101) only if you have installed the Inventory Management system.

### ► To enter cost object information on speed vouchers

---

*From the Supplier & Voucher Entry menu (G0411), choose Speed Voucher Entry.*

1. On Speed Voucher Entry, complete the steps to enter a speed voucher.
2. In the detail area, complete the following fields for cost object information and click OK:
  - Object Type 1
  - Cost Object 1
  - Object Type 2
  - Cost Object 2
  - Object Type 3
  - Cost Object 3
  - Object Type 4
  - Cost Object 4
  - Item Number

### See Also

- *Entering Speed Vouchers* in the *Accounts Payable Guide* for information about entering speed vouchers

## Entering Cost Object Information on Multicompany Vouchers

You can enter a voucher for multiple companies when you want to distribute an expense, such as for advertising, among several internal companies.

When you enter a voucher for multiple companies, expenses are distributed based on the company, not the G/L offset code, that you assign to each pay item. When you pay the voucher, the system uses the A/P liability account and bank account, and the offset accounts for discounts and currency gains and losses that are associated with the company. The system does not create intercompany settlements when you enter a voucher for multiple companies. This information is stored in the Account Ledger table (F0911) and Accounts Payable Ledger table (F0411).

You can enter cost object information when you enter a multicompany voucher. If you enter cost objects, the system verifies the cost object type and the cost object edit code that you defined in the Account Master table (F0901). The system edits cost object information against the Item Master table (F4101) only if you have installed the Inventory Management system.

### ► **To enter cost object information on multicompany vouchers**

---

*From the Other Voucher Entry Methods menu (G04111), choose Multi Company-Single Supplier.*

1. On Supplier Ledger Inquiry, click Add.
2. On Multi Company - Single Supplier, follow the steps for entering a standard voucher.
3. In the detail area, complete the following fields and click OK:
  - Object Type 1
  - Cost Object 1
  - Object Type 2
  - Cost Object 2
  - Object Type 3
  - Cost Object 3
  - Object Type 4
  - Cost Object 4
  - Item Number

### **See Also**

- *Entering Vouchers for Multiple Companies* in the *Accounts Payable Guide* for information about entering vouchers that affect more than one company

## Entering Cost Object Information on Multiple Vouchers

To quickly enter many vouchers for one or more suppliers, use one of the multiple voucher entry methods. Unlike the standard voucher entry method, which is a two-step process, the multiple voucher entry methods are a single-step process.

You can use the multiple voucher entry methods only to add vouchers. To change, delete, or void them, you must use the standard voucher entry method. The multiple voucher entry methods have other limitations.

You can enter cost object information when you use the multiple voucher entry methods. If you enter cost objects, the system verifies the cost object type and the cost object edit code that you defined in the Account Master table (F0901). If you enter an item, the system edits cost object information against the Item Master table (F4101) only if you have installed the Inventory Management system.

### ► **To enter cost object information on multiple vouchers**

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*From the Other Voucher Entry Methods menu (G04111), choose Multi Voucher-Single Supplier.*

1. On Supplier Ledger Inquiry, click Add.
2. On Multi-Voucher Entry, complete the steps to enter multiple vouchers for a single supplier.
3. In the detail area, complete the following fields and click OK:
  - Object Type 1
  - Cost Object 1
  - Object Type 2
  - Cost Object 2
  - Object Type 3
  - Cost Object 3
  - Object Type 4
  - Cost Object 4
  - Item Number

### **See Also**

- *To enter multiple vouchers for a single supplier* in the *Accounts Payable Guide* for more information about using a single-step process to enter more than one voucher for one supplier
- *To enter multiple vouchers for multiple suppliers* in the *Accounts Payable Guide* for information about using a single-step process to enter more than one voucher for several suppliers

## **Entering Cost Object Information on Recurring Vouchers**

If you owe a supplier a specific amount of money on a regular basis, such as a lease payment, set up your Accounts Payable system to create the voucher on a recurring basis. A recurring voucher can have only one pay item.

To set up a recurring voucher, you specify the initial payment, the total number of payments, the recurring frequency, and the accounting distributions for the periodic voucher amount.

On a periodic basis, you generate a copy of the original voucher. This copying process is called recycling. The recurring voucher has its own document number and batch that are different from those on the original voucher.

The system assigns a document type of PR to recurring vouchers.

You can enter cost object information when you enter a voucher. For a recurring voucher, the system copies the cost object type, cost object edit code, and item field to the recycled voucher. The system verifies the cost object type and the cost object edit code that you defined in the Account Master table (F0901). For each item, the system edits cost object information against the Item Master table (F4101) only if you have installed the Inventory Management system.

► **To enter cost object information on recurring vouchers**

---

*From the Other Voucher Entry Methods menu (G04111), choose Recurring Voucher Inquiry.*

1. On Supplier Ledger Inquiry, follow the steps for entering a standard voucher.  
See.
2. On G/L Distribution, complete the following fields and click OK:
  - Object Type 1
  - Cost Object 1
  - Object Type 2
  - Cost Object 2
  - Object Type 3
  - Cost Object 3
  - Object Type 4
  - Cost Object 4
  - Item Number

**See Also**

- *Entering Recurring Vouchers* in the *Accounts Payable Guide* for information about how to make a voucher a recurring voucher

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## **Cost Object Tracking Using Store and Forward**

Store and forward (batch) processing provides an efficient way to enter and manage a high volume of transactions from a remote site when you do not have a dedicated line for access to the server. However, entering transactions on your PC during normal business hours might be more productive and cost-effective; they could then be uploaded to the server for processing during off-peak hours.

When you enter store and forward transactions that include profitability management information, the system verifies cost object information on the server and creates records accordingly.

**See Also**

- *Creating Journal Entries That You Store and Forward* in the *General Accounting Guide* for information about how to enter journal entries from a remote site
- *Storing and Forwarding Journal Entries* in the *General Accounting Guide* for information about how to store and forward journal entries

- ❑ *Storing and Forwarding Vouchers* in the *Accounts Payable Guide* for information about how to store and forward vouchers

## General Accounting

Entering cost object information using store-and-forward processing in the General Accounting system involves the following tasks:

- Entering cost object information in journal entries using the Store & Forward Journal Entry - Revision program (P0911Z1)
- Uploading the journal entries from your PC to the Journal Entry Transactions - Batch File table (F0911Z1) on the server using the Store & Forward Journal Entry Upload program (R0911Z1)
- Processing the uploaded journal entries to move them from the F0911Z1 to the Account Ledger table (F0911).

### Entering Cost Object Information in Store and Forward Journal Entries

After you download the master tables to your PC, you can create PeopleSoft EnterpriseOne journal entries using the store and forward environment. You store the journal entries on your PC until you are ready to upload (or forward) them to the server for processing.

When you create journal entries that you store and forward, the system:

- Edits and validates each journal entry based on the information that you downloaded from the tables
- Creates a transaction control record for each journal entry, assigns it a status of 1 (ready to process), and stores it in the Journal Entry Transactions - Batch File table (F0911Z1)

You can enter cost object information when you create a journal entry. When you upload the journal entries to the server, the system verifies the cost object type and the cost object edit code that you defined in the Account Master table (F0901). If you enter an item, the system edits cost object information against the Item Master table (F4101) only if you have installed the Inventory Management system.

#### Prerequisite

- ❑ Set the processing options.

#### ► **To enter cost object information in store and forward journal entries**

---

*From the Store and Forward Journal Entries menu (G09318), choose Store & Forward Journal Entry - Revision.*

1. On Work With Store & Forward Journal Entries, click Add.
2. On Store & Forward Journal Entry Revisions, follow the steps to enter a basic journal entry.

When you create journal entries that you store and forward, the system does not assign document numbers until you upload and process them. Instead, it assigns a transaction number to each journal entry.

3. On the Store & Forward Journal Entry Revisions form, complete the following fields to enter cost object information and click OK:
  - Object Type 1
  - Cost Object 1
  - Object Type 2
  - Cost Object 2
  - Object Type 3
  - Cost Object 3
  - Object Type 4
  - Cost Object 4
  - Item Number

### **See Also**

- *Working with Basic Journal Entries* in the *General Accounting Guide* for information on how to enter a basic journal entry
- *Creating Journal Entries That You Store and Forward* in the *General Accounting Guide* for information on creating store and forward journal entries

## **Uploading Cost Object Information Using the Store and Forward Journal Entry Upload**

*From the Store and Forward Journal Entries menu (G09318), choose Store & Forward Journal Entry Upload.*

After creating journal entries with cost object information on your PC, you must upload them to the server for processing. To do this task, you must be connected to the server and signed on to your normal production environment.

When you upload journal entries, the system:

- Creates records in the Journal Entry Transactions-Batch File table (F0911Z1).
- Updates the transaction control status of each journal entry to 5 (uploaded) on the PC. After a journal entry is updated to this status, you cannot modify it on the PC. You can change it only on the server.

If a journal entry on the PC has a status of 1 (ready to process) or 2 (errors), you can change it on the PC.

- Creates a transaction control record for each journal entry on the server and assigns it a status of 1 (ready to process).

The system creates a transmission upload report for all of the journal entries that you upload. Use this report to verify that the journal entries have been uploaded correctly.

After you upload your journal entries and process them, you must update the transaction control status of the journal entries on the PC to match the status of those on the server.

## See Also

- ❑ *Updating Transaction Control Records* in the *General Accounting Guide* for information about updating transaction control records when using store and forward journal entries
- ❑ *Uploading Store-and-Forward Journal Entries to the Server* in the *General Accounting Guide* for information about uploading store-and-forward journal entries to a server

## Prerequisite

- ❑ To maximize system performance, upload the journal entries during off-peak hours.

## Uploading Cost Object Information using the Store and Forward Journal Entry Batch Processor

*From the Store and Forward Journal Entries menu (G09318), choose Store & Forward JE Batch Processor.*

After you upload journal entries to the server, you must process them to create transactions in the Account Ledger table. When you process vouchers in the store and forward environment when ACA is active, the system does the following:

- Creates voucher information in the Account Ledger table (F0911)

When processing the journal entries that you uploaded, the program that you use to process store and forward journal entries is different from the program that you use to process batch journal entries.

## See Also

- ❑ *Processing Batch Journal Entries* in the *General Accounting Guide* for more information about submitting journal entries for processing and verifying journal entry information

## Accounts Payable

Entering cost object information using store and forward processing in the Accounts Payable system involves the following:

1. Entering cost object information in vouchers using the Store and Forward Batch Voucher Revisions program (P0411Z1)
2. Uploading the vouchers from your PC to the Voucher Transactions – Batch File (F0411Z1) and the Journal Entry Batch File (F0911Z1) tables on the server using the Voucher Upload program (R0411Z1)
3. Processing the uploaded vouchers to move them from F0411Z1 and the F0911Z1 to the Accounts Payable Ledger (F0411) and the Account Ledger (F0911) tables by using the Store and Forward Batch Voucher Process program (R04110Z2)

## Entering Cost Object Information in Store and Forward Voucher Entry

After you download the master tables to your PC, you can create standard PeopleSoft EnterpriseOne vouchers using the store and forward environment. You store the vouchers on your PC until you are ready to upload (forward) them to the server for processing.

When you create vouchers that you store and forward, the system:

- Edits and validates each voucher based on the information that you downloaded from the tables
- Creates a transaction control record for each voucher, assigns it a status of 1 (ready to process), and stores it in the Transaction Control File table (F0041Z1)

You can enter cost object information when you enter a voucher. When you upload the vouchers to the server, the system verifies the cost object type and the cost object edit code that you defined in the Account Master table (F0901). If you enter an item, the system edits cost object information against the Item Master table (F4101) only if you have installed the Inventory Management system.

### ► **To enter cost object information in store and forward voucher entry**

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*From the Store and Forward Vouchers menu (G04318), choose Store and Forward Batch Voucher Revision.*

1. On Work With Store & Forward Vouchers, click Add.
2. On Enter Voucher - Payment Information, follow the steps to enter a standard voucher.
3. On G/L Distribution, complete the following fields and click OK:
  - Object Type 1
  - Cost Object 1
  - Object Type 2
  - Cost Object 2
  - Object Type 3
  - Cost Object 3
  - Object Type 4
  - Cost Object 4
  - Item Number

### **See Also**

- *Entering Vouchers* in the *Accounts Payable Guide* for information about how to enter voucher information

### **Uploading Cost Object Information Using Store and Forward Voucher Entry Upload**

*From the Store and Forward Vouchers menu (G04318), choose Voucher Upload.*

When you upload vouchers with cost object information, the system:

- Creates records in the Voucher Transactions - Batch File (F0411Z1) and Journal Entry Transactions- Batch Files (F0911Z1) tables on the server (target environment).
- Updates the transaction control status of each voucher to 5 (uploaded) on the PC. After a voucher is updated to this status, you cannot modify it on the PC. You can make changes to it only on the server.

If a voucher on the PC is a status of 1 (ready to process) or 2 (errors), you can make changes to it on the PC.

- Creates a transaction control record for each voucher on the server and assigns it a status of 1 (ready to process).

The system creates a transmission upload report for all of the vouchers that you upload. Use this report to verify that the vouchers have been uploaded correctly.

### See Also

- *Storing and Forwarding Vouchers* in the *Accounts Payable Guide*

## Uploading Cost Object Information Using the Store and Forward Batch Voucher Process

*From the Store and Forward Vouchers menu (G04318), choose Store and Forward Batch Voucher Process.*

After you upload vouchers to the server, you must process them to create transactions in the Accounts Payable Ledger table (F0411). When you process vouchers in the store and forward environment, the system creates:

- Voucher information in the Accounts Payable Ledger table
- Associated accounting distribution information and cost object information in the Account Ledger table (F0911).
- Payment information in the Accounts Payable Matching Document (F0413) and the Accounts Payable Matching Document Detail (F0414) tables.

After you upload your vouchers and process them, you must update the transaction control status of the vouchers on the PC to match the status of those on the server.

### See Also

- *Storing and Forwarding Vouchers* in the *Accounts Payable Guide*

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## Purging Cost Object Information

Use purge programs to remove data from tables. PeopleSoft EnterpriseOne purge programs allow you to remove data from tables using specific selection criteria. Purge programs have predefined criteria that the system checks before removing any data so that you avoid removing associated data that is located in other files.

## Purging Information From the Journal Entry Transactions – Batch File (F0911Z1) Table

*From the Store and Forward Journal Entries menu (G09318), choose Purge Store and Forward Transactions (R0041ZIP).*

After posting journal entries, you should purge them from both your PC and the batch table on the server. When you run the program, the Override Location feature allows you to purge journal entries on either the client or the server.

When you purge processed journal entries, the system removes the records in the Journal Entry Transactions - Batch File table (F0911Z1) and the Transaction Control File table (F0041Z1).

### See Also

- ❑ *Updating Transaction Control Records* in the *General Accounting Guide* for information about purging processed transactions automatically

## Purging Batch Journal Entries

*Use one of the following navigations:*

*From the Batch Journal Entry Processing menu (G09311), choose Purge Batch Journal Entries.*

*From the Store and Forward Vouchers menu (G04318), choose Purge Store and Forward Vouchers.*

After you review, process, and post your batch vouchers, you must purge them. The system holds processed vouchers in the batch table until you do so.

When you purge batch vouchers, the system removes all of the processed vouchers from the following tables, including:

- Voucher Transactions - Batch File (F0411Z1)
- Journal Entry Transactions - Batch File (F0911Z1)

Purging removes only batch vouchers and does not affect A/P ledger vouchers.

### See Also

- ❑ *Purging Processed Batch Vouchers* in the *Accounts Payable Guide* for more information about the purge process for batch vouchers

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## Cost Object Tracking in Manufacturing

A work order is a request to produce a certain quantity of an item by a given date. Work orders communicate information about unique tasks to others who are involved. You can assign record types to a work order and then enter descriptive information into each record type to document the specific details about the task. When you enter a work order, the system also captures cost object information that is useful for activity-based costing or managerial accounting.

The Manufacturing Accounting system tracks costs that are associated with work orders and creates journal entries for all shop floor transactions. Each step in the work order process can affect manufacturing accounting. When you complete any step in the process, you create a transaction that can be the source of a variance. The system calculates the variances when you run Journal Entries for Variances.

### **Example: Cost Management in Manufacturing**

Company 200 sells bicycles with either a standard or custom two-tone paint finish. Depending upon the sales order, it paints adult and youth bicycle frames with either a standard finish or a custom two-tone finish. The company uses a standard cost for its painting. The paint work center calculates an additional 2 percent factor for rework as part of its 30 percent overhead factor. To determine whether the standard cost and rework factor are correctly allocated to each type of frame, the company wants to:

- Count the number of bicycle frames painted and reworked
- Calculate the profit for each frame type
- Recalculate the inventory value for each frame type
- Adjust the standard cost for each frame type
- Adjust the overhead factor for the paint work center

This managerial accounting scenario is designed to analyze the labor and machine costs to:

- Paint a standard frame
- Paint a custom two-tone frame
- Rework frames

Additionally, it calculates the number of bicycle frames that are painted and reworked by type of bicycle frame.

Transactions originate as follows:

- Routing types - work orders
- Frame type - inventory
- Standard cost to paint frames - manufacturing
- Actual cost, at standard rate, to paint bicycle frames - cost analyzer

Occasionally, the painted frame does not meet the inspection criteria, which creates rework to strip and repaint the bicycle frames. Because the company does not know the exact amount of rework, it includes a 2 percent rework factor as part of the 30 percent overhead factor for the work center.

Whenever frames are reworked, the process is assigned a new work order with a different routing type. However, the company does not know how many of its work orders are a result of a product that requires rework. Therefore, they cannot determine the percentage of products that require rework.

The company suspects that both the standard painting cost and the paint center overhead factor may be incorrect. It thinks the rework is due primarily to custom painting. If this assumption is correct, the company needs to:

- Reallocate the costs of goods sold
- Reallocate the inventory cost

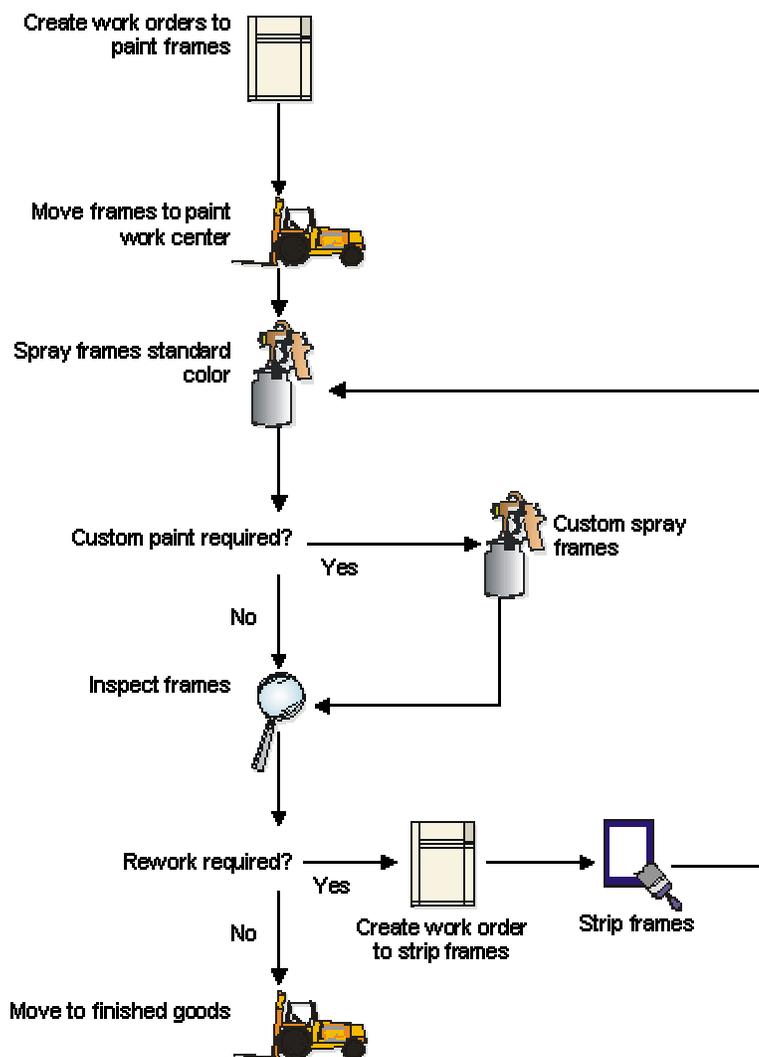
- Reduce the overhead factor for the paint center
- Increase the extra costs for custom painted frames

The company wants to analyze the standard and actual costs. It wants to track and calculate the percentage of rework by item and product type for all of the bicycle frames that it paints so that it can calculate the actual rework cost.

As a result of using cost objects to identify product families and work order types, the company could associate these objects to the type of painting that is required for a bicycle frame, as well as determine actual cost, at standard rate, for the paint and rework process.

The following graphic illustrates the manufacturing process. Bold captions identify where cost objects are associated with product families and process steps.

### Manufacturing Process



## Entering Cost Object Information in Work Orders

Work orders communicate information about unique tasks to others who are involved. You can assign record types to a work order and then enter descriptive information into each record type to note the specific details about the task. For example, you might want to include special instructions, and the parts and tools that are needed to complete the task.

When you extract cost object information from a work order, you can base driver information on any field in the Work Order Master File table (F4801). For example, you can base driver volumes on the number of work orders per item, and so on. Since any field can be defined in the cost object rules, you do not need to enter additional cost object information in a work order. You use the flex accounting rules with the predefined cost object rule to automatically retrieve cost object information from the application.

The system stores work order master records in the Work Order Master File table.

### See Also

- ❑ *Creating Work Orders* in the *Work Orders Guide* for more information about entering cost object information in work orders

See the following topics in the *Advanced Cost Accounting Guide*:

- ❑ *Setting Up Drivers* for more information about driver balances based on the Work Order Master File table (F4801)
- ❑ *Setting Up Flex Accounting* for more information about flex accounting and entering cost object information

## Updating Cost Information in Manufacturing Accounting

You create journal entries for work in process (issues, labor entry, and machine run time), completions, and manufacturing variances before you post these transactions to the general ledger. For cost management, the system updates the subledger, cost object, and item fields.

In the Manufacturing Accounting system, you use programs to create journal entries for various types of shop floor activity, including:

- Material issues
- Labor and machine reporting
- Completions
- Scrap
- Variances
  - Engineering
  - Planned
  - Material usage (actual)
  - Labor efficiency (actual)
  - Other (volume)

To enter detail journal entries for a work order or rate schedule by cost component, enter a different object or subsidiary account number for each cost component.

For example:

<b>Cost Component</b>	<b>Business Unit</b>	<b>Account Number</b>
A1	M30	1341
B1	M30	1342
B2	M30	1343

To summarize the cost components for an item on a work order into a single journal entry, enter the costs with the same object and subsidiary account number.

For example:

<b>Cost Component</b>	<b>Business Unit</b>	<b>Account Number</b>
A1	M30	1340
B1	M30	1340
B2	M30	1340

In addition, you can set processing options to:

- Summarize material issues (document type IM) by account number within a work order. One journal entry exists for each unique combination of account number and work order number.
- Summarize all journal entries by account number across work orders. One entry exists for the batch for each account. The entry is the sum of all work order transactions for each account by document type.
- Print a summarized Accounting Transaction report.
- Activate flex sales accounting to find rules that indicate how to populate cost objects.

If you summarize journal entries across work orders, the program batches the appropriate work orders and then assigns a new work order number to the batch. This summarized work order number appears on inquiry forms and reports, but does not refer to an actual work order.

The system uses the following data to match the transaction to the AAI account:

- Work order type for the AAI.
- Company number that is associated with the work order or component branch/plant. If the system does not find a match, it uses 00000.
- Document type that is associated with the transaction.
- G/L category code for the transaction item. If the system does not find a match, it uses \*\*\*\* (four asterisks).
- Cost component.
- Branch/plant.

## See Also

- *Creating Journal Entries* in the *Product Costing and Manufacturing Accounting Guide* for information about how to create journal entries for manufacturing

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## Cost Object Tracking for Procurement

When you enter a purchase order, requisition, or quote, the system captures cost object information that is useful for managerial accounting or activity-based costing. Additionally, as you receive the goods and match the receipt to the voucher, you can review or edit cost object information.

You can enter cost object information at multiple steps in the procurement process, such as purchase order entry, receipts, and voucher match; or you can have the system automatically populate the cost object fields, based on flex accounting rules.

### Example: Cost Management in the Procurement System

During the procurement process, Company 200 believes it is incurring extra costs because its bicycle bags come from both domestic and non-domestic suppliers. The company has observed that some materials are delivered directly to the shop floor while others go through receiving, sorting, and quality inspection prior to being placed in inventory. Therefore, the company wants to use activity-based costing techniques to analyze the extra costs of procuring bicycle bags and determine how much of the cost can be attributed to whether it uses a domestic supplier.

This activity-based costing scenario is designed to analyze the cost of the procurement process for two different suppliers. Transactions originate from the following sources:

- Expenditures - Procurement
- Quality - Procurement
- Inventory carry costs - General Ledger
- Miscellaneous, such as time to receive and sort bags - Cost Analyzer

The company procures bicycle bags from two different suppliers. One is a domestic supplier; the other is not. The company has a special contract with the non-domestic supplier. This supplier can provide the bags at a lower cost (including duty fees) than the domestic supplier, and it imprints a logo onto the bags at no extra charge. The company places electronic orders with this supplier for both plain and imprinted bags. However, the company must process additional paperwork for customs and other regulatory requirements. The supplier requires a 3-month leadtime. Therefore, the bags are shipped in very large quantities four times a year.

When the company receives the bags, it must inspect the merchandise quality for possible problems such as ink bleed from printing the logo. The inspection department averages a 90 percent pass rate. All rejected bags are scrapped because it is too costly to return them to the supplier. Next, the plain and logo-imprinted bags are separated from each other.

Upon completion of the inspection, the bags are placed into inventory and pulled out of stock on an as-needed basis. To assure sufficient inventory is available, the company carries a small safety stock of the bags.

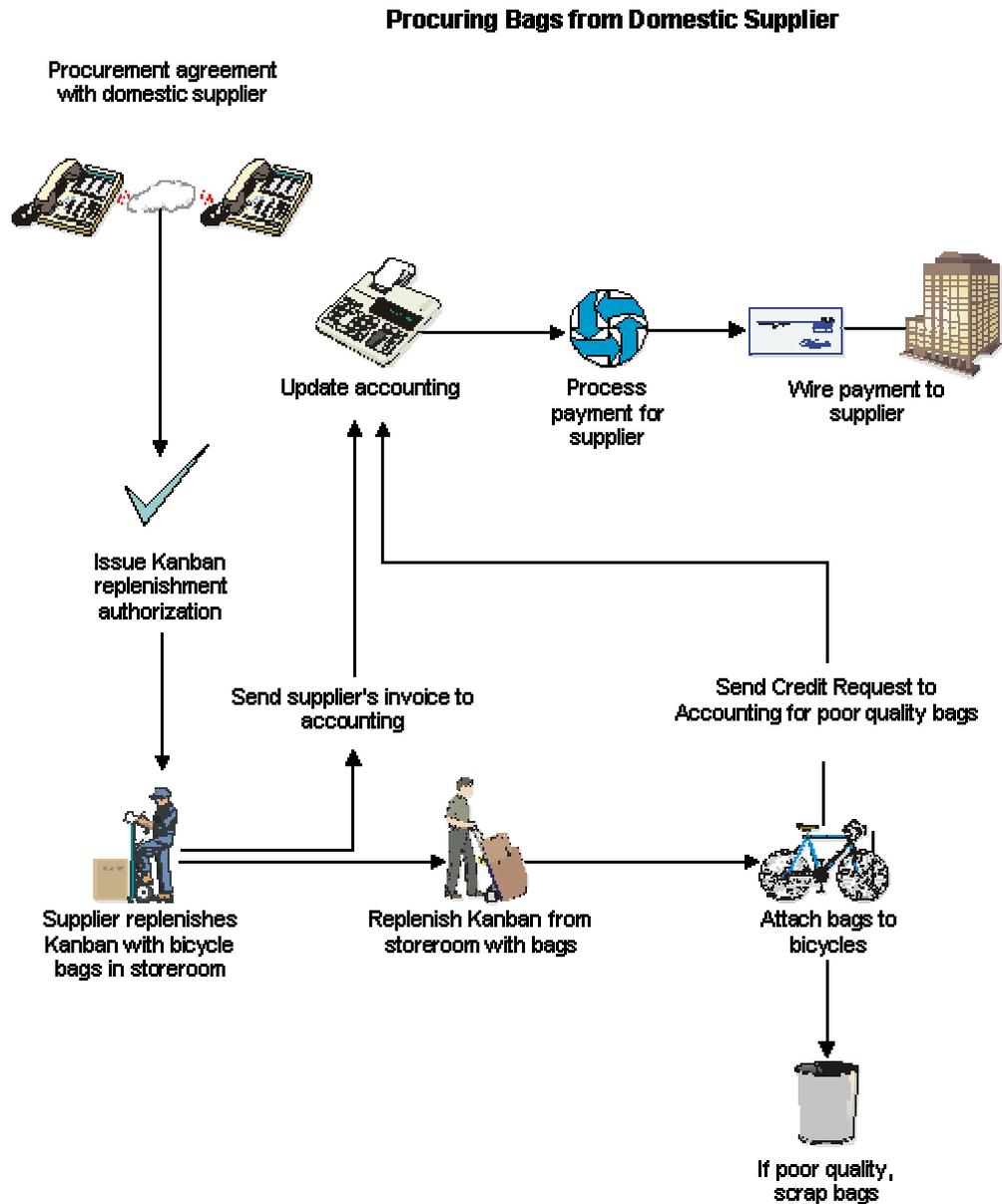
The company also uses a domestic bicycle bag supplier for plain black bags. If the customer requests custom logo imprints on the bags, the company can pay the supplier a nominal fee for its imprinting service and then charge the customer for the printing.

The company uses a Kanban replenishments method. When the Kanban is empty, it is replenished with stock from the stockroom. When the stockroom Kanban is empty, an electronic purchase order is created to request that the supplier automatically replenish bicycle bags when the stock is needed. The supplier delivers small quantities of bags within a 2-day leadtime directly to the storeroom. Due to the quality of bags, they average a 98 percent pass rate. If the shop floor rejects a bag, a credit request is submitted to accounting and the bag is scrapped.

As a result of analyzing the procurement process, the company identifies extra steps that incur hidden costs for receiving, sorting, inspecting, and carrying inventory for the non-domestic supplier. Therefore, they would like to analyze the extra costs that are related to these steps to determine how much can be attributed to each supplier.

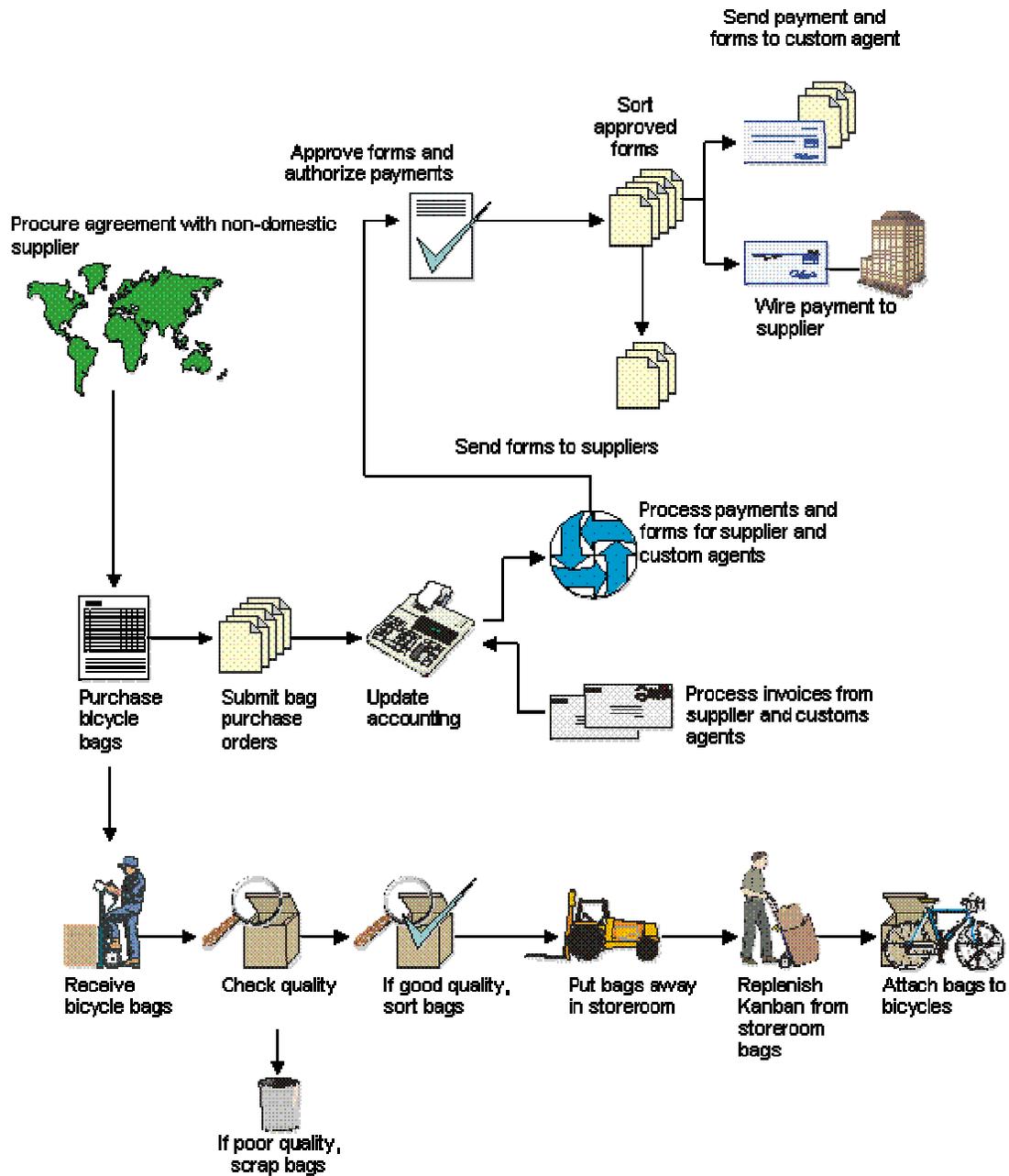
The following graphics illustrate the process for procuring bags from domestic and non-domestic suppliers. Bold captions identify where cost objects are associated with activities in the procurement process.

### Procuring Bags from Domestic Supplier



## Procuring Bags from Non-Domestic Supplier

### Procuring Bags from Non-Domestic Supplier



## Entering Cost Object Information in Purchase Order Entry

On the Order Detail form, you must enter information about each item or service that you want to procure. For each item or service, you must enter a line of detail that describes the following:

- Item or service that you want to procure
- Quantity that you want to procure
- Cost of the item or service

The system retrieves information such as the cost, description, and unit of measure for the item and enters it on the detail line. You can override these values and specify additional information such as a storage location, lot number, asset identifier, manufacturing details, and landed cost rules.

You can enter cost object information during purchase order entry; or you can have the system automatically populate the cost object fields, based on flex accounting rules.

### ► To enter cost object information in purchase order entry

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*From the Purchase Order Processing menu (G43A11), choose Enter Purchase Orders.*

1. On Work With Order Headers, click Add and complete the steps to enter detail information.
2. On Order Detail, review or complete the following fields for cost object information and click OK:
  - Item Number
  - Cost Object Type 1
  - Cost Object 1
  - Cost Object Type 2
  - Cost Object 2
  - Cost Object Type 3
  - Cost Object 3
  - Cost Object Type 4
  - Cost Object 4

### See Also

- *Entering Order Detail Information* in the *Procurement Guide* for information about entering purchase order information

## Entering Cost Object Information in Purchase Order Receipts

After you receive the goods on a purchase order, you must record the details of the receipt. The system uses receipt information to:

- Update item quantities and costs in the Inventory Management system
- Update general ledger accounts

When you receive goods, you must verify that the details of the receipt correspond to the information on the purchase order. You must verify item numbers, quantities, units of measure, costs, and so on. If the receipt details differ from those on the purchase order, you must adjust the purchase order detail lines to reflect the receipt. For example, if landed costs, such as delivery charges or import taxes, apply to the item's purchase price, you enter these costs during the receipt process.

Each time that you receive an order, the system:

- Creates a receipt record in the Purchase Order Receiver File table (F43121)
- Updates item quantities and costs in the Item Location File table (F41021)
- Adds a new record to the Item Ledger File table (F4111)
- Updates the appropriate accounts in the Account Ledger table (F0911)

If you entered cost object information during purchase order entry, you can review cost object types, edit codes, and item information during the receipt process. Optionally, you can enter cost object information during the receipt process. The system verifies the cost object type and the cost object edit code that you defined in the Account Master table (F0901). If the processing option is set to use flex accounting, the system searches flex accounting rules to determine how to automatically populate cost objects.

You must set the processing option to use flex accounting in Purchase Order Receipts.

**Related Tasks**

<b>Reviewing Cost Object Information in Receipts Reversal</b>	<p>Each time that you cancel or reverse a receipt, the system updates the Purchase Order Receiver File table (F43121). The system reverses all accounting and inventory transactions. When you reverse a receipt, the system reverses cost object information. The system retrieves the original cost object values for reversal journal entries.</p> <p>You can use the Purchase Order Receipts Inquiry (P4312) to reverse a receipt only if you have not yet created a voucher for the receipt. You might need to do this procedure if you made a mistake.</p>
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**See Also**

- *Entering Receipts* in the *Procurement Guide* for more information about recording receipt information

**► To enter cost object information in purchase order receipts**

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*From the Purchase Order Processing menu (G43A11), choose Enter Receipts by PO.*

1. On Work With Purchase Orders to Receive, complete the following fields to locate open purchase order details lines that correspond to a receipt:
  - Order Number
  - Branch/Plant
  - Item Number
  - Account Number

The system displays only those detail lines that have a next status code that is equal to the one that you specified in processing options.

2. Choose a record in the detail area and click Select.

PeopleSoft

Select Workspace: Active Foundation

Active Foundation

Personalize Change Role Sign Out

Purchase Order Receipts

OK Cancel Form Row Tools

Receipt

Order Number: 2061 OP 00001 G/L Date: 08/28/03

Supplier: 4343 Parts Emporium Receipt Date: 08/28/03

Batch Number: 04814 Receipt Document:

Currency: USD Exchange Rate: Base: USD Foreign

Rec Opt	2nd Item Number	Quantity	Trans UOM	Secondary Quantity	Sec UOM	Unit Cost	Purch UOM	Amount	Description
1	2011	100	EA	100	EA	5.5000	EA	550.00	Chain, Std

3. On Purchase Order Receipts, review or complete the following fields:

- Item Number
- Cost Object 1
- Cost Object Type 1
- Cost Object 2
- Cost Object Type 2
- Cost Object 3
- Cost Object Type 3
- Cost Object 4
- Cost Object Type 4

## Entering Cost Object Information in Landed Costs

When you purchase items, extra costs must often be paid for delivery fees, broker fees, import taxes, and so on. These costs are called landed costs. You can enter landed costs for items during the receipt process or as a stand-alone process.

Landed costs are applicable only to items for which you record receipt information. When you enter landed costs for items, the system allows you to work with only the landed costs that have been set up and assigned to the item. For each item that you receive, you can review, change, and enter the landed costs that are assigned to the item.

After you enter landed costs for items, the system might create a separate landed cost detail line for which you must create a voucher. The setup of the landed cost determines the way in which the system creates the detail information. You can review landed cost detail lines on the Voucher Match form.

You can enter cost object information as landed costs during purchase order receipts. The system verifies the cost object type and the cost object edit code that you defined in the Account Master table (F0901). The system searches flex accounting rules to verify which AAIs or accounts are automatically populated.

### See Also

- *Entering Landed Costs* in the *Procurement Guide* for information about entering landed costs during receipt processing and stand-alone processing

## Entering Cost Object Information in Purchase Order Workbench

You can enter orders for multiple suppliers simultaneously instead of entering a separate order for each supplier. On the Purchase Order Workbench form, you specify the items that you want to purchase and the supplier from whom you want to purchase each item.

After you enter the items, you must direct the system to create purchase orders. The system combines items for each supplier on a separate purchase order, and the information for each detail line defaults from master information for the item or procurement instructions for the supplier. You can use the Work With Order Headers form to review the orders that the system generates.

If you enter cost object information during purchase order entry, you can review cost object types, edit codes, and item information during the receipt, landed cost, and voucher processes. The system verifies the cost object type and the cost object edit code that you defined in the Account Master table (F0901).

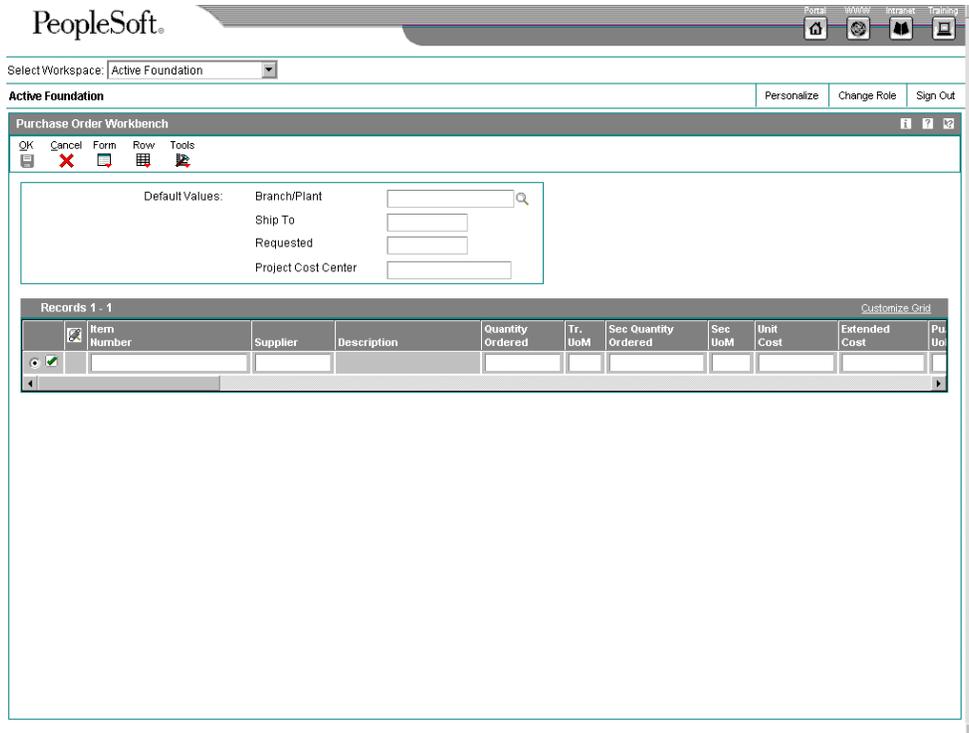
### ► To enter cost object information in Purchase Order Workbench

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*From the Purchase Order Processing menu (G43A11), choose Purchase Order Workbench.*

1. On Purchase Order Workbench, review or complete the following fields for cost object information, if applicable:
  - Item Number
  - Cost Object Type 1
  - Cost Object 1
  - Cost Object Type 2
  - Cost Object 2
  - Cost Object Type 3

- Cost Object 3
- Cost Object Type 4
- Cost Object 4



2. Click OK if you want the system to automatically generate a separate purchase order for each supplier from whom you are ordering items.

If you do not want the system to automatically generate separate purchase orders, you must first cancel the orders before exiting Purchase Order Workbench.

### See Also

- ❑ *Entering Orders for Multiple Suppliers* in the *Procurement Guide* for more information about entering purchasing orders
- ❑ *Creating Orders from Existing Detail Lines* in the *Procurement Guide* for information about reviewing or modifying information prior to generating the orders

## Entering Cost Object Information During Voucher Match

Before you can pay a supplier for the goods and services that you purchase, you must create a voucher that:

- Indicates that the terms of a transaction have been met
- Specifies the amount to pay to the supplier
- Notifies the Accounts Payable system to cut a check

You can create a voucher that based on an invoice. You use this method to verify that invoice information corresponds to your receipt records. For example, if a supplier bills you for 100.00 United States Dollar (USD) worth of goods, you must verify that you received 100.00 USD worth of goods. If you do not record receipt information, you must verify that the invoice information corresponds to the purchase order detail lines.

You might want to review the receipt records for which you must create vouchers. After you locate this information, you can enter landed costs (costs in excess of an item's purchase price) for the items that you have received.

If you receive an invoice before you take receipt of the goods and services, you can create a preliminary voucher to account for the billing amount. After you receive the goods or services on the invoice, you can redistribute the amounts to the appropriate general ledger accounts.

You can enter cost object information at voucher match, or you can have the system automatically populate the cost object fields based on flex accounting rules.

### **Prerequisite**

- ❑ Set the processing options to perform voucher match processing.

### **► To enter cost object information during voucher match**

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*From the Receipts Matching and Posting menu (G43A15), choose Match Voucher to Open Receipt.*

1. On Supplier Ledger Inquiry, click Add.
2. On Match Voucher, complete the steps to create a voucher or to match a voucher to a receipt.

If you do not enter cost object information, the system uses the flex accounting rules to populate cost objects automatically.

3. To enter or review cost object information, complete the following fields:

- Item Number
- Cost Object 1
- Cost Object Type 1
- Cost Object 2
- Cost Object Type 2
- Cost Object 3
- Cost Object Type 3
- Cost Object 4
- Cost Object Type 4

### **See Also**

- ❑ *Creating Vouchers* in the *Procurement Guide* for information about how to create vouchers using voucher match

## Related Tasks

<b>Voucher match methods</b>	<p>If you record receipt information for items, you compare invoices to receipt records to create individual vouchers. A three-way voucher match method implies that you use receipt records to create vouchers.</p> <p>If you do not record receipt information, you compare invoices to order detail lines to create vouchers. A two-way voucher match method implies that you use order detail lines to create vouchers. The system creates a voucher when you match order detail lines to an invoice.</p>
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## Cost Object Tracking in Sales Order Management

You can capture cost object information when you enter sales orders and when you update sales order information. In the Sales Update program (R42800), the system captures cost object information that is useful for managerial accounting or activity-based costing.

### Example: Cost Management in Distribution

As a bicycle distributor, Company 200 knows that it could associate both revenues and expenses with customers, product families, or marketing sales channels. However, the traditional accounting methods do not provide enough information for the company to analyze profitability by customer, product family, and marketing sales channel. The company wants to do the following:

- Determine which customers incur expediting charges
- Associate sales promotion expenditures to customers and marketing sales channel
- Attribute the cost of customer site visits to marketing sales channels
- Reallocate computer (information technology) costs to marketing sales channels
- Determine profitability for imprinting by customer and marketing sales channel

This managerial accounting scenario is designed to analyze profitability by customer, product family, and marketing sales channel. Transactions originate from the following sources:

- Expenditures - Accounts Payable
- Sales - Sales Order Management
- Additional charges to customers for services - Accounts Receivable
- Information technology (IT) chargebacks to marketing - Cost Analyzer
- Shipping and handling services - Cost Analyzer

The company sells bicycles with bags to wholesale and retail customers. The retail customers can be either specialty or discount stores. Often, discount stores order bicycles without the bags. Many times, when sales representatives are visiting customers during sales negotiations, they agree to do any of the following:

- Imprint a custom logo on the bicycle bag.
- Expedite shipping.
- Allocate cooperative advertising funds.

If the customer requests custom logo imprints on the bicycle bag, the company pays the supplier a nominal fee for the imprinting service. The company would like to identify customers and marketing sales channels that request the custom imprinting services and charge them for that service.

When the company receives the invoice for the custom logo imprint, it uses Accounts Receivable to charge for the service, based on the numbers of bags imprinted at a customer-negotiated rate per bag. The company wants to determine the profitability of the imprinting services by customer and marketing sales channel.

When a customer orders merchandise, the company charges standard shipping and handling charges, based on volume and weight. However, some of the bicycle shipments are expedited to customers after they purchase bicycles. When the company receives the actual freight charges, it considers them as part of the company's overall shipping costs without attributing them to a specific customer. The company wants to determine which customers incur the expediting charges because it believes that these costs might not be fully recovered when freight charges are included in the sale.

The marketing department is responsible for a variety of sales promotions throughout the year. Promotional costs are accounted for in general and administrative costs. Two types of promotions exist: general and specific.

Specific promotions are for:

- A product family
- A marketing sales channel
- A customer
- A cooperative with a large customer

Whenever possible, the company wants to identify and associate sales promotion expenditures directly to each customer and marketing sales channel.

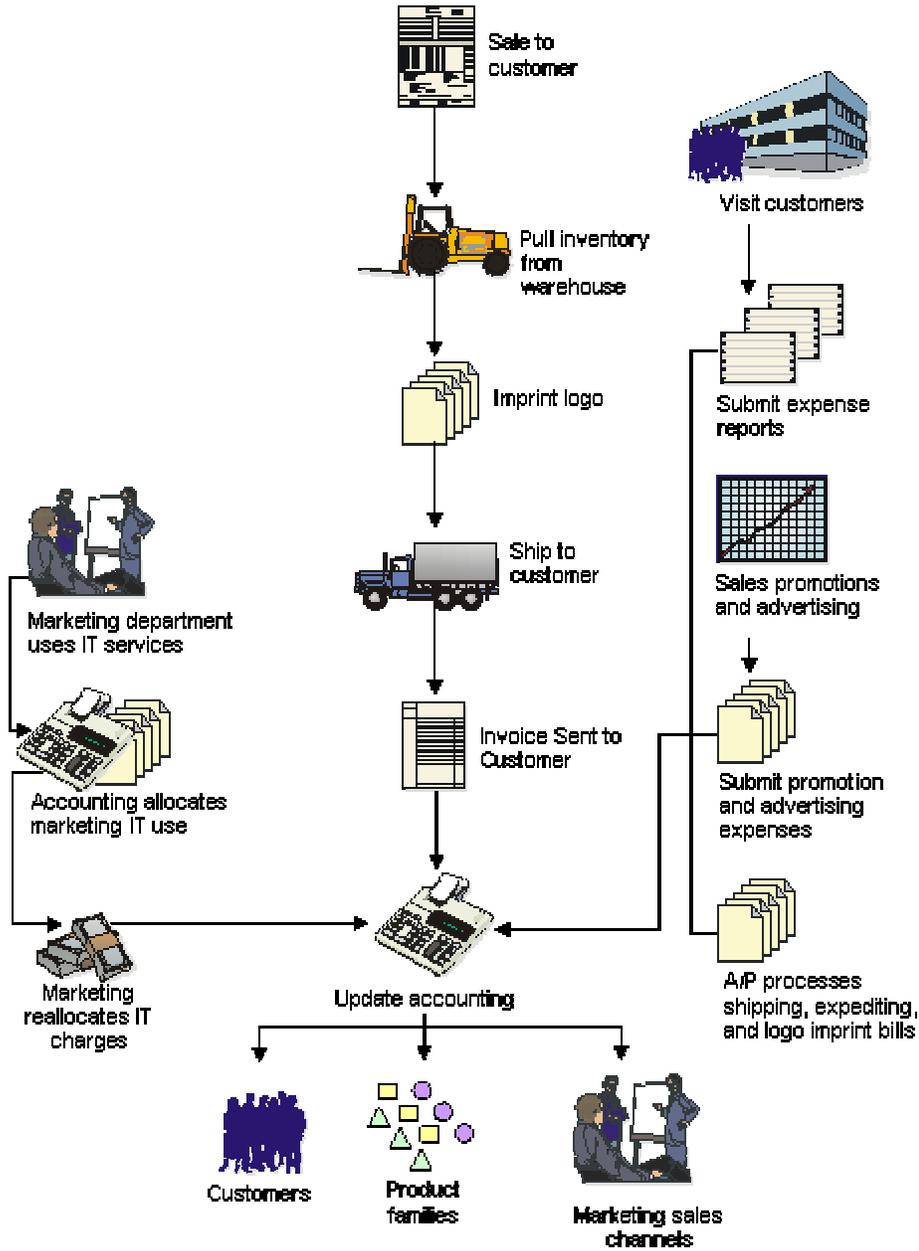
The marketing and sales representatives often visit the customer. All expense reports for customer visits are charged to travel and entertainment. However, the company wants to associate the costs of the customer visits directly with each customer and marketing sales channel.

Each department in the company uses centralized computer services. IT allocates a portion of the computer costs back to each department, based on the number of hours that it is connected to the network. When the marketing department receives its monthly charges, it wants to reallocate a portion of the IT costs to each marketing sales channel, based on the number of marketing employees per marketing sales channel.

To determine profitability for customers, product families, and marketing sales channels, the company can use cost objects to identify customers, product families, and marketing sales channels. The company can then associate both direct and indirect sales and expenditures to cost objects.

The following graphic illustrates the distribution process. Bold captions identify where cost objects are associated with customers, product families, and marketing sales channels.

### Distribution Process



## Entering Cost Object Information in a Sales Order

To extract cost object information from a sales order, you can base driver information on any field in the Sales Order Detail File table (F4211). For example, you can base driver volumes on the number of sales orders per customer. Because any field can be defined in the cost object rules, you do not need to enter additional cost object information in a sales order. The system uses flex accounting rules to retrieve cost object information with the specified data item and the associated cost object rule for the application.

### See Also

- ❑ *Working with Detail Information* in the *Sales Order Management Guide* for more information about entering a sales order

See the following topics in the *Advanced Cost Accounting Guide*:

- ❑ *Setting Up Drivers* for more information about driver balances based on the Work Order Master File table (F4801)
- ❑ *Setting Up Flex Accounting* for more information about how to define and enable flex accounting

## Updating Cost Object Information During Sales Update

The Update Customer Sales program groups transactions into different types of batches for posting to journals. To properly record cost object information, all customer sales, inventory and COGS journal entries should be posted in detail.

When you run the Update Customer Sales program, the system groups transactions into the following batches:

<b>Customer sales (batch type IB)</b>	Posts the sales, cost of goods sold, and inventory entries to the customer sales journal.  The system creates batch type IB when the summarization processing options in the Sales Update program (R42800) is set to write G/L entries in summary or detail.
<b>Inventory/COGS (batch type G)</b>	Posts to the inventory/COGS journal.  The system creates batch type G for inventory and COGS entries when the summarization processing option in the Sales Update program (R42800) is set to summarize COGS and inventory entries to separate batches.

If you set the processing options in the Sales Update program (R42800) to purge sales header and detail information to history, base your driver calculation detail rule on the Sales Order History File table (F42119).

If you have activated the processing option to use flex accounting, the system searches the flex accounting rules to determine how to populate cost objects.

---

## Cost Object Tracking in Transportation

*From the Updates menu (G49112), choose Freight Update.*

You can capture cost object information when you update freight. Updating freight creates records of final payable and billable freight charges for shipments and loads. Payable charges are written to the general ledger by means of a journal entry and to the accounts payable for auto-pay carriers by means of a pay item. Billable charges are added to one or more orders on the shipment or load (depending on the customer freight preference). Freight is summarized at the charge code level.

After a shipment is created, the shipment-related information is stored in the Shipment Header (F4215) and the Shipment Routing Steps (F4941) tables. All freight charge information is stored in the Shipment Charges table (F4945). When you update freight, information from these three tables is written to the Freight Audit History table (F4981). For both billable and payable charges, the record in the Shipment Charges table is deleted, and the Shipment Routing Steps table is updated with the information run for both billable and payable table freight.

For payable charges, the Account Ledger table (F0911) is updated in the general ledger; and if the auto pay flag is on, then the Accounts Payable Ledger table (F0411) is updated in the Accounts Payable system. On the billable side, the Sales Order Detail File table (F4211) is updated with the freight charges. If the processing option for flex accounting is on, the system searches the flex accounting rules and populates the cost object fields accordingly.

To proportionately allocate shipment freight charges to each item that contributes to the total weight and volume of the shipment, you must have activated the freight allocations for the appropriate charge codes that you assign to rates.

---

### Note

You must activate the processing option for flex accounting in the Freight Update (R4981) program.

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### See Also

- *Updating Freight* in the *Transportation Management Guide* for more information about allocating freight by items

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## Cost Object Tracking in Stock Valuation G/L Update

*From the Stock Valuation Updates menu (G3930), choose Stock Valuation G/L Update.*

The Stock Valuation G/L Update program (R39130) updates the general ledger for the valuation methods that are defined as general ledger update methods. The program updates the general ledger based on one valuation method for each item number or item pool.

For each item or item pool, the system verifies the cost object type and the cost object edit code that you defined in the Account Master table (F0901). When you enter an item, the system edits cost object information against the Item Master table (F4101) only if you have installed the Inventory Management system.

The Period Build program calculates the amounts to be updated. Additionally, records for the next period are built for the Period Detail Work File (F39120W) and Additional Quantity Work File (F39121W) tables. These records contain the opening balance for the next period. For dual currency, the program writes a record for the stable currency to the general ledger.

After you approve the general ledger updates, you can post them to the general ledger. Posting completes the valuation process and posts the actual stock value for the period end.

To populate cost object information during Stock Valuation G/L Update, you must use flex accounting rules.

### See Also

- ❑ *Assigning Valuation Methods* in the *Advanced Stock Valuation Guide* for more information about inventory valuation

## Processing Options for Stock Valuation G/L Update (R39130)

### Defaults Tab

---

#### 1. Update/Proof Mode

**Blank = Proof mode**

**1 = Update**

Use this processing option to specify whether to run the report in proof or update mode. Valid values are:

Blank

Proof mode. Updates do not occur.

1

Update mode. The system creates journal entries and sets the update flag on the period detail file.

---

### Process Tab

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#### 1. G/L Date

**Blank = Current date**

**1 = G/L date**

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---

Use this processing option to specify the date that the system uses to run the report. Valid values are:

Blank

Use the current date to run the report.

1

Use the G/L date to run the report.

## **2. Document Type**

**Blank = Use 'JE'**

Use this processing option to specify the document type (UDC 00/DT) that the system uses. If you leave this processing option blank, the system uses document type JE.

## **3. Domestic Ledger Type**

**Blank = Use 'AA'**

Use this processing option to define the domestic ledger type (UDC 09/LT) that the system uses. If you leave this processing option blank, the system uses the AA ledger type.

## **4. Dual Currency Ledger Type**

**Blank = Use 'XA'**

Use this processing option to specify the ledger type (UDC 09/LT) that the system uses for dual currency when dual currency is activated. If you leave this processing option blank, the system uses the XA ledger type for dual currency.

## **5. Summarize Entries**

**Blank = Detail entries**

**1 = Summarize entries**

Use this processing option to specify whether the system creates detailed or summarized entries by account. Valid values are:

---

Blank

Create detailed entries.

1

Summarize entries by account.

## **6. Version ID**

**Blank = Use 'ZJDE0001'**

Use this processing option to specify the version of the G/L journal entry program that the system uses. If you leave this processing option blank, the system uses version ZJDE0001.

## **7. Roll Up FIFO Layers**

**Blank = No roll up**

**1 = Roll up**

Use this processing option to specify whether the system rolls up the remaining FIFO layers for year-end processing. Valid values are:

Blank

Do not roll up remaining FIFO layers for year-end processing.

1

Roll up remaining FIFO layers for year-end processing.

---

# Updating the Cost Analyzer Balances Table

After you have entered cost object information in various systems, such as Accounts Payable, General Accounting, and Procurement, you must post the cost object information to the Cost Analyzer Balances table (F1602). Table F1602 captures all transactions, assignments, and activity balances. You must update table F1602 before you can make allocations, report on data, or make online inquiries about cost object information.

You run the Post to Cost Analyzer Balances program (R1602) to update table F1602. You can then run reports and view online inquiries in various “what if” scenarios without affecting the source data.

---

## Note

Table F1602 stores amounts in only one currency. The Post to Cost Analyzer Balances program reviews for multiple currencies and will post to only one currency.

---

The Advanced Cost Accounting system provides the following financial reports that are based on table F1602:

- Item Profitability (R16022)
- Customer Profitability Report (R16028, version XJDE0001)
- Promotion Profitability Report (R16028, version XDJE0002)
- Profitability by Cost Object (R16023)
- Income Statement by Cost Object (R16024)
- Trial Balance by Cost Object (R16025)
- Trial Balance by Object Account for Cost Object (R16026)

You can also create financial reports that are based on table F1602 by using the PeopleSoft EnterpriseOne Report Writing application.

The Advanced Cost Accounting system provides three online inquiry programs. You can view information online as described in the following table:

<b>Inquiry Program</b>	<b>Information Available</b>
Cost Analyzer Inquiry ((P1602)	Details of a specific entry, including the net posting balances and year-to-date total for the selected entry
Cost Analyzer Inquiry by Account (P16021)	Original and net balances by account
Cost Analyzer Account Ledger Inquiry (P16200)	Original batch and journal entries for records

## Prerequisite

- ❑ Verify that you have set up cost analyzer views. See *Setting Up Cost Analyzer Views* in the *Advanced Cost Accounting Guide*.
- ❑ Verify that you have created journal entries.
- ❑ Verify that you have set up cost objects. See *Setting Up Cost Object Types* in the *Advanced Cost Accounting Guide*.

---

## Updating Cost Analyzer Information

Once you set up cost analyzer views, you can populate the Cost Analyzer table by either entering manual transactions or creating automatic entries.

## Posting Entries to the Cost Analyzer Balances Table

*From the Cost Analyzer menu (G1612), choose Post to Cost Analyzer Balances.*

The Cost Analyzer Post uses transactions from the Account Ledger table (F0911) to update the Cost Analyzer Balances table (F1602) for the requested view and fiscal year. Based on information in the cost analyzer view structure, this program creates transactions in the Cost Analyzer Balances table, using information in the Account Ledger table. To allow error detection and correction of journal entry transactions before you post them to the Cost Analyzer Balances table, post the transactions to the Account Balances table first.

Processing options allow you to select the view and fiscal year to post. You can either choose only the previously posted general ledger transactions, or you can also include unposted transactions. You can also select the specific transactions to post.

Before you post transactions to the Cost Analyzer Balances table, you must update the Account Ledger table either by entering manual transactions or creating automatic journal entries.

When you post transactions to the Cost Analyzer Balances table, the system generates a report that indicates the number of account ledger records that were selected, the number of cost analyzer balance records that were created, and the number of cost analyzer records that were updated.

---

### Caution

Unposted transactions are subject to change. Use caution when including them when you post transactions from the Account Ledger table to the Cost Analyzer Balances table.

---

## Processing Options for Post to Cost Analyzer Balances (R1602)

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### View Number

Enter the view number and fiscal year to be use when posting Account Ledger (F0911) records to the Cost Analyzer Balances (F1602) table.

### View Number

### Fiscal Year

### Selection

Enter a '1' if you want to select unposted as well as posted Account Ledger records. If left blank only posted records will be selected.

---

## Viewing Cost Analyzer Balances

You can use the following programs to review cost analyzer balances:

- Cost Analyzer Inquiry (P1602)
- Cost Analyzer Inquiry by Account (P16021)

Use Cost Analyzer Inquiry to review cost analyzer entries. You can review the details of a specific entry, including the net posting balances and year-to-date total for the selected entry.

To review original and net balances by account, you can use the Cost Analyzer Inquiry by Account program (P16021). The system displays account information in summary or detail.

### Viewing Cost Analyzer Balances with Cost Analyzer Inquiry (P1602)

Use Cost Analyzer Inquiry to review cost analyzer entries. You can review the details of a specific entry, including the net posting balances and the year-to-date total for the selected entry.

When you run the Cost Calculations program, the system creates assignment entries. The system reallocates original posting amounts to new ending balance amounts. For example, if the total of the general ledger details for salary transactions is 100,000.00 USD for the sixth accounting period, the original posting balance and the ending balance is 100,000.00 USD.

When you reassign the salary amounts for the sixth accounting period to activities such as receiving and inspecting materials, the system creates two new records for salaries that are attached to the activity codes of receiving and inspecting through the Assignment Calculation program. The total of receiving and inspecting ending balances equals 100,000.00 USD, which is the original posting amount balance for salary transactions for the sixth accounting period.

You can set a processing option to indicate whether the system creates an audit trail in the Cost Calculations Transactions (F1611) table. The audit trail allows you to view the balance prior to any assignments (net posting), and then review balances that are assigned In and Out at the transaction level (net balances). On the Cost Analyzer Balances form, you can review the following:

- Original Posting YTD - Information retrieved from the Account Ledger (F0911)
- The Ending Balance YTD (Original Balance + Assigned Ins)

► **To view cost analyzer balances with Cost Analyzer Inquiry (P1602)**

From the Cost Analyzer menu (G1612), choose Cost Analyzer Inquiry.

1. On Work With Cost Analyzer Balances, click Find.
2. Choose a record in the detail area and click Select to review the information for the selected record in the following fields:
  - View Number
  - Century/Fiscal Year
  - Ledger Type
  - Account Number
  - Item
  - Activity Code

PeopleSoft®

Select Workspace: Active Foundation

Active Foundation

Personalize Change Role Sign Out

Cost Analyzer Balances

Cancel Tools

View Number: 5 All Detail

Century/Fiscal Year: 2005 Ledger Type: AA General Ledger

Account Number: 1.1210 Trade Accounts Receivable

Item:

Activity Code:

Cost Objects Original Postings Ending Balances

Cost Object/Type 1	<input type="text"/>	<input type="checkbox"/>
Cost Object/Type 2	<input type="text"/>	<input type="checkbox"/>
Cost Object/Type 3	<input type="text"/>	<input type="checkbox"/>
Cost Object/Type 4	<input type="text"/>	<input type="checkbox"/>
Subledger/type	<input type="text"/>	<input type="checkbox"/>

3. On Cost Analyzer Balances, click on the appropriate tabs to review the following fields:
  - Cost Object/Type 1
  - Cost Object/Type 2
  - Cost Object/Type 3
  - Cost Object/Type 4
  - Subledger/type

- Original Posting 01
- Original Posting YTD
- Ending Balance 01
- Ending Balance YTD

### **Processing Options for Cost Analyzer Inquiry (P1602)**

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#### View Number

Enter the view number and fiscal year to be use when posting Account Ledger (F0911) records to the Cost Analyzer Balances (F1602) table.

#### View Number

#### Fiscal Year

#### Selection

Enter a '1' if you want to select unposted as well as posted Account Ledger records. If left blank only posted records will be selected.

---

## **Viewing Balances with Cost Analyzer Inquiry by Account (P16021)**

*From the Cost Analyzer menu (G1612), choose Cost Analyzer Inquiry by Acct.*

To review original and net balances by account, you can use the Cost Analyzer Inquiry by Account program (P16021). The system displays account information in summary or detail, using the following forms:

- Cost Analyzer Inquiry by Account, which displays account balances for a view that is based on the level of detail
- Cost Analyzer Detail, which displays details for a specific account

With the summary form, Cost Analyzer Inquiry by Account, you can review accounts by cost objects and cost object types. You should use the Cost Analyzer Inquiry by Account form when you require total account balances. You can use the Cost Analyzer Detail Inquiry form to retrieve balances for the specific account that you selected from the Cost Analyzer Inquiry by Account form.

### **Cost Analyzer Inquiry by Account**

The Cost Analyzer Inquiry by Account form retrieves account information from the Account Master table (F0901) and then retrieves balances from the Cost Analyzer Balances table (F1602).

You can set the processing options to indicate default information that the system uses to obtain the summary information. After you complete the processing options, the system displays these values on the Cost Analyzer Inquiry by Account header area of the form, such as for a specific account, cost object, item number, subledger, or subledger type.

To specify how the system displays information from the Cost Analyzer Balances table (F1602), you can enter the following information in the processing options or in the header area of the form:

<b>View</b>	With the Cost Analyzer Inquiry by Account program, you can review summary and detail information for a specific view.
<b>Level of Detail</b>	<p>The summary form, Cost Analyzer Inquiry by Account, summarizes accounts and account balances by level of detail and displays information that is based on the Account Master table (F0901).</p> <p>The system displays accounts with level of detail values that are equal to or less than the requested level. For example, the levels of detail are 3 (summary) through 9 (detail). If you choose to display accounts with a level of detail of 5, the system displays levels 3, 4, and 5 and summarizes the balances from levels 6 through 9 into 5. The balances that are greater than the specified level of detail are summarized into the appropriate account.</p>
<b>Variances</b>	<p>The Cost Analyzer Inquiry by Account form specifies the calculation method that the system uses to compute the variance between the Ledger Type 1 and Ledger Type 2. The variance amount and the variance percentage are calculated when you inquire on two ledger types.</p> <p>The calculation method is the mathematical means used to display the variances between Ledger Type 1 and Ledger Type 2. For example, if you specify the calculation method Add, the system adds the balance for Ledger Type 1 to the balance for Ledger Type 2 and displays the sum total in the variance column.</p>
<b>Display Balances or Suppress Zero Balances</b>	<p>You can suppress accounts with zero balances. When you suppress zero balances, the system still retrieves all accounts that are equal to or less than the level of detail for non-posting accounts.</p> <p>You can choose to display net and original balances.</p>

### Cost Analyzer Detail

From a Row exit on the Cost Analyzer Inquiry by Account form, you can access the Cost Analyzer Detail form. On the Cost Analyzer Detail form, you can customize the grid to display cost object descriptions, cost object codes, or both. You can use the Cost Analyzer Detail form to retrieve balances for the specific account that you selected from the Cost Analyzer Inquiry by Account form.

The detail area of the Cost Analyzer Detail form is the view of the attributes from the Cost Analyzer Balances table (F1602). You can display the level of detail, net and original balances, account number, cost objects, subledgers, item number, and appropriate descriptions that are the balance for the specified account.

### From and To Transactions

You can access the Assignment Audit Trail form to review assignment transactions. For example, on the Assignment Audit Trail form, you can review accounts that receive allocated costs (to accounts), the accounts that allocate costs (From Accounts), or both. Additionally, you can review assignment allocations for cost objects, item number, or subledger type.

## Processing Options for Cost Analyzer Inquiry by Account (P16021)

---

### Options

1. Enter the View Number to be used for Cost Analyzer balance retrieval.

View Number

2. Enter the Account Level of Detail to be used (3 - 9). If left blank, "9" will be defaulted.

Account Level of Detail

3. Enter default value for Business unit. If left blank, Business Unit will default to \*.

Business Unit

4. Enter the default value for Ledger Type 1 and Ledger Type 2. If left blank, Ledger Type 1 will default to Ledger Type AA and Ledger Type 2 will default to blank.

Ledger Type 1

Ledger Type 2

Cost Objects

1. Enter the Cost Object, Item and the Cost Object Type default values. If left blank, all Cost Objects, Items and Cost Object Types will be displayed.

Cost Object 1

Cost Object 1 Type

Cost Object 2

Cost Object 2 Type

Cost Object 3

Cost Object 3 Type

Cost Object 4

Cost Object 4 Type

Item

2. Enter the Subledger and Subledger Type to be used for calculating account balances. If left blank, a blank Subledger and blank Subledger Type will be defaulted.

Subledger

Subledger Type

Dates

1. Enter default Fiscal Year, From Period and Thru Period for Ledger Type 1.

Fiscal Year

From Period

Thru Period

2. Enter default Fiscal Year, From Period and Thru Period for Ledger Type 2.

Fiscal Year

From Period

Thru Period

Display

1. Enter a "1" to suppress posting accounts with zero balances from being displayed. If left blank, "0" will be defaulted and zero balance accounts will be displayed.

Suppress Zero Balances Flag

2. Enter the Calculation Method to be used when calculating variances. "0" - Subtraction, "1" - Addition, "2" - Division, and "3" - Multiplication. If left blank, "0" will be defaulted.

Calculation Method

3. Enter the Grid columns to be displayed. Enter a "0" to display Net Balances only, a "1" to display Original Balances only or a "2" to display both Net and Original Balances. If nothing is entered Net Balances only will be displayed.

Balances Displayed

---

## Purging Cost Analyzer Balances

*From the Cost Analyzer menu (G1612), choose Purge Cost Analyzer.*

Use this batch program to purge unwanted view records from the Cost Analyzer Balances table (F1602). To free up disk space or improve performance, you can delete old views or fiscal years that are no longer in use. If view specifications change or errors occur during the posting process, you can use this program to purge the information before reposting transactions to a specific view. This program also unlocks the view to allow changes and resets the posted flag in the Account Ledger table (F0911).

If you set a processing option to bypass clearing the cost management posted code, you cannot regenerate transactions for the view. To re-create balances, you must do the following:

- Using the Post to Cost Analyzer Balances program (R1602), create a new record in the view for a new transaction in the Account Ledger table (F0911).
- Rerun the purge program and leave the Bypass Update processing option blank.

The system clears the posted code on the new transaction as well as all prior transactions, thus enabling you to repost the view for all transactions.

### Processing Options for Purge Cost Analyzer (R1602P)

---

View

Enter the view number and fiscal year of the records to be purged from the Cost Analyzer Balances table

View Number

Fiscal Year

Update Posted

Enter a '1' if you wish to bypass clearing the cost management posted code for all account ledger records which were posted using the view selected.

Bypass Update

---

## Reviewing Profitability by Cost Object

*From the Reporting menu (G1625), choose Item Profitability.*

You can use the Item Profitability report (R16022) to review the profitability for a customer, product, or salesperson. You can select information by subledger, item, or cost object. When you identify the driver, you can report on units as well.

## Processing Options for Item Profitability (R16022)

---

### Process

1. Enter the period number and fiscal year for the report to be based on. If left blank, the financial reporting date will be used. For the financial reporting date to be company specific you must sequence by company or business unit.

Period Number

Fiscal Year

---

# Viewing Account Ledger Balances in the Cost Analyzer

You can use the Cost Analyzer Account Ledger Inquiry program (P16200) to view information about the original batch and journal entries for the records in the Account Ledger table (F0911) that you post to the Cost Analyzer Balances table (F1602).

You can access the Cost Analyzer Account Ledger Inquiry program from a menu option, or from the Cost Analyzer Inquiry by Account program (P16021). To access the Cost Analyzer Account Ledger Inquiry program from the Cost Analyzer Inquiry by Account program, you must choose a record that has a balance and that has a posting edit code other than N.

## Prerequisites

- ❑ Verify that valid views exist in the Cost Analyzer View Structure table (F1603).
- ❑ Verify that the Cost Analyzer table (F1602) is populated.
- ❑ Review the processing options for the Cost Analyzer Account Ledger Inquiry program (P16200).

## ► To view account ledger balances in the Cost Analyzer

---

*Use one of the following navigations:*

*From the Cost Analyzer menu (G1612), choose Cost Analyzer Account Ledger Inquiry.*

*From the Cost Analyzer Inquiry by Account form, choose a detail line, and then choose Account Ledger from the Row menu.*

*From the Cost Analyzer Detail form, choose a detail line, and then choose Account Ledger from the Row menu.*

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### Note

To access the Work With Account Ledger form from the Cost Analyzer Inquiry by Account form or the Cost Analyzer Detail form, you must choose a record that has a balance and that has a posting edit code other than N. If you choose a record that does not have a balance or that has a posting edit code of N, the system does not display the Work With Account Ledger form.

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1. On Work With Account Ledger, complete the following fields on the Options tab, as necessary, to filter the accounts that you want to work with:
  - View Number

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**Note**

The View that you choose determines which fields are input capable in the header area. If the view that you choose is set up to summarize values, you cannot specify the value in the header area. For example, if your view is set up to summarize the ledger type and cost object 1, you cannot specify values for those fields.

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- Account
  - Ledger Type
2. Click the Cost Objects tab and complete the following fields, as necessary, to filter the accounts that you want to work with:
    - Cost Object 1
    - C T 1
    - Cost Object 2
    - C T 2
    - Cost Object 3
    - C T 3
    - Cost Object 4
    - C T 4
    - Subledger
    - Sub Type
    - Item Number
  3. Click the Dates/Display tab and complete the following fields, as necessary, to filter the accounts that you want to work with, and then click Find:
    - Fiscal Year
    - From Period
    - Thru Period
  4. Click the Dates/Display tab and turn on or turn off the following options, as necessary, to change the way the system displays cost object and subledger information:

- Show Cost Object/Subldger Descriptions

The system displays cost object descriptions and cost object type descriptions when you turn on this option, and hides them when you turn off this option.

- Show Cost Object/Subledger Values

The system displays cost objects and cost object types when you turn on this option, and hides them when you turn off this option.

5. Choose the record that you want to view, and then choose Batches from the Row menu.

When you choose Batches from the Row menu, the system displays the Work With Batches form. From the Work With Batches form, you can navigate to information about the journal entries for the record that you selected. For example, if you choose a record in the Work With Batches form, and then choose Batch Review and then JE Review from the Row menu, you can view the journal entries for the record.

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## Processing Options for Cost Analyzer Account Ledger Inquiry (P16200)

### Options Tab

Use these processing options to specify the default values that the system uses to select the records that it displays on the Work With Account Ledger form.

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#### 1. View Number

Use this processing option to specify the view in which the Account Ledger table (F0911) records are written in the Cost Analyzer Balances table (F1602). You must enter a valid view number.

#### 2. Business Unit

Use this processing option to specify a default value for the business unit that the system uses when selecting records from the Account Ledger table (F0911). If you do not specify a default value, or if you specify an asterisk (\*), the system selects records for all business units.

#### 3. Object Account

Use this processing option to specify the default value for the object account that the system uses when selecting records from the Account Ledger table (F0911). If you do not specify a default value, or if you specify an asterisk (\*), the system selects records for all object accounts.

#### 4. Subsidiary

Use this processing option to specify a default value for the subsidiary account that the system uses when selecting records from the Account Ledger table (F0911). If you do not specify a default value, or if you specify an asterisk (\*), the system selects records for all subsidiary accounts.

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## **5. Ledger Type**

Use this processing option to specify a default value for the ledger type that the system uses when selecting records from the Account Ledger table (F0911). If you do not specify a default value, or if you specify an asterisk (\*), the system selects records for all ledger types.

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## **Cost Options Tab**

Use these processing options to specify the default values for cost objects, cost object types, item number, and subledger information that the system uses to select the records that it displays on the Work With Account Ledger form.

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### **1. Cost Object 1**

Use this processing option to specify a default value for cost object 1 that the system uses when selecting records from the Account Ledger table (F0911). If you do not specify a default value, or if you specify an asterisk (\*), the system selects records for all cost object 1 values.

### **2. Cost Object Type 1**

Use this processing option to specify a default value for cost object 2 that the system uses when selecting records from the Account Ledger table (F0911). If you do not specify a default value, or if you specify an asterisk (\*), the system selects records for all cost object 2 values.

### **3. Cost Object 2**

Use this processing option to specify a default value for cost object 2 that the system uses when selecting records from the Account Ledger table (F0911). If you do not specify a default value, or if you specify an asterisk (\*), the system selects records for all cost object 2 values.

### **4 Cost Object Type 2**

Use this processing option to specify a default value for cost object type 2 that the system uses when selecting records from the Account Ledger table (F0911). If you do not specify a default value, or if you specify an asterisk (\*), the system selects records for all cost object type 2 values.

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### **5. Cost Object 3**

Use this processing option to specify a default value for cost object 3 that the system uses when selecting records from the Account Ledger table (F0911). If you do not specify a default value, or if you specify an asterisk (\*), the system selects records for all cost object 3 values.

### **6. Cost Object Type 3**

Use this processing option to specify a default value for cost object type 3 that the system uses when selecting records from the Account Ledger table (F0911). If you do not specify a default value, or if you specify an asterisk (\*), the system selects records for all cost object type 3 values.

### **7. Cost Object 4**

Use this processing option to specify a default value for cost object 4 that the system uses when selecting records from the Account Ledger table (F0911). If you do not specify a default value, or if you specify an asterisk (\*), the system selects records for all cost object 4 values.

### **8. Cost Object Type 4**

Use this processing option to specify a default value for cost object type 4 that the system uses when selecting records from the Account Ledger table (F0911). If you do not specify a default value, or if you specify an asterisk (\*), the system selects records for all cost object type 4 values.

### **9. Item Number**

Use this processing option to specify a default value for the item number that the system uses when selecting records from the Account Ledger table (F0911). If you do not specify a default value, or if you specify an asterisk (\*), the system selects records for all item numbers.

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## **10. Subledger**

Use this processing option to specify a default value for the subledger that the system uses when selecting records from the Account Ledger table (F0911). If you do not specify a default value, or if you specify an asterisk (\*), the system selects records for all subledger values.

## **11. Subledger Type**

Use this processing option to specify a default value for the subledger type that the system uses when selecting records from the Account Ledger table (F0911). If you do not specify a default value, or if you specify an asterisk (\*), the system selects records for all subledger types.

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## **Dates Tab**

Use these processing options to specify the default values for the fiscal year and periods that the system uses to select the records that it displays on the Work With Account Ledger form.

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### **1. Fiscal Year**

Use this processing option to specify the fiscal year that the system uses when selecting records from the Account Ledger table (F0911). You must specify a valid fiscal year for the view to which the system wrote records from table F0911 to the Cost Analyzer Balances table (F1602).

### **2. From Period Number**

Use this processing option to specify the period number that begins the date range that the system uses when selecting records from the Account Ledger table (F0911). The system uses the first day of the period as the first day of the date range. The system uses the period that corresponds to the date pattern that exists for the view that you specified in the View Number processing option. If you leave this processing option blank, or if you specify 0, the system uses period 1.

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### **3. Thru Period Number**

Use this processing option to specify the period number that ends the date range that the system uses when selecting records from the Account Ledger table (F0911). The system uses the last day of the period as the end of the date range. The system uses the period that corresponds to the date pattern that exists for the view that you specified in the View Number processing option. If you leave this processing option blank, or if you specify 0, the system uses period 14.

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# External Cost Analyzer Balances Processing

If you have cost analyzer balances such as external budgets or non-general ledger costs that are not in PeopleSoft EnterpriseOne tables, you can import them into the External Cost Analyzer Balances - Interoperability Table (F1602Z1). After the balances are in the F1602Z1 table, use the External Cost Analyzer Balances Processor program (R1602Z1) to upload them to the Cost Analyzer Balances table (F1602).

You can either import the external cost analyzer balances into the F1602Z1 table or you can add the balances manually using the External Cost Analyzer Balances program (P1602Z1).

After you import the external balances or manually enter them into the F1602Z1 table, you can edit the balances or add to them without affecting your Account Ledger table (F0911).

## Prerequisite

- ❑ Set up your cost analyzer view in the same way that you set up your view for internally generated transactions. See *Setting Up Cost Analyzer Views* in the *Advanced Cost Accounting Guide*.

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## Importing External Cost Analyzer Balances

If you have cost analyzer balances that are in a spreadsheet or in another system, you can import the balances directly into the External Cost Analyzer Balances - Interoperability Table (F1602Z1) and then upload them into the Cost Analyzer Balances table (F1602).

Your system administrator must create a custom program to import the balances into the F1602Z1 table. The following table provides guidelines for how the fields in the F1602Z1 table should be populated:

Field Name	Alias	Type	Length	Description
EDI - User ID	CZEDUS	String	10	A code that indicates the source of the transaction. This code can be a user ID, a workstation ID, the address of an external system, a node on a network, and so on. This field identifies both the transaction and its point of origin.
EDI - Batch Number	CZEDBT	String	15	The number that the transmitter assigns to the batch. During batch processing, the system assigns a new batch number to the PeopleSoft transactions for each control (user) batch number.

Field Name	Alias	Type	Length	Description
EDI - Transaction Number	CZEDTN	String	22	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 identify a transaction within a batch. It can be the same as a PeopleSoft document number.
EDI - Line Number	CZEDLN	Number	7	The line number that you assign when you originate 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.
EDI - Document Type	CZEDCT	String	2	The document type that is assigned by the transmitter in an EDI transaction.
Transaction Type	CZTYTN	String	8	A code used to identify a specific type of transaction.
EDI - Transaction Format	CZEDFT	String	10	A code used to identify a specific mapping structure used to process both inbound and outbound EDI transactions.
EDI - Transmission Date	CZEDDT	Date	6	The date that an EDI transaction was either transmitted or received.
Direction Indicator	CZDRIN	Character	1	A code that indicates whether a transaction is inbound or outbound.
EDI - Detail Lines Processed	CZEDDL	Number	5	The number of detail lines transmitted in an EDI transaction. This is the total number of lines on a purchase order, invoice, and so on.
EDI - Successfully Processed	CZEDSP	Character	1	A code that indicates whether a record has been successfully processed. Depending on the application, the system updates the CZEDSP field in a table with one of the following values: <ul style="list-style-type: none"> <li>• 1 (or Y) – successfully processed</li> <li>• Blank (or N) – not processed</li> </ul>
Trading Partner ID	CZPNID	String	15	A code used in an EDI transaction to identify the party that is trading documents with you.

Field Name	Alias	Type	Length	Description
Transaction Action	CZTNAC	String	2	A code that specifies the action to perform on the transaction. In an EDI transaction, this code represents the transaction set purpose or change code.
EDI - Record Type	CZEDTY	Character	1	The identifier that is used to mark EDI transaction records as header and detail information.
EDI - Record Sequence	CZEDSQ	Number	2	An identifier that is used to assign the relative position within the header or detail information of an EDI transaction, for example, H01, H02, D01, and so on.
EDI - Transaction Set Number	CZEDTS	String	6	A code used to identify a specific type of EDI transaction.
EDI - Send/Receive Indicator	CZEDER	Character	1	A code used to specify whether a specific transaction set can be sent, received, or both. Valid values are: <ul style="list-style-type: none"> <li>• S – send</li> <li>• R – receive</li> <li>• B – both</li> </ul>
EDI - Transaction Action	CZEDTC	Character	1	A code that specifies what the system should do with a transaction during final processing. Valid values are: <ul style="list-style-type: none"> <li>• A – add a new transaction</li> <li>• D – delete an unprocessed transaction</li> </ul>
EDI - Transaction Type	CZEDTR	Character	1	A code that identifies a particular kind of transaction. The originator assigns this code to specify a voucher (V), invoice (I), journal entry (J), and so on.

Field Name	Alias	Type	Length	Description
EDI - Batch File Create G/L Record	CZEDGL	Character	1	<p>A flag in the batch file that specifies whether you want the system to create a general ledger record at the time that the invoice or voucher is processed. Valid values are:</p> <ul style="list-style-type: none"> <li>• Blank – do not create a general ledger record</li> <li>• 1 – create a general ledger record</li> </ul> <p>If this field is 1, you must also enter the object and subsidiary account numbers for the general ledger account number.</p>
Batch File Discount Handling Flag	CZEDDH	Character	1	<p>A flag in the batch file that specifies how the discount should be calculated. Valid values are:</p> <ul style="list-style-type: none"> <li>• 0 – use the payment terms for calculation</li> <li>• 1 – use the discount override specified by the user</li> <li>• 2 – use the percent calculation entered by the user</li> </ul>
User Address Number	CZEDAN	Number	8	<p>An address number assigned by the transmitter. This number is used primarily for connecting a new address book number on the PC with associated accounts receivable invoices and accounts payable vouchers being sent from the PC.</p> <p>After the address book batch process assigns an address book number using next numbers, the address number will be modified on the associated accounts receivable invoices and accounts payable vouchers in the batch files. The system matches address numbers on transactions with the same user address number assigned by the transmitter.</p>

Field Name	Alias	Type	Length	Description
View Number	CZVWNM	Number	2	<p>A number from 1 through 10 that specifies how the system posts Account Ledger table (F0911) records to the Cost Analyzer Balances table (F1602). This number also specifies which Managerial Accounting Posting code (PM01-PM10) is updated in the F0911 table.</p> <p>For example, if the view number is 1, the system updates PM01 with a P when the Account Ledger record is flagged as being posted.</p>
Activity - Based Costing Activity Code	CZACTB	String	10	A code that identifies a group of actions used in activity-based costing.
Account ID	CZAID	String	8	A number that the system assigns to each general ledger account in the Account Master table (F0901) to uniquely identify it.
Century/Fiscal Year	CZCFY	Number	5	A number that specifies the century concatenated with the fiscal year.
Ledger Types	CZLT	String	2	A user defined code (09/LT) that specifies the type of ledger, such as AA (actual amounts), BA (budget amounts), or AU (actual units). You can set up multiple, concurrent accounting ledgers within the general ledger to establish an audit trail for all transactions.
Subledger - G/L	CZSBL	String	8	A code that identifies a detailed, auxiliary account for a general ledger account. A subledger can be an equipment item number or an address book number. If you enter a subledger, you must also specify the subledger type.

Field Name	Alias	Type	Length	Description
Subledger Type	CZSBLT	Character	1	<p>A user defined code (00/ST) that is used with the Subledger field to identify the subledger type and specify how the system performs subledger editing. On the User Defined Codes form, the second line of the description controls how the system performs editing. The code either hard coded or user defined. For example:</p> <ul style="list-style-type: none"> <li>• A – alphanumeric field, do not edit</li> <li>• N – numeric field, right justify and zero fill</li> <li>• C – alphanumeric field, right justify and blank fill</li> </ul>
Managerial Analysis Code 1	CZABR1	String	12	<p>A code that represents an equipment item number or an address book number. A cost object code requires that you also specify the cost object type. This field functions the same and is edited the same as the Subledger field. The system does not post a cost object code to the Account Balances table (F0902).</p>
Managerial Analysis Type 1	CZABT1	Character	1	<p>A code that specifies the type of cost object and the type of editing. Valid types are stored in the Cost Object Types table (F1620) and can be added or modified using the Cost Object Types program (P1620).</p>
Managerial Analysis Code 2	CZABR2	String	12	<p>A code that represents a cost object, such as an equipment item number or address book number. If you enter a cost object code, you must also specify the cost object type. This field functions the same and is edited the same as the Subledger field. The system does not post a cost object code to the F0902 table.</p>
Managerial Analysis Type 2	CZABT2	Character	1	<p>A code that specifies the type of cost object and the type of editing. Valid types are stored in the F1620 table and can be added or modified using the Cost Object Types program.</p>

<b>Field Name</b>	<b>Alias</b>	<b>Type</b>	<b>Length</b>	<b>Description</b>
Managerial Analysis Code 3	CZABR3	String	12	A code that represents a cost object such as an equipment item number or address book number. If you enter a cost object code, you must also specify the cost object type. This field functions the same and is edited the same as the Subledger field. The difference is that the system does not post a cost object code to the F0902 table.
Managerial Analysis Type 3	CZABT3	Character	1	A code that specifies the type of cost object and the type of editing. Valid types are stored in the F1620 table and can be added or modified using the Cost Object Types program.
Managerial Analysis Code 4	CZABR4	String	12	A code that represents a cost object. For example, a cost object code can be an equipment item number or an address book number. If you enter a cost object code, you must also specify the cost object type. This field functions the same and is edited the same as the Subledger field. The difference is that the system does not post a cost object code to the F0902 table.
Managerial Analysis Type 4	CZABT4	Character	1	A code that specifies the type of cost object and the type of editing. Valid types are stored in the F1620 table and can be added or modified using the Cost Object Types program.

Field Name	Alias	Type	Length	Description
Item Number - Short	CZITM	Number	8	<p>A number that represents an inventory item. 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 on. The item numbers are as follows:</p> <ul style="list-style-type: none"> <li>• Item Number (short) – an eight-digit number assigned by the system</li> <li>• 2nd Item Number – a 25-digit, alphanumeric item number that is user defined and free-form</li> <li>• 3rd Item Number – an additional 25-digit, alphanumeric item number that is user defined and free form.</li> </ul>
Company	CZCO	String	5	<p>A code that identifies a specific organization, fund, or other reporting entity. 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.</p> <p><b>Note</b></p> <p>You can use company 00000 for default values such as dates and automatic accounting instructions. You cannot use company 00000 for transaction entries.</p>

Field Name	Alias	Type	Length	Description
Amount - Beginning Balance/PYE Forward	CZAPYC	Number	15	<p>An amount that represents the cumulative prior year-end balance. The system uses this amount as the beginning balance for balance sheet and job cost accounts. Do not confuse this amount with the prior year-end net posting amount.</p> <p>The prior year-end net posting amount includes only the postings from the prior year. It does not include the ending balance of the previous year. The prior year-end net postings are typically used for profit and loss statement comparisons.</p>
Amount - Net Posting 01	CZAN01	Number	15	<p>A number that represents the net amount posted during the accounting period. The net amount posted is the total of all debits and credits from the first day of the period through the last day of the period.</p> <p>The system uses the accounting periods from the Company Constants table (F0010).</p>
Amount - Net Posting 02	CZAN02	Number	15	
Amount - Net Posting 03	CZAN03	Number	15	
Amount - Net Posting 04	CZAN04	Number	15	
Amount - Net Posting 05	CZAN05	Number	15	
Amount - Net Posting 06	CZAN06	Number	15	
Amount - Net Posting 07	CZAN07	Number	15	
Amount - Net Posting 08	CZAN08	Number	15	
Amount - Net Posting 09	CZAN09	Number	15	
Amount - Net Posting 10	CZAN10	Number	15	
Amount - Net Posting 11	CZAN11	Number	15	
Amount - Net Posting 12	CZAN12	Number	15	
Amount - Net Posting 13	CZAN13	Number	15	

Field Name	Alias	Type	Length	Description
Amount - Net Posting 14	CZAN14	Number	15	
Amount - Net Balance 01	CZNB01	Number	15	A number that represents the net balance for an accounting period. The net balance equals the original amount, which is posted to the Cost Analyzer Balances table (F1602) from the Account Ledger table (F0911), plus any amounts that are applied to the F1602 and minus any amounts that are assigned from the F1602. You assign amounts using the Cost Calculations program (R1610).
Amount - Net Balance 02	CZNB02	Number	15	
Amount - Net Balance 03	CZNB03	Number	15	
Amount - Net Balance 04	CZNB04	Number	15	
Amount - Net Balance 05	CZNB05	Number	15	
Amount - Net Balance 06	CZNB06	Number	15	
Amount - Net Balance 07	CZNB07	Number	15	
Amount - Net Balance 08	CZNB08	Number	15	
Amount - Net Balance 09	CZNB09	Number	15	
Amount - Net Balance 10	CZNB10	Number	15	
Amount - Net Balance 11	CZNB11	Number	15	
Amount - Net Balance 12	CZNB12	Number	15	
Amount - Net Balance 13	CZNB13	Number	15	
Amount - Net Balance 14	CZNB14	Number	15	
Assignment Flag	CZASMF	Character	1	A flag that indicates whether the record in the F1602 table has been affected by an assignment.
Amount - Week-to-Date	CZAWTD	Number	15	A number that represents the net amount from the week-to-date postings for an account.

Field Name	Alias	Type	Length	Description
Amount – Original / Beginning Budget	CZBORG	Number	15	A number that represents amounts for an annual budget by ledger type in the F0902 table.
Budget - Requested	CZBREQ	Number	15	A number that represents the amount originally requested by ledger type in the F0902 table. Valid values for ledger types are: <ul style="list-style-type: none"> <li>• BA/BU – Budget ledger</li> <li>• PA/PU – Job Cost budgeted commitments</li> </ul>
Budget - Approved	CZBAPR	Number	15	A number that represents the approved budget amount by ledger type in the F0902 table.
Business Unit	CZMCU	String	12	An alphanumeric code 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.
Object Account	CZOBJ	String	6	A number that identifies the portion of a general ledger account that identifies the type of transaction being recorded, for example, labor, materials, and equipment.  <b>Note</b> If you use a flexible chart of accounts and the object account is set to 6 digits, it is recommended that you use all 6 digits. For example, entering 000456 is not the same as entering 456. If you enter 456, the system enters three blank spaces to fill a 6-digit object.
Subsidiary	CZSUB	String	8	An alphanumeric value that represents a subset of an object account. Subsidiary accounts include detailed records of the accounting activity for an object account.
Currency Code - From	CZCRCD	String	3	An alphabetic code that identifies the currency of a transaction.
Currency Code - Denominated In	CZCRCX	String	3	An alphabetic code that indicates the currency in which an amount is denominated.

Field Name	Alias	Type	Length	Description
Posting Code 1 - Managerial Accounting	CZPM01	Character	1	<p>A code that corresponds to the view number (VWNM) and specifies whether it is posted. Valid values are:</p> <ul style="list-style-type: none"> <li>• Blank – not posted</li> <li>• P – posted</li> </ul>
Posting Code 2 - Managerial Accounting	CZPM02	Character	1	
Posting Code 3 - Managerial Accounting	CZPM03	Character	1	
Posting Code 4 - Managerial Accounting	CZPM04	Character	1	
Posting Code 5 - Managerial Accounting	CZPM05	Character	1	
Posting Code 6 - Managerial Accounting	CZPM06	Character	1	
Posting Code 7 - Managerial Accounting	CZPM07	Character	1	
Posting Code 8 - Managerial Accounting	CZPM08	Character	1	
Posting Code 9 - Managerial Accounting	CZPM09	Character	1	
Posting Code 10 - Managerial Accounting	CZPM10	Character	1	
User ID	CZUSER	String	10	The code that identifies a user profile.

Field Name	Alias	Type	Length	Description
Program ID	CZPID	String	10	<p>The number that identifies the batch or interactive program. For example, the number of the Sales Order Entry interactive program is P4210 and the number of the Print Invoices batch program is R42565.</p> <p>The program ID is a variable length value. It is assigned according to a structured syntax in the form TSSXXX, where:</p> <ul style="list-style-type: none"> <li>• T is the first character of the number. It is alphabetic and identifies the type, such as P for program, R for report, and so on. For example, the value P in the number P4210 indicates that the object is an interactive program.</li> <li>• SS is the second and third characters of the number. They are numeric and identify the system. For example, the value 42 in the number P4210 indicates that this program belongs to system 42, which is the Sales Order Management system.</li> <li>• XXX is the fourth through sixth characters of the number. The characters are numeric and identify a unique program or report. For example, the value 10 in the number P4210 indicates that this is the Sales Order Entry program.</li> </ul>
Date - Updated	CZUPMJ	Date	6	The date that the record was last updated.
Time - Last Updated	CZUPMT	Number	6	The time that the program last updated this record.
Work Station ID	CZJOBN	String	10	The code that identifies the workstation ID that ran a particular job.

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# Entering External Cost Analyzer Balances Manually

Use the External Cost Analyzer Balances program (P1602Z1) to enter external cost analyzer balances manually. When you enter balances, the system edits the following information:

- Account number
- Business unit
- Ledger type
- Activity

When you enter balances, the External Cost Analyzer Balances program creates records in the External Cost Analyzer Balances - Interoperability Table (F1602Z1). After you finish entering your external balances, run the External Cost Analyzer Balances Processor program (R1602Z1) to upload the records into the Cost Analyzer Balances table (F1602).

► **To enter external cost analyzer balances manually**

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*From the External Cost Analyzer Balances menu (G16121), choose External Cost Analyzer Balances.*

1. On Work with External Cost Analyzer Balances, click Add.
2. On External Cost Analyzer Balances, complete the following fields:
  - Transaction Number
  - Fiscal Year
  - Account Number
  - Activity
  - Ledger Type
  - Action Code
3. On the Cost Objects tab, complete the following fields as necessary:
  - Cost Object / Type 1  
You must enter the cost object type before you enter the cost object.
  - Type/Subledger
  - Item Number
4. On the Balances tab, complete the following field and the other Net Balance fields, as necessary:
  - Net Balance 01  
You can enter up to 14 net balances.

5. On the Posted Codes tab, complete the following field and the other Posting Code fields, as necessary:
  - Posting Code 1You can enter up to 10 posted codes.
6. Click OK.

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## Reviewing and Revising External Cost Analyzer Balances

After you import external cost analyzer balances or manually enter them into the External Cost Analyzer Balances - Interoperability Table (F1602Z1), you can use the External Cost Analyzer Balances program (P1602Z1) to review your balances for accuracy and, if necessary, to revise them.

After you review and revise your external cost analyzer balances, run the External Cost Analyzer Balances Processor program (R1602Z1) to upload your balances to the Cost Analyzer Balances table (F1602).

When you run the External Cost Analyzer Balances Processor program, the program produces a report that shows any records that ended in error. For example, some records might have invalid account numbers. To ensure the integrity of your Cost Analyzer Balances table, you must correct any errors using the External Cost Analyzer Balances program before you can upload the balances to the F1602 table.

► **To review and revise external cost analyzer balances**

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*From the External Cost Analyzer Balances menu (G16121), choose External Cost Analyzer Balances.*

1. On Work with External Cost Analyzer Balances, click Find to display all external cost analyzer balances, or complete any of the following fields to limit your search, and then click Find:
  - Fiscal Year
  - Ledger Type
  - User ID
  - Batch Number
  - Transaction Number
2. To review or revise detail information for a specific balance, choose the balance and click Select.
3. On External Cost Analyzer Balances, review fields and revise as needed.
4. Click OK.

---

## Uploading External Cost Analyzer Balances

After you review and revise the balance records in the External Cost Analyzer Balances - Interoperability Table (F1602Z1), run the External Cost Analyzer Balances Processor program (R1602Z1) to upload the records to the Cost Analyzer Balances table (F1602).

Before the External Cost Analyzer Balances Processor program uploads the records to the F1602 table, it edits the records to ensure that the information is in the correct format. After the program edits the records, it generates a report that lists the number of records selected from the F1602Z1 table, the number of records added to and updated in the F1602 table, and the number of records that failed.

If a record fails, the system creates a workflow message that indicates that an error occurred. Use the External Cost Analyzer Balances program (P1602Z1) to correct the error, and then run the External Cost Analyzer Balances Processor program again.

The External Cost Analyzer Balances Processor program selects only records that have not been posted to the F1602 table. After the program uploads the balances, it marks them as posted in the F1602Z1 and the F1602 tables.

Depending on how you set the Action Code Override processing option, the External Cost Analyzer Balances Processor program either adds the balances to existing balances or creates new balances. If you set the processing option to 1, the F1602Z1 overrides the value in the Action Code field in the F1602Z table if appropriate. If the action code is A and a value exists in the F1602 table, the R1602Z1 amount is added to or subtracted from the existing balances in the F1602 table. If the action code is A and an F1602 record does not exist, a new record is added to the F1602 table. If an F1602 record already exists, the existing F1602 record is replaced.

## Processing Options for External Cost Analyzer Balances Processor (R1602Z1)

### Options Tab

---

#### 1. View Number (Required)

Use this processing option to specify the view number for the system to use when posting External Cost Analyzer Balances records (F1602Z1) to the Cost Analyzer Balances table (F1602). The system updates the View Number field in the Cost Analyzer Balances table with this number. This number also specifies which Managerial Accounting Posting Code (PM01-PM10) in the External Cost Analyzer Balances table the system updates as posted. For example, if the view number is 2, the system updates the PM02 field with a value of P when the External Cost Analyzer Balances record is marked as posted. This processing option is required. If you leave this processing option blank, the program ends and an error prints on the report.

#### 2. Fiscal Year (Required)

---

Use this processing option to specify the fiscal year for the system to use to select records from the External Cost Analyzer Balances - Interoperability Table (F1602Z1). Enter the last two digits of the fiscal year. For example, for fiscal year 2005, enter 05. The system also assigns this year to the records in the Cost Analyzer Balances table (F1602). This processing option is required. If you leave this processing blank, the program ends and an error prints on the report.

### **3. Action Code Override**

Use this processing option to override the value in the Transaction Action field in the External Cost Analyzer Balances table (F1602Z1). Enter a 1 to override the value in the Transaction Action field from C to A. If you enter a 1, new records will be added to the Cost Analyzer Balances table (F1602) if a record does not already exist. If a record already exists in the Cost Analyzer Balances table, the record in the External Cost Analyzer Balances table replaces it. If you leave this processing option blank, the action code contained in the External Cost Analyzer Balances table is used.

---

---

## **Purging External Cost Analyzer Balances**

After you successfully upload your external cost analyzer balances to the Cost Analyzer Balances table (F1602), you can purge the records from the External Cost Analyzer Balances - Interoperability Table (F1602Z1) using the External Cost Analyzer Balances Purge program (R1602Z1P).

Use the data selection to select the records to purge. The External Cost Analyzer Balances Purge program does not have processing options.

# Drivers

A driver is a measure of demand on activities or resources that influence costs or revenue. An activity driver is a measure of the frequency and intensity of the demands that are placed on activities by cost objects. An example of an activity driver is the total number of customer sales orders. A resource driver is a measure of resources that are consumed in an activity. An example of a resource driver is the number of hours directed to activities.

Two kinds of drivers exist in Advanced Cost Accounting: automatic drivers and manual drivers. Automatic drivers are extracted from data that already exists in the system, such as number of lines on a sales order, purchase order, or work order. Manual drivers are entered manually with the volumes that are associated with them, such as the man-hours required to paint a bicycle or the square footage in a building that is used to paint bicycles.

For example, if a company that manufactures bicycles knows that its two-tone bicycles cost more than its solid color bicycles, it could begin to analyze the real cost that is associated with the bicycles. The company could create a driver that measures man-hours used to paint both types of bicycles, as well as the square footage in the building that is used to paint two-tone versus solid color bicycles. By using these resources as drivers, the company sees the actual cost that is associated with each bicycle.

You set up driver definitions to specify from which tables the system retrieves information to calculate volumes and quantities. Drivers are user defined. They vary based on the types of costs that you want to analyze. Drivers are an integral part of the assignment tool in Advanced Cost Accounting. Because PeopleSoft systems are completely integrated, drivers can access information quickly and accurately from other systems, such as the Sales Order, Procurement, and Work Order systems.

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## Setting Up Drivers

For automatic drivers, use the Driver Definition program (P1630) to create and update driver definitions and calculation instructions. You can define how to calculate driver volumes at the summary level.

For manual drivers, use the Driver Definition program to update a definition for information that is not maintained in the system. For example, you can define drivers to identify man-hours or square footage for a particular department.

After you run update information, use driver calculations to automatically calculate the cost of driver volumes or to enter drivers manually. During allocations or reassignments, drivers logically reassign costs to activities, processes, and cost objects.

### Prerequisite

- Review the processing option in the Driver Volume Revisions program (P1632) to determine whether the default for the driver definition is automatic or manual.

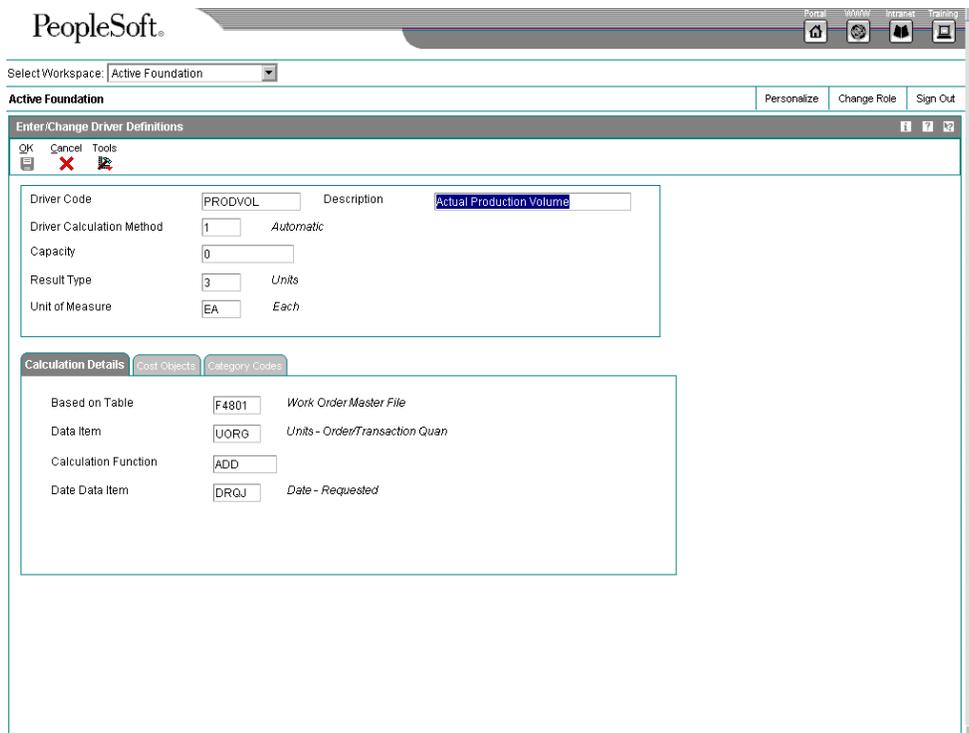
# Defining Automatic Drivers

The system calculates automatic driver volumes by searching a specific table, such as the Sales Order Detail File table (F4211) or the Work Order Master File table (F4801), counting the number of records that meet certain criteria or summarizing the value in a specific field. Most drivers that are used in the Advanced Cost Accounting system are calculated automatically because the required information is usually available in these tables.

## ► To define automatic drivers

*On the Drivers menu (G1614), choose Driver Definition.*

1. On Work with Drivers, click Add.



PeopleSoft

Select Workspace: Active Foundation

Active Foundation Personalize Change Role Sign Out

Enter/Change Driver Definitions

OK Cancel Tools

Driver Code: PRODVOL Description: Actual Production Volume

Driver Calculation Method: 1 Automatic

Capacity: 0

Result Type: 3 Units

Unit of Measure: EA Each

Calculation Details Cost Objects Category Codes

Based on Table: F4801 Work Order Master File

Data Item: UORG Units - Order/Transaction Quan

Calculation Function: ADD

Date Data Item: DRQJ Date - Requested

2. On Enter/Change Driver Definitions, complete the following fields:

- Driver Code
- Description
- Driver Calculation Method  
The calculation method must be automatic.
- Result Type  
Depending on the result type, the system might display additional fields.

3. On the Calculation Details tab, complete the following fields:
  - Based on Table
  - Data Item
  - Calculation Function
  - Date Data Item
4. Click the Cost Objects tab to identify the level of summarization for cost objects.

PeopleSoft®

Select Workspace: Active Foundation

Active Foundation Personalize Change Role Sign Out

Enter/Change Driver Definitions

OK Cancel Tools

Driver Code: PRODVOL Description: Actual Production Volume

Driver Calculation Method: 1 Automatic

Capacity: 0

Result Type: 3 Units

Unit of Measure: EA Each

Calculation Details Cost Objects Category Codes

Related Table 1: Field 1: TRT Type 1: R Routing Types for Work Orders

Related Table 2: Field 2: Type 2:

Related Table 3: Field 3: Type 3:

Related Table 4: Field 4: Type 4:

Item Field: ITM

Subledger: Subledger Type:

Activity

5. To specify one or more cost objects, complete the following fields for each cost object that you define:
  - Related Table 1
 

If the related table is the same as the table that is specified on the Calculation Details tab, leave this field blank. If the related table is Address Book Master (F0101), you must enter a value for the address book data item.
  - Field 1
  - Type 1
6. Complete the following optional fields:
  - Item
  - Subledger
  - Subledger Type
7. To define category codes for the driver, click the Category Codes tab.

PeopleSoft

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Enter/Change Driver Definitions

OK Cancel Tools

Driver Code:  Description:

Driver Calculation Method:  Automatic

Capacity:

Result Type:  Units

Unit of Measure:  Each

Calculation Details Cost Objects Category Codes

Value 1  .

Value 2  .

Value 3  .

Value 4  .

Value 5  .

8. Complete the category code information, and then click OK.

## Defining Manual Drivers

You must separately enter constant and variable information for each manual driver calculation. Manual drivers are those calculations that are based on information that is not found in any of the database tables in the system. For example, if the resource driver is square feet by department, you must enter this specific information.

### ► To define manual drivers

*From the Drivers menu (G1614), choose Driver Definition.*

1. On Work with Drivers, click Add.
2. On Enter/Change Driver Definitions, complete the following fields:

- Driver Code
- Description
- Driver Calculation Method
  - The calculation method must be manual.
- Result Type
  - Depending on the result type, the system might display additional fields.

The system does not allow you to enter calculation details.

PeopleSoft

Select Workspace: Active Foundation

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Enter/Change Driver Definitions

OK Cancel Tools

Driver Code: BAGSRECD Description: Bags received by supplier

Driver Calculation Method: 2 Manual

Capacity: 0

Result Type: 3 Units

Unit of Measure: EA Each

Calculation Details Cost Objects Category Codes

Related Table 1	<input type="text"/>	Field 1	<input type="text"/>	Type 1	<input type="checkbox"/>
Related Table 2	<input type="text"/>	Field 2	<input type="text"/>	Type 2	<input type="checkbox"/>
Related Table 3	<input type="text"/>	Field 3	<input type="text"/>	Type 3	<input type="checkbox"/>
Related Table 4	<input type="text"/>	Field 4	<input type="text"/>	Type 4	<input type="checkbox"/> 8 Supplier
Item Field	<input type="text"/>				
Subledger	<input type="text"/>			Subledger Type	<input type="checkbox"/>

Activity  Item

3. On the Cost Objects tab, complete the following fields to indicate the level of summarization:
  - Item Number
  - Activity
  - Subledger Type
  - Subledger
4. Complete the following optional fields to indicate the level of summarization:
  - Type 1
  - Type 2
  - Type 3
  - Type 4
5. To identify category codes, click the Category Codes tab, complete the following fields, and click OK:
  - Value 1
  - Value 2
  - Value 3
  - Value 4
  - Value 5

---

## Calculating Driver Balances

You can use driver definitions to calculate driver volumes and create driver balances. You specify which drivers the system calculates by selecting the drivers in the Driver Selection program (P16301). The system processes each driver selection and calls the calculation program corresponding to the Based On table that is entered in the Driver Definition program (P1630).

## Entering Manual Driver Information

Most drivers that you use in the Advanced Cost Accounting system are based on tables in the system and are calculated automatically by the appropriate driver calculation programs. Information for manual drivers, such as square feet by department, is not available in any table and can be entered in this revisions program. Use the Driver Volume Revisions program (P1632) to do the following:

- Enter manual driver information for specified periods
- Update driver balances for a specific fiscal year and ledger type
- Enter balances for activities
- Correct errors on an existing entry
- Copy existing driver information to create new manual drivers for another fiscal year and ledger type

### Prerequisite

- Verify that you have set up manual drivers in the Driver Calculation Definition program (P1630).

### ► To enter manual driver information

---

*From the Drivers menu (G1614), choose Driver Volume Revisions.*

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Work with Driver Volume

Select Find Add Copy Close Row Tools

Options Item Number Cost Objects

Driver Code: HOURS Number of man hours

Business Unit: [ ]

Ledger Type: AU

Fiscal Year: [ ]

Business Unit	Business Unit Description	Activity	Activity Description	Net Posting 01	Net Posting 02	Net Posting 03	Net Posting 04	Net Posting 05
30	Eastern Distribution Center	10130	Receive Bags	160.00	240.00	320.00	240.00	
<input type="radio"/>	30 Eastern Distribution Center	10140	Inspect Quality of Bags	80.00	120.00	160.00	120.00	
<input type="radio"/>	D30 EPS Distribution Center	10130	Receive Bags	80.00	120.00	160.00	120.00	
<input type="radio"/>	D30 EPS Distribution Center	10140	Inspect Quality of Bags	40.00	60.00	80.00	60.00	

1. On Work with Driver Volume, complete the following field and click Add:

- Driver Code

PeopleSoft

Select Workspace: Active Foundation

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Revise Drivers by Period

OK Find Delete Cancel Tools

Options Item Number Cost Objects

Driver Code: HOURS Fiscal Year: 5

Business Unit: [ ] From Period: [ ]

Ledger Type: AU Thru Period: [ ]

Net Change

Business Unit	Business Unit Description	Activity	Activity Description	Net Posting 01	Net Posting 02	Net Posting 03	Net Posting 04	Net Posting 05
<input checked="" type="checkbox"/>	30	Eastern Distribution Center	10130	Receive Bags	160.00	240.00	320.00	240.00
<input type="checkbox"/>	30	Eastern Distribution Center	10140	Inspect Quality of Bags	80.00	120.00	160.00	120.00
<input type="checkbox"/>	D30	EPS Distribution Center	10130	Receive Bags	80.00	120.00	160.00	120.00
<input type="checkbox"/>	D30	EPS Distribution Center	10140	Inspect Quality of Bags	40.00	60.00	80.00	60.00

2. On Revise Drivers by Period, click the Options tab and complete the following fields:
  - Fiscal Year
  - Ledger Type
3. To enter default header information, complete the following optional field:
  - Business Unit
4. On the Item Number tab, complete the following field:
  - Activity
5. Click OK.

## Understanding Based On Tables

You can set up calculations so that the system creates driver balance entries that are based on information in master tables, such as the Sales Order Detail File table (F4211) for the number of sales orders per customer or the Work Order Master File table (F4801) for the quantity shipped by item. When you run the Driver Calculations program (R1632), the system populates the Driver Balances table (F1632) with data from the based-on tables for the drivers that you choose to run.

The following table shows the tables on which you can base driver calculations and examples of data that you can gather from the tables when you run the Driver Calculations program:

Table	Examples of Data
F03012 (Customer Master by Line of Business)	<ul style="list-style-type: none"> <li>• Number of customers who request printed statements</li> <li>• Number of different tax entities per customer</li> </ul>
F03B11 (Customer Ledger)	<ul style="list-style-type: none"> <li>• Invoice amounts by customer</li> <li>• Number of customers per region</li> </ul>
F03B14 (Receipts Detail)	<ul style="list-style-type: none"> <li>• Average number of invoices paid per receipt</li> <li>• Average discount taken per invoice</li> <li>• Amount of gain or loss for currency conversion by invoice paid</li> </ul>
F0401 (Supplier Master)	<ul style="list-style-type: none"> <li>• Amount vouchered year-to-date by supplier</li> <li>• Number of suppliers per region</li> </ul>
F0411 (Accounts Payable Ledger)	<ul style="list-style-type: none"> <li>• Number of invoices paid by supplier</li> <li>• Invoice amounts by supplier</li> </ul>
F0414 (Accounts Payable Matching Document Detail)	<ul style="list-style-type: none"> <li>• Average number of vouchers per check issued</li> <li>• Amount of gain or loss for currency conversion by invoice paid</li> </ul>
F0618 (Employee Transaction History)	<ul style="list-style-type: none"> <li>• Number of employees by job type</li> <li>• Average hourly rate by job type</li> </ul>
F0911 (Account Ledger)	<ul style="list-style-type: none"> <li>• Number of adjustments for automatic journal entries by account</li> <li>• Number of voided transactions by user</li> </ul>

<b>Table</b>	<b>Examples of Data</b>
F3112 (Work Order Routing)	<ul style="list-style-type: none"> <li>• Production hours by work center</li> <li>• Production hours by item</li> <li>• Quantity produced by work center</li> </ul>
F31122 (Work Order Time Transactions)	<ul style="list-style-type: none"> <li>• Number of service work orders by item</li> <li>• Number of units scrapped by item</li> </ul>
F4101 (Item Master)	<ul style="list-style-type: none"> <li>• Margin ranking by buyer</li> <li>• Average shelf life by item</li> </ul>
F4102 (Item Branch File)	<ul style="list-style-type: none"> <li>• Number of items for which components in a bill of material are issued manually</li> </ul>
F4111 (Item Ledger File)	<ul style="list-style-type: none"> <li>• On-hand inventory by item</li> </ul>
F4211 (Sales Order Detail File) <b>Note</b> When you choose table F4211, the system displays an additional field so that you can choose whether to retrieve information from table F4211, from the Sales Order History File table (F42119), or from both tables.	<ul style="list-style-type: none"> <li>• Number of sales orders per item</li> <li>• Number of sales orders per customer group</li> <li>• Number of quote orders per item</li> </ul>
F4311 (Purchase Order Detail File)	<ul style="list-style-type: none"> <li>• Number of purchase orders per item</li> <li>• Quantity purchased by supplier</li> <li>• Number of purchase orders per buyer</li> </ul>
F4801 (Work Order Master File)	<ul style="list-style-type: none"> <li>• Number of work orders per item</li> </ul>
F4942 (Shipment Detail)	<ul style="list-style-type: none"> <li>• Number of shipments by ship-to address</li> <li>• Total shipment weight by postal code</li> </ul>
F4981 (Freight Audit History)	<ul style="list-style-type: none"> <li>• Number of purchase orders containing freight per supplier</li> <li>• Number of sales orders containing freight per customer</li> </ul>

► **To revise manual driver information**

---

*From the Drivers menu (G1614), choose Driver Volume Revisions.*

1. On Work with Driver Volume, complete the following fields and click Find:
  - Driver Code
  - Ledger Type
  - Fiscal Year
2. Highlight the business unit that you want to revise and choose Enter/Change Drive from the Row menu.

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Select Workspace: Active Foundation

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Enter/Change Driver Volume

OK Cancel Tools

Driver Code: HOURS Number of man hours: Fiscal Year: 05  
 Business Unit: 30 Ledger Type: AU  
 Weight Factor: 0.00

Item Number	Cost Objects	Net Posting
Net Posting 01		
Net Posting 02		240.00
Net Posting 03		320.00
Net Posting 04		240.00
Net Posting 05		320.00
Net Posting 06		320.00
Net Posting 07		
Net Posting 08		
Net Posting 09		
Net Posting 10		
Net Posting 11		
Net Posting 12		
Net Posting 13		
Net Posting 14		

3. On Enter/Change Driver Volume, click the Net Posting tab and complete the following fields:

- Net Posting 01
- Net Posting 02
- Net Posting 03
- Net Posting 04
- Net Posting 05
- Net Posting 06
- Net Posting 07
- Net Posting 08
- Net Posting 09
- Net Posting 10
- Net Posting 11
- Net Posting 12
- Net Posting 13
- Net Posting 14

The net posting fields in which you enter volumes correspond to your fiscal date pattern.

4. To assign a weight factor to a specific period for a driver, complete the following field in the header area, and then click OK:

- Weight Factor

## Processing Options for Driver Volume Revisions (P1632)

### Driver

1. Enter a '1' to use Automatic Drivers. If left blank, only Manual Drivers will be allowed.  
Allow Automatic Driver Revision

## Selecting Drivers

Use Driver Selection Criteria to select the drivers to be calculated automatically. You can select a date range to use when including the drivers. You can also select the version to use when calculating the driver volumes.

### ► To select drivers

*From the Drivers menu (G1614), choose Driver Selection.*

1. On Work with Drivers, click Find.
2. Choose a record in the detail area and click Select.

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Select Workspace: Active Foundation

Active Foundation Personalize Change Role Sign Out

Enter Change Driver Selection

OK Cancel Row Tools

Date From: [ ] Date Thru: [ ]

<input type="checkbox"/>	Driver Code	Description	Execute Flag	Date From	Date Thru	Version	Version Title	<input type="checkbox"/>
<input checked="" type="checkbox"/>	PRODVOL	Actual Production Volume	0	01/01/05	06/30/05	ZJDE0001	F4801 Driver Calculations - Final n	<input checked="" type="checkbox"/>
<input type="checkbox"/>	PRODWO	Production Workorders	0	01/01/05	06/30/05	ZJDE0001	F4801 Driver Calculations - Final m	<input type="checkbox"/>
<input type="checkbox"/>	SOAMOUNTS	Sales Order Amounts	0	01/01/05	06/30/05	ZJDE0001	F4211 Driver Calculations	<input type="checkbox"/>
<input type="checkbox"/>	SOLINES	Sales Order Lines	0	01/01/05	06/30/05	ZJDE0001	F4211 Driver Calculations	<input type="checkbox"/>
<input type="checkbox"/>	SOQUANTITY	Sales Order Quantity	0	01/01/05	06/30/05	ZJDE0001	F4211 Driver Calculations	<input type="checkbox"/>

3. On Enter Change Driver Selection, review the information in the following fields:
  - Date From
  - Date Thru
  - Execute Flag

To enable drivers, choose a record in the detail area and choose Execute On from the Row menu.

To disable drivers, choose a record in the detail area and choose Execute Off from the Row menu.

- Version
4. Optionally, do any of the following:
    - To copy the date from the header to specific records, enter a date range, select a row, and then choose Copy Date from the Row menu.
    - To create a new version, choose a record in the detail area and choose Batch Version from the Row menu. Add a new version or copy an existing version, and click OK.
  5. On Enter Change Driver Selection, click OK.

## Running Driver Calculations

*From the Drivers menu (G1614), choose Automatic Driver Calculation.*

Based on driver definitions, this batch program calculates driver volumes and creates driver balance entries. Use the Driver Selection program (P16301) to specify which drivers are calculated. For each record that you specify, the system performs the calculation as defined in the driver definition, and it summarizes the results in the defined cost objects.

You can base driver calculations on many tables. If you base the driver calculation on a table, the system calls the corresponding calculation program. The calculation programs are numbered RxxxxDC, where xxxx is the table number. For example, for the Work Order Master File table (F4801) the system calls the F4801 Calculate Driver Volumes program (R4801DC).

You can run this batch program in proof mode and produce a driver volume calculation report. All calculations are performed, but the Driver Balances table (F1632) is not updated.

You can update driver balances that are based on the transaction period, or you can summarize several transaction periods into one specific period. By specifying the G/L date in the processing options, the system can summarize the balances. For example, if you want to summarize transactions that occurred from January through March, specify the G/L date as March 31 of the current year (03/31/xx).

The system compares the date that you enter with your company's fiscal date pattern to determine the correct period and fiscal year. The system summarizes all transactions from January through March, and posts the total in the correct fiscal period. If you leave the date blank, all of the transactions occurring in January are summarized and posted in the respective fiscal period, all transactions occurring in February are summarized and posted in the respective fiscal period, and so forth. The system might update three fiscal periods rather than one.

## Processing Options for Automatic Driver Calculation (R1632)

### Process Tab

---

#### 1. Enter a '1' for Final Mode

Use this processing option to specify whether the system updates the Driver Balances table (F1632). Valid values are:

1     Update the Driver Balances table.

Blank Do not update the Driver Balances table.

#### 2. Enter a '1' to print calculation details

Use this processing option to specify whether the system prints the Automatic Driver Calculation report. Valid values are:

1     Print the Automatic Driver Calculation report.

Blank Do not print the Automatic Driver Calculation report.

#### 3. Enter the date to determine Period and Fiscal Year. If blank the transaction date will be used as per Driver Definition Date Data Item.

Use this processing option to specify the date that the system uses to identify the financial period it uses to post the transaction. The general accounting constants specify the date range for each financial period. You can have up to 14 periods. Generally, you use period 14 for audit adjustments.

The system edits this field for PBCO (posted before cutoff), PYEB (prior year ending balance), and so on.

#### 4. Enter a '1' to reset the driver execute flag in the Driver Master Table

Use this processing option to specify whether the system resets the driver execute flag in the Driver Definitions table (F1630). Valid values are:

1     Reset the driver execute flag.

---

Blank Do not reset the driver execute flag.

#### **5. Enter the Ledger Type to create in the Driver Balances table**

Use this processing option to identify the type of ledger, such as AA (actual amounts), BA (budget amount), or AU (actual units). This is a user defined code (09/LT), and you can set up multiple, concurrent accounting ledgers within the general ledger to establish an audit trail for all transactions.

#### **6. Enter '1' to replace the existing driver balances.**

Use this processing option to specify whether the system replaces the existing driver balances in the Driver Balances table (F1632). Valid values are:

- 1 Replace the existing driver balances.

Blank Do not replace the existing driver balances.

---

## **Reviewing Driver Balances**

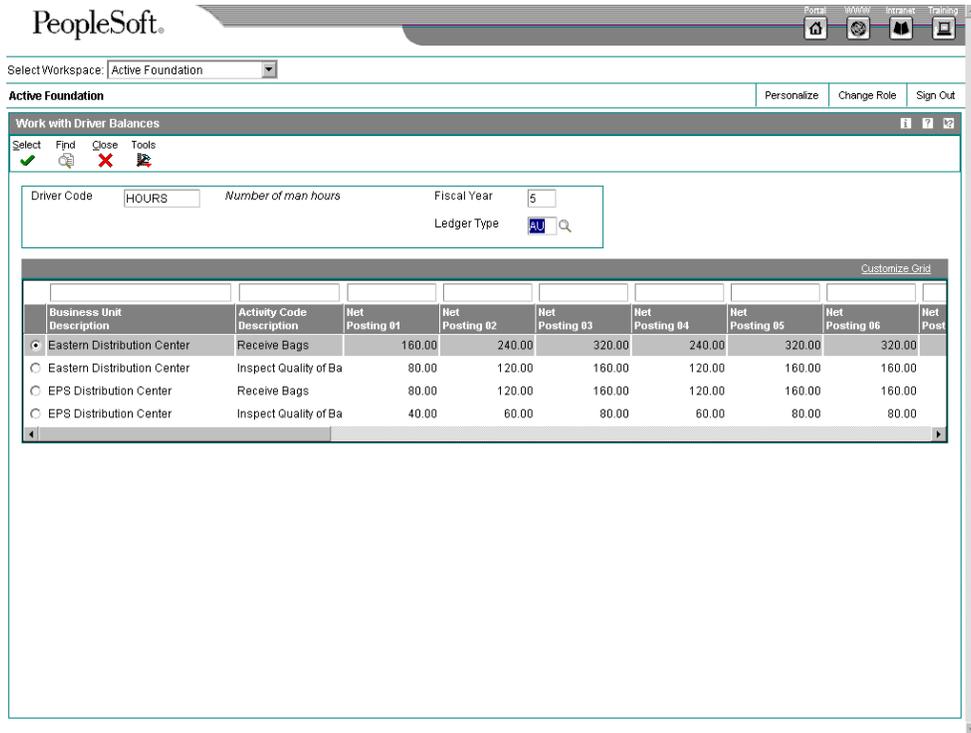
You can review driver balances for automatic and manual drivers.

### **► To review driver balances**

---

*From the Drivers menu (G1614), choose Driver Balances Inquiry.*

1. On Work with Driver Balances, complete the following fields and click Find:
  - Driver Code
  - Fiscal Year
  - Ledger Type



2. Choose a record in the detail area and click Select.
3. On Review Driver Balances, click the Cost Objects tab and review the following fields:
  - Cost Object 1
  - Cost Object 2
  - Cost Object 3
  - Cost Object 4
  - Subledger Type
4. To review postings by fiscal period, click the Net Postings tab.

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Select Workspace: Active Foundation

Active Foundation Personalize Change Role Sign Out

Review Driver Balances

OK Cancel Tools

Driver Code: HOURS Number of man hours: Fiscal Year: 05  
 Business Unit: 30 Eastern Distribution Center Ledger Type: AU  
 Activity Code: 10130 Receive Bags

Cost Objects: Net Postings

Net Posting 01		Net Posting 02	240.00
Net Posting 03	320.00	Net Posting 04	240.00
Net Posting 05	320.00	Net Posting 06	320.00
Net Posting 07		Net Posting 08	
Net Posting 09		Net Posting 10	
Net Posting 11		Net Posting 12	
Net Posting 13		Net Posting 14	
		YTD Posting	1,600.00

## Purging Driver Balances

*From the Drivers menu (G1624), choose Driver Balances Purge.*

Purges are programs that have predefined criteria that the system checks before removing any data so that you avoid removing associated data that is located in other files.

Purging data consists of:

- Specifying the information to delete
- Running the purge program

You can use the Driver Balances Purge (R1632P) to purge data from the Driver Balances table (F1632). You can clear information completely; or you can clear only specific periods, ledger types, or fiscal years. You might run this process periodically to improve system performance. You can also use the purge process to repost transactions to a driver of the specifications if the driver calculations have changed or if the driver contains errors. After the records are purged, you can correct the driver definition and process the driver calculation again.

If you leave the processing option for period number blank, you must specify a fiscal year to purge the driver balances for an entire year. If you do not indicate either a fiscal period or fiscal year, the system does not purge balance information.

## Processing Options for Driver Balances Purge (R1632P)

---

### Process

Enter the period number you want to clear. If left blank, the complete driver balance record will be deleted.

### Period Number - General Ledger

Enter the fiscal year to be purged from the Driver Balances table.

### Fiscal Year

Enter the ledger type to be purged from the Driver Balances table.

### Ledger Type

---

## External Driver Balances Processing

External driver balances processing allows you to enter driver balances from an external source such as a spreadsheet or a third party software program and then upload the balances to the Driver Balances table (F1632).

You can import the driver balances directly into the External Driver Balances - Interoperability Table (F1632Z1) or you can enter them manually using the External Driver Balances program (P1632Z1).

After you import or enter your external driver balances into the F1632Z1 table, run the External Driver Balances Processor program (R1632Z1I) to upload them to the F1632 table.

You can purge the F1632Z1 table after your external driver balances have been successfully processed.

## Importing External Driver Balances

If you have driver balances that are in a spreadsheet or in another system, you can import the balances directly into the External Driver Balances-Interoperability Table (F1632Z1) and then upload them into the Driver Balances table (F1632).

Your system administrator must create a custom program to import the balances into the F1632Z1 table. The following table provides guidelines for how the fields in the F1632Z1 table should be populated:

Field Name	Alias	Type	Length	Description
EDI - User ID	CYEDUS	String	10	A code that indicates the source of the transaction. This code can be a user ID, a workstation, the address of an external system, a node on a network, and so on. This field identifies both the transaction and its point of origin.

Field Name	Alias	Type	Length	Description
EDI - Batch Number	CYEDBT	String	15	The number that the transmitter assigns to the batch. During batch processing, the system assigns a new batch number to the PeopleSoft transactions for each control (user) batch number that it finds.
EDI - Transaction Number	CYEDTN	String	22	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 identify a transaction within a batch. It can be the same as a PeopleSoft document number.
EDI - Line Number	CYEDLN	Number	7	The line number that 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.
EDI - Document Type	CYEDCT	String	2	The document type that is assigned by the transmitter in an EDI transaction.
Transaction Type	CYTYTN	String	8	A code used to identify a specific type of transaction.
EDI - Transaction Format	CYEDFT	String	10	A code used to identify a specific mapping structure used to process both inbound and outbound EDI transactions.
EDI - Transmission Date	CYEDDT	Date	6	The date that an EDI transaction was either transmitted or received.
Direction Indicator	CYDRIN	Character	1	A code that indicates whether a transaction is inbound or outbound.
EDI - Detail Lines Processed	CYEDDL	Number	5	The number of detail lines transmitted in an EDI transaction. This is the total number of lines on a purchase order, an invoice, and so on.
EDI - Successfully Processed	CYEDSP	Character	1	A code that indicates whether a record has been successfully processed. Depending on the application, the system updates the CYEDSP field in a table with one of the following values: <ul style="list-style-type: none"> <li>• 1 (or Y) – successfully processed</li> <li>• Blank (or N) – not processed</li> </ul>

Field Name	Alias	Type	Length	Description
Trading Partner ID	CYPNID	String	15	A code used in an EDI transaction to identify the party that is trading documents with you.
Transaction Action	CYTNAC	String	2	A code that indicates the activity that you want to perform on the transaction. In an EDI transaction, this code represents the transaction set purpose or change code.
EDI - Record Type	CYEDTY	Character	1	The identifier used to mark EDI transaction records as header and detail information.
EDI - Record Sequence	CYEDSQ	Number	2	An identifier that is used to assign the relative position within the header or detail information of an EDI transaction, for example, H01, H02, D01, and so on.
EDI - Transaction Set Number	CYEDTS	String	6	A code used to identify a specific type of EDI transaction.
EDI - Send/Receive Indicator	CYEDER	Character	1	A code used to indicate whether a specific transaction set can be sent, received, or both. Valid codes are: <ul style="list-style-type: none"> <li>• S – send</li> <li>• R – receive</li> <li>• B – both</li> </ul>
EDI - Transaction Action	CYEDTC	Character	1	A code that identifies what the system should do with a transaction during final processing. Valid values are: <ul style="list-style-type: none"> <li>• A – add a new transaction</li> <li>• D – delete an unprocessed transaction</li> </ul>
EDI - Transaction Type	CYEDTR	Character	1	A code that identifies a particular kind of transaction. The originator assigns this code to specify a voucher (V), invoice (I), journal entry (J), and so on.

Field Name	Alias	Type	Length	Description
EDI - Batch File Create G/L Record	CYEDGL	Character	1	<p>A flag in the batch file that specifies whether the system creates a general ledger record at the time the invoice or voucher is processed. Valid values are:</p> <ul style="list-style-type: none"> <li>• Blank – do not create a general ledger record</li> <li>• 1 – create a general ledger record</li> </ul> <p>If this field is 1, you must also enter the object and subsidiary account numbers for the general ledger account number.</p>
Batch File Discount Handling Flag	CYEDDH	Character	1	<p>A flag in the batch file that indicates how the discount should be calculated. Valid values are:</p> <ul style="list-style-type: none"> <li>• 0 – use the payment terms for calculation</li> <li>• 1 – use the discount override specified by user</li> <li>• 2 – use the percent calculation entered by the user</li> </ul>
User Address Number	CYEDAN	Number	8	<p>An address number assigned by the transmitter. This number is used primarily for connecting a new address book number on the PC with associated accounts receivable invoices and accounts payable vouchers being sent from the PC.</p> <p>After the address book batch process assigns an address book number using next numbers, the address book number will be modified in the associated accounts receivable invoices and accounts payable vouchers in the batch files. The system matches address numbers on transactions with the same user address number assigned by the transmitter.</p>
Driver Code	CYDRCD	String	10	<p>A code that identifies drivers within the Cost Management system.</p>

Field Name	Alias	Type	Length	Description
Business Unit	CYMCU	String	12	<p>An alphanumeric code 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.</p> <p>You can assign a business unit to a document, entity, or person for purposes of responsibility reporting. For example, the system provides reports of open accounts payable and accounts receivable by business unit to track equipment by responsible department.</p> <p>Business unit security might prevent you from viewing information about business units for which you have no authority.</p>
Century/Fiscal Year	CYCFY	Number	4	A number that specifies the century concatenated with the fiscal year.
Ledger Types	CYLT	String	2	A user defined code (09/LT) that specifies the type of ledger, such as AA (actual amounts), BA (budget amounts), or AU (actual units). You can set up multiple, concurrent accounting ledgers within the general ledger to establish an audit trail for all transactions.
Activity-Based Costing Activity Code	CYACTB	String	10	A code that identifies a group of actions used in activity-based costing.
Subledger - G/L	CYSBL	String	8	A code that identifies a detailed, auxiliary account within a general ledger account. A subledger can be an equipment item number or an address book number. If you enter a subledger, you must also specify the subledger type.

Field Name	Alias	Type	Length	Description
Subledger Type	CYSBLT	Character	1	<p>A user defined code (00/ST) that is used with the Subledger field to identify the subledger type and how the system performs subledger editing. On the User Defined Codes form, the second line of the description controls how the system performs editing. This code is either hard coded or user defined. For example:</p> <ul style="list-style-type: none"> <li>• A – alphanumeric field, do not edit</li> <li>• N – numeric field, right justify and zero fill</li> <li>• C – alphanumeric field, right justify and blank fill</li> </ul>
Managerial Analysis Code 1	CYABR1	String	12	<p>A code that represents an equipment item number or an address book number. A cost object code requires that you also specify the cost object type. This field functions the same and is edited the same as the Subledger field. The system does not post a cost object code to the Account Balances table (F0902).</p>
Managerial Analysis Type 1	CYABT1	Character	1	<p>A code that specifies the type of cost object and the type of editing. Valid types are stored in the Cost Object Types table (F1620) and can be added or modified using the Cost Object Types program (P1620).</p>
Managerial Analysis Code 2	CYABR2	String	12	<p>A code that represents a cost object. For example, a cost object code can be an equipment item number or an address book number. If you enter a cost object code, you must also specify the cost object type. This field functions the same and is edited the same as the Subledger field. The system does not post a cost object code to the F0902 table.</p>
Managerial Analysis Type 2	CYABT2	Character	1	<p>A code that specifies the type of cost object and the type of editing. Valid types are stored in the F1620 table and can be added or modified using the Cost Object Types program.</p>

Field Name	Alias	Type	Length	Description
Managerial Analysis Code 3	CYABR3	String	12	A code that represents a cost object. For example, a cost object code can be an equipment item number or an address book number. If you enter a cost object code, you must also specify the cost object type. This field functions the same and is edited the same as the Subledger field. The difference is that the system does not post a cost object code to the F0902 table.
Managerial Analysis Type 3	CYABT3	Character	1	A code that specifies the type of cost object and the type of editing. Valid types are stored in the F1620 table and can be added or modified using the Cost Object Types program.
Managerial Analysis Code 4	CYABR4	String	12	A code that represents a cost object. For example, a cost object code can be an equipment item number or an address book number. If you enter a cost object code, you must also specify the cost object type. This field functions the same and is edited the same as the Subledger field. The difference is that the system does not post a cost object code to the F0902 table.
Managerial Analysis Type 4	CYABT4	Character	1	A code that specifies the type of cost object and the type of editing. Valid types are stored in the F1620 table and can be added or modified using the Cost Object Types program.
Item Number – Short	CYITM	Number	8	A number that represents an inventory item. 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: <ul style="list-style-type: none"> <li>• Item Number (short) – an eight-digit number assigned by the system.</li> <li>• 2nd Item Number – a 25-digit, alphanumeric item number that is user defined and free form.</li> <li>• 3rd Item Number – an additional 25-digit, alphanumeric item number that is user defined and free form.</li> </ul>

Field Name	Alias	Type	Length	Description
Currency Code - Denominated In	CYCRCX	String	3	A code that indicates the currency in which an amount is denominated.
Unit of Measure as Input	CYUOM	String	2	A user defined code (00/UM) that indicates the quantity in which to express an inventory item. Examples include CS (case) and BX (box).
Company	CYCO	String	5	<p>A code that identifies a specific organization, fund, or other reporting entity. 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.</p> <p><b>Note</b> You can use company 00000 for default values such as dates and automatic accounting instructions. You cannot use company 00000 for transaction entries.</p>
Amount – Net Posting 01	CYAN01	Number	15	A number that represents the net amount posted during the accounting period.
Amount – Net Posting 02	CYAN02	Number	15	The system uses the accounting periods from the Company Constants table (F0010). The net amount posted is the total of all debits and credits from the first day of the period through the last day of the period.
Amount – Net Posting 03	CYAN03	Number	15	
Amount – Net Posting 04	CYAN04	Number	15	
Amount – Net Posting 05	CYAN05	Number	15	
Amount – Net Posting 06	CYAN06	Number	15	
Amount – Net Posting 07	CYAN07	Number	15	
Amount – Net Posting 08	CYAN08	Number	15	
Amount – Net Posting 09	CYAN09	Number	15	
Amount – Net Posting 10	CYAN10	Number	15	

Field Name	Alias	Type	Length	Description
Amount – Net Posting 11	CYAN11	Number	15	
Amount – Net Posting 12	CYAN12	Number	15	
Amount – Net Posting 13	CYAN13	Number	15	
Amount – Net Posting 14	CYAN14	Number	15	
User ID	CYUSER	String	10	The code that identifies a user profile.
Program ID	CYPID	String	10	<p>The number that identifies the batch or interactive program. For example, the number of the Sales Order Entry interactive program is P4210, and the number of the Print Invoices batch program is R42565.</p> <p>The program ID is a variable length value. It is assigned according to a structured syntax in the form TSSXXX, where:</p> <ul style="list-style-type: none"> <li>• T is the first character of the number. It is alphabetic and identifies the type, such as P for program, R for report, and so on. For example, the value P in the number P4210 indicates that the object is an interactive program.</li> <li>• SS is the second and third characters of the number. They are numeric and identify the system. For example, the value 42 in the number P4210 indicates that this program belongs to system 42, which is the Sales Order Management system.</li> <li>• XXX is the fourth through sixth characters of the number. The characters are numeric and identify a unique program or report. For example, the value 10 in the number P4210 indicates that this is the Sales Order Entry program.</li> </ul>
Date Updated	CYUPMJ	Date	6	The date of the last update to the record.
Time – Last Updated	CYUPMT	Number	6	The time when the program last updated this record.

Field Name	Alias	Type	Length	Description
Work Station ID	CYJOBN	String	10	The code that identifies the workstation ID that ran a particular job.
Weight Factor	CYWGHF	Number	8	The multiplier by which to measure cost object complexity. You should factor volumes by this weight before the system performs cost assignments.

## Entering External Driver Balances Manually

If you have driver balances in a spreadsheet or in another system, you can manually enter the balances into the External Driver Balances-Interoperability Table (F1632Z1) using the External Driver Balances program (P1632Z1).

This program validates each balance and generates an error message if you enter incorrect information such as an incorrect company or business unit.

After you finish entering your driver balances, review the balances to ensure their accuracy. Then run the External Driver Balances Processor program (R1632Z1I) to upload your balances to the Driver Balances table (F1632).

### ► To enter external driver balances manually

*From the Inbound External Driver Data menu (G16241), choose External Driver Balances*

1. On Work With External Driver Balances, click Add.
2. On Revise External Driver Balances by Period, complete or modify the following fields in the header area of the form:
  - User ID
  - Batch Number
  - Fiscal Year
3. On the Option tab, complete the following fields as necessary:
  - Company
  - Business Unit
  - Driver Code
  - Unit of Measure
  - Currency Code
4. On the Item Number tab, complete the following fields as necessary:
  - Item Number
  - Activity

- Subledger
  - Subledger Type
5. On the Cost Objects tab, complete the following fields as necessary:
    - Cost Object 1
    - Cost Object 2
    - Cost Object 3
    - Cost Object 4
    - Type 1
    - Type 2
    - Type 3
    - Type 4
  6. On the Balances tab, complete the following field and the other Net Balances fields, as necessary:
    - Balance 01

You can enter up to 14 net balances.
  7. Click OK.

## Reviewing and Revising External Driver Balances

After you import external driver balances or manually enter them into the External Driver Balances-Interoperability Table (F1632Z1), you can use the External Driver Balances program (P1632Z1) to review the balances for accuracy and, if necessary, to revise them.

After you review and revise your external driver balances, run the External Driver Balances Processor program (R1632Z1I) to upload your balances to the Driver Balances table (F1632).

When you run the External Driver Balances Processor program, the program produces a report that shows any records that ended in error. For example, some records might have an invalid company or business unit. To ensure the integrity of the F1632 table, you must correct any errors using the External Driver Balances program before you can upload the balances to the F1632 table.

### ► To review and revise external driver balances

---

*From the Inbound External Driver Data menu (G16241), choose External Driver Balances.*

1. On Work With External Driver Balances, click Find to display all external driver balances, or complete any of the following fields to limit your search and then click Find:
  - User ID
  - Fiscal Year
  - Batch Number

- Ledger Type
  - Transaction Number
2. To display only processed external driver balances, turn on the following option:
    - Processed
  3. To review and revise detail information for a specific balance, choose the balance and click Select.
  4. On Revise External Driver Balances by Period, review the fields and, if necessary, revise them and click OK.

## Uploading External Driver Balances

*From the Inbound External Driver Data menu (G16241), choose External Driver Balances Processor.*

After you review and revise the driver balance records in the External Driver Balances-Interoperability Table (F1632Z1), run the External Driver Balances Processor program (R1632Z1I) to upload the balances to the Driver Balances table (F1632).

When you run the External Driver Balances Processor program, it generates a report that lists the number of records selected from the F1632Z1 table, the number of records added to and updated in the F1632 table, and the number of records that failed.

If a record fails, the system creates an error message. Your workflow message indicates whether a record failed. Use the External Driver Balances program (P1632Z1) to correct the error and then run the External Driver Balances Processor program again.

### Processing Options for External Driver Balances Processing (R1632Z1I)

Use these processing options to specify which ledger type to use and how the records in the External Driver Balances-Interoperability Table (F1632Z1) are added to the Driver Balances table (F1632).

#### Options Tab

---

##### 1. Ledger Type

Use this processing option to specify the ledger type for the system to use as data selection criteria for the Inbound External Driver Balances Processor program (R1632Z1I).

##### 2. Action Code Override

Use this processing option to change the Transaction Action value. Enter a 1 to change records with a value of C in the Transaction Action field to A.

---

When the Transaction Action field is equal to A, records in the External Driver Balances - Interoperability table (F1632Z1) will be added to the balances in the corresponding Driver Balances table (F1632).

When the Transaction Action field is equal to C, the balances in the F1632Z1 table will overwrite the balances in the corresponding F1632 table.

---

## Purging External Driver Balances

*From the Inbound External Driver Data menu (G16241), choose External Driver Balances Purge.*

After you successfully upload your external driver balances to the Driver Balances table (F1632), you can purge the records from the External Driver Balances-Interoperability Table (F1632Z1) using the External Driver Balances Purge program (R1632Z1P).

Use the data selection to select the records to purge. You can also use a processing option to specify whether to purge only processed records or both processed and unprocessed records.

### Processing Options for External Driver Balances Purge (P1632Z1P)

#### Options Tab

---

##### 1. Purge non-processed records

Use this processing option to specify whether to purge nonprocessed records from the External Driver Balances - Interoperability Table (F1632Z1). Valid values are:

Blank

Only processed records will be purged.

1

Nonprocessed records as well as processed records will be purged.

---

# Activities

When you use the Advanced Cost Accounting system for activity-based costing, you use the profit management features to perform activity and process cost calculations. You can set up a calculation definition that indicates the type of calculation, source of the balances, driver, and destination for the results. Additionally, if you have a multitiered allocation, you can specify the sequence of calculations.

Before you begin to use activity-based costing, you must define each task that is involved in the process that you want to analyze. After you define each task, you can attach drivers to each task.

For example, in accounts payable, you perform the following tasks:

- Receive invoices.
- Route them for approvals and coding.
- Look up the supplier number.
- Add the supplier to the vendor file table.
- Verify the payment amount and authorizations.
- Input the invoices.
- Correct any errors.
- Run check processing.
- Print the checks.
- Sign the checks.
- Attach remittances.
- Put checks in envelopes.
- Mail the checks

Many tasks are involved in accounts payable. When you analyze the time spent on each task and the cost of man-hours, machine time, square footage allowance, and so on, you begin to understand the actual cost of processing accounts payable in-house. You can then determine whether you can eliminate some of the steps, or out-source some or all of the process.

---

## Tracking Actual Project Costs by Activity

You can track actual project costs by activity in the Job Cost, Product Costing, and Product Data Management systems and then use the Advanced Cost Accounting system to combine the actual project costs for these systems.

How you track project costs depends on the system:

- For job cost projects, you enter and update actual material costs for a project. The system creates general ledger transactions for actual costs, which can then be processed in the Advanced Cost Accounting system.

- For manufacturing projects, you enter journal entries for revenues and costs as well as project numbers using flex accounting rules. For each project number, you assign a cost object type that has edit rules associated with the Work Order Master Tag File table (F4801T).

---

## Defining Project Profiles by Activity

A project profile consists of the activities that are required to complete a project. For example, the project profile for building a bicycle might include activities such as purchasing parts, assembling frames, building brake assemblies, and painting the assembled bicycle. Those activities define the project profile.

Each activity can have numerous cost drivers. A cost driver is a measure of demand on activities or resources that influences costs or revenue. An example of a cost driver is the number of purchase order lines required to purchase the materials needed to complete an activity.

---

## Time Entry by Activity

An integration of the employee time entry and the Advanced Cost Accounting system permits an employee to specify the time that was spent performing certain activities. If the Cost Management Constant for activating cost objects in the Cost Management Constants table (F1609) is turned on, the time entry application activates the cost object fields on the Speed Time Entry Revisions form.

If the cost object fields are activated, four columns appear for cost objects, four for cost object types, and one for item. Together these fields allow the employee to identify the cost objects associated with each line item of time entered.

Time entry is only the first step in the accounting process. After the employee has entered time card information, the system must recognize the cost object data. It is passed to the Employee Transaction Detail File table (F06116), and can then be used by the Advanced Cost Accounting system to evaluate time entry by activity.

In addition, if a third-party system is used to store timecard information, the information is uploaded into the Employee Transactions - Batch File table (F06116Z1), then processed into the Employee Transaction Detail File table (F06116). The final step in using the time entry application is for the system to update the Employee Transaction History table (F0618), create journal entries, and prepare for the next payroll cycle. At this time, the cost object information contained in the F0618 table can be processed to the Driver Balances table (F1632) to evaluate the time spent by activity.

---

## Setting Up Activities

If you use the ACA system for activity-based costing, you must set up activities. An activity is an aggregation of actions that are performed within an organization. The characteristics of an activity are as follows:

- Usually a subset or output of a process
- Consumes resources

- Can be broken down by user-defined attributes, such as value-added activities or non-value-added activities
- Usually falls into two categories: product-related or customer-related
- Sometimes synonymous with processes

---

### Note

To form a hierarchical process, you can associate activities or subprocesses to a group. You assign activities and subprocesses to parent groups. You set up activities and groups in the same manner. You can assign attributes, category codes, and driver codes to either an activity or a group.

---

### Prerequisite

- ❑ Verify that you have activated the activity-based costing option in Cost Management Constants. See *Setting Up Constants* in the *Advanced Cost Accounting Guide*.

### ► To define activity groups

---

From the Activity Based Costing menu (G1616), choose ABC Workbench.

1. On Work with Activity Based Costing Workbench, click Add.

The screenshot shows the PeopleSoft 'Enter/Change Activity' form. At the top, there is a 'Select Workspace' dropdown set to 'Active Foundation'. Below this, there are buttons for 'Personalize', 'Change Role', and 'Sign Out'. The main form area is titled 'Enter/Change Activity' and contains the following fields and sections:

- Activity Code:** 100
- Description:** Operational Process
- Parent Group:** (empty field)
- Driver Code:** (empty field)
- Activity Level Code:** 1
- Activity Attribute Table:**

Activity Attribute	Category Code
Activity Attribute 1	P Process Group
Activity Attribute 2	.
Activity Attribute 3	.
Activity Attribute 4	.
Activity Attribute 5	.

2. On Enter/Change Activity, complete the following fields:
  - Activity Code
  - Description
  - Activity Level Code
3. To identify an activity group, choose the following option:
  - Group
4. To capture cost information at this level, enter a driver code in the following field:
  - Driver Code
5. To identify attributes for the activity group, complete the following fields:
  - Activity Attribute 1
  - Activity Attribute 2
  - Activity Attribute 3
  - Activity Attribute 4
  - Activity Attribute 5
6. On the Category Code tab, complete the following fields to identify category codes for the activity group:
  - Category Code 1
  - Category Code 2
  - Category Code 3
  - Category Code 4
  - Category Code 5
7. Click OK.

► **To assign activities to groups**

---

*From the Activity Based Costing menu (G1616), choose ABC Workbench.*

1. On Work with Activity Based Costing Workbench, click Add.

PeopleSoft

Select Workspace: Active Foundation

Active Foundation Personalize Change Role Sign Out

Enter/Change Activity

OK Cancel Form Tools

Activity Code: 100  Activity  Group

Description: Operational Process Activity Level Code: 1

Parent Group:

Driver Code:

Activity Attribute Category Code

Activity Attribute	Category Code	Process Group
Activity Attribute 1	<input checked="" type="checkbox"/>	Process Group
Activity Attribute 2	<input type="checkbox"/>	.
Activity Attribute 3	<input type="checkbox"/>	.
Activity Attribute 4	<input type="checkbox"/>	.
Activity Attribute 5	<input type="checkbox"/>	.

2. On Enter/Change Activity, complete the following fields:
  - Activity
  - Description
  - Activity Level Code
3. To identify this action as an activity, choose the following option:
  - Activity
4. To assign this activity to an activity group, complete the following field:
  - Parent Group

Based on the parent group number, the system assigns the activity level code.
5. To identify a driver, complete the following field:
  - Driver Code
6. To identify activity attributes, complete the following fields:
  - Activity Attribute 1
  - Activity Attribute 2
  - Activity Attribute 3
  - Activity Attribute 4
  - Activity Attribute 5

7. On the Category Code tab, complete the following fields to identify category codes:
  - Category Code 1
  - Category Code 2
  - Category Code 3
  - Category Code 4
  - Category Code 5
8. Click OK.

## Processing Options for ABC Workbench (P1640)

### Defaults Tab

---

#### 1. Start Level

**Blank = 1**

Use this processing option to indicate the lowest activity level code that the system displays in the Activity Based Costing Workbench program.

If you leave this field blank, the system displays activities at level 1 and above.

---

### Process Tab

---

#### 1. Automatically Find On Entry

**1 = Automatic Find**

**Blank = Manual Find**

Use this processing option to automatically load data into the parent child form upon entering the Activity Based Costing Workbench program.

Use this feature only if there are not many records to retrieve; otherwise, you may slow the system's performance unnecessarily.

If you leave this field blank, you must manually find the data for the parent child form.

Valid values are:

---

1

Automatic Find

Blank

Manual Find

---

---

## Reviewing Activities

When you use the ACA system for activity-based costing, you use the cost management features to perform activity and process cost calculations. You can set up a calculation definition that indicates the type of calculation, the source of the balances, the driver (the basis of the balances), and the destination for the results. Additionally, if you have multitiered allocations, you can specify the sequence of calculations. When you coordinate all cost objects, drivers, and assignments by activity, you can review the resulting information, such as Cost Analyzer Balances, or each separate piece, such as the driver definition or cost object type.

Each assignment has an identifier and allows you to set up multiple configurations depending on your business objective. You can review the parent/child relationships, or hierarchies, of all processes and activities.

## Reviewing Activity Costs

You can review cost analyzer balances by inquiring on activities. By selecting an activity or a level, you can review the following:

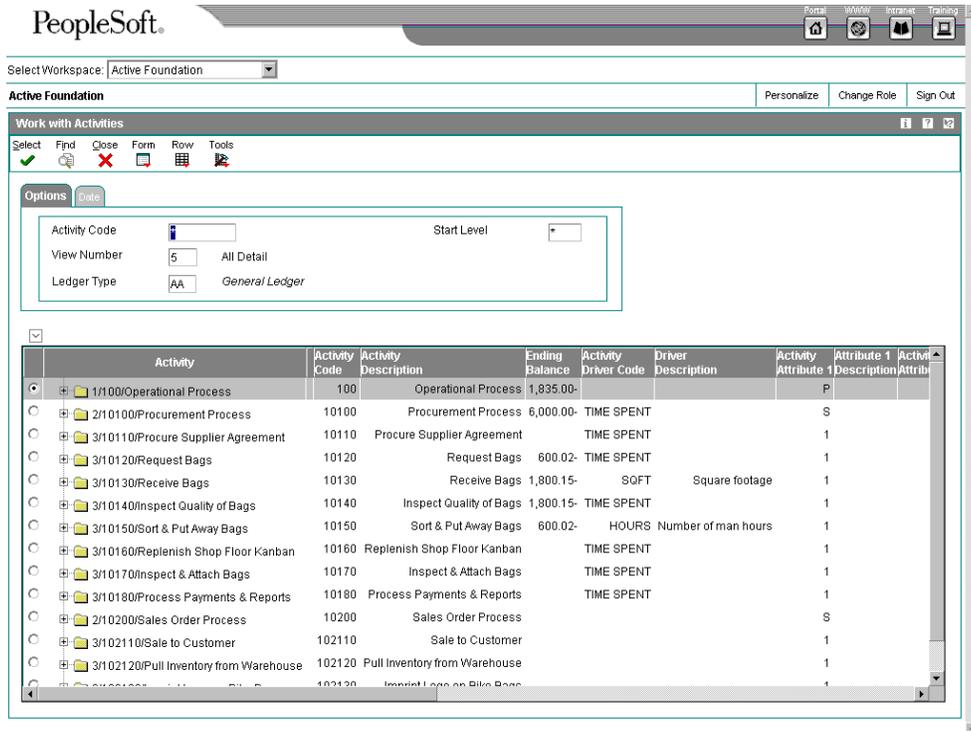
- Activity or process costs
- Activity costs by cost object

► **To review activity costs**

---

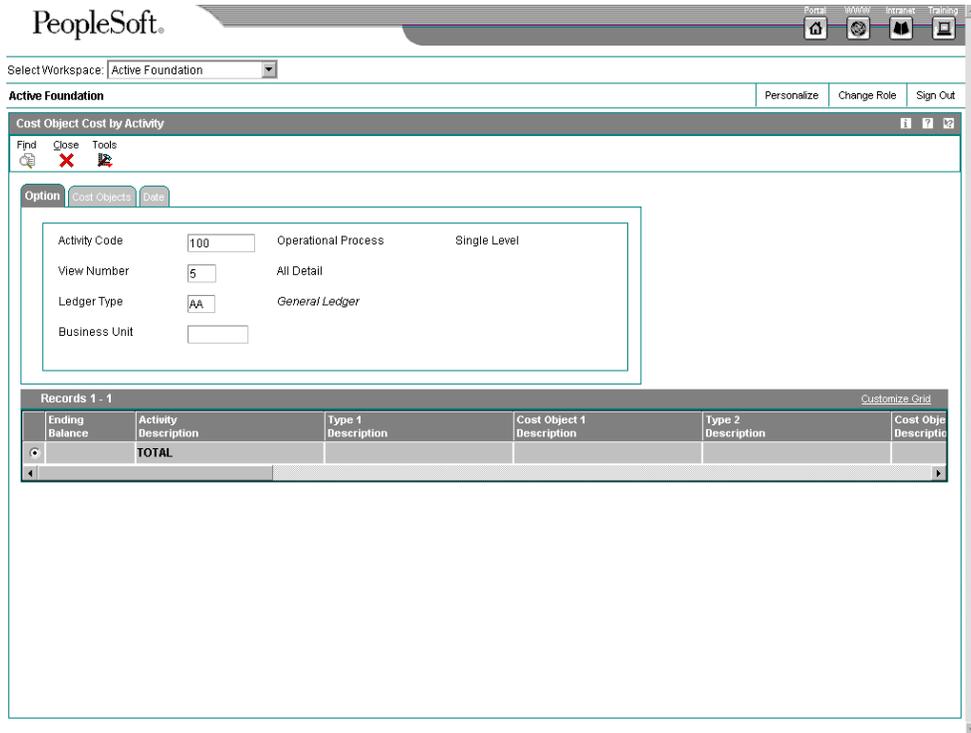
*From the Activity Based Costing menu (G1616), choose Activity Cost Inquiry.*

1. On Work with Activities, click the Options tab, complete the following fields, and click Find:
  - Activity Code
  - Start Level
  - View Number
  - Ledger Type

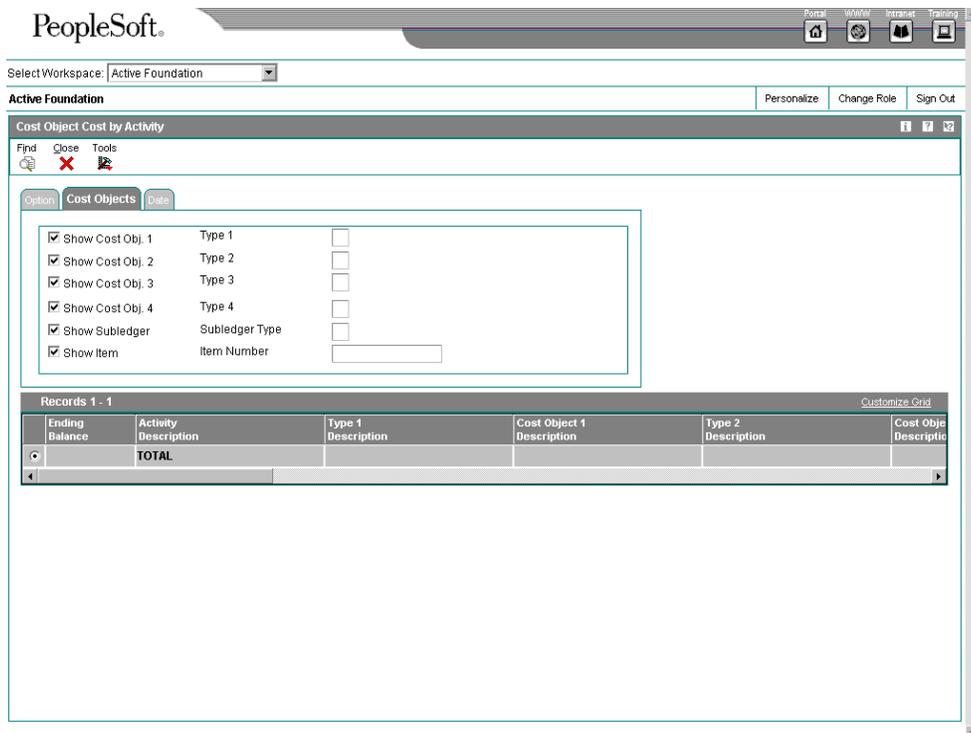


The system displays costs by activity, based on your processing option selection.

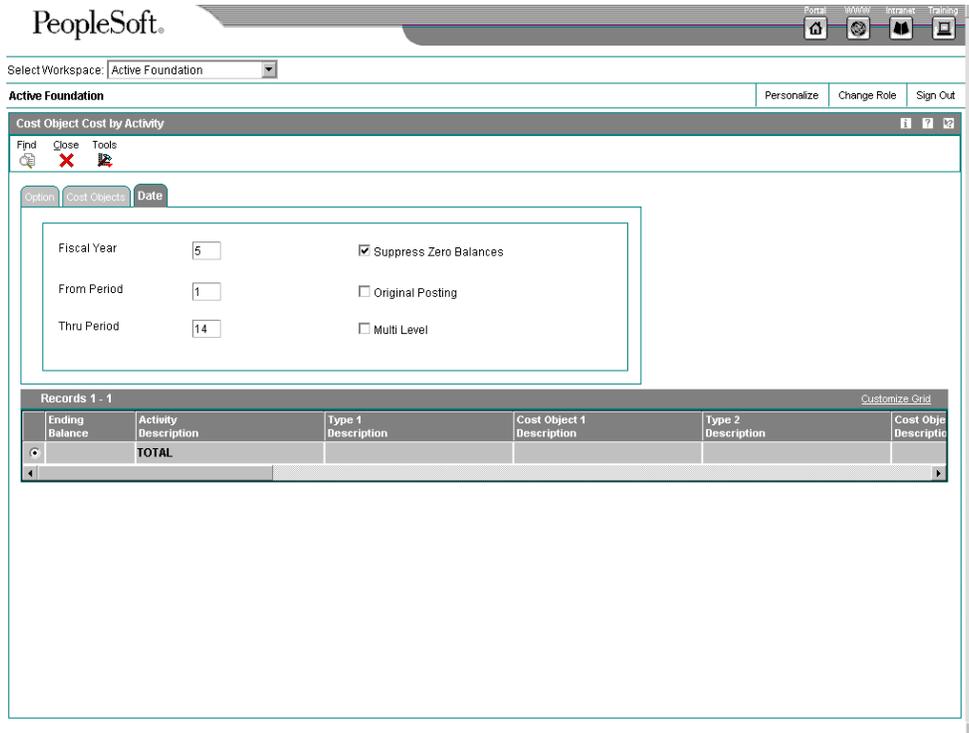
2. To search by date, click the Date tab, complete the following fields, and click Find:
  - Fiscal Year
  - From Period
  - Thru Period
3. Click Find, choose the activity, and then choose Cost Object from the Row menu.
4. On Cost Object Cost by Activity, click the Option tab to review the posted information by business unit.



- Click the Cost Objects tab to review detail information about cost objects and types.



- Click the Date tab to review posted information.



7. Click Close to return to Work with Activities.

## Processing Options for Activity Cost Inquiry (P1641)

### Default Tab

#### 1. Start Level

**Blank = 1**

Use this processing option to indicate the lowest activity level code that the system should display in the Activity Cost Inquiry program.

If you leave this field blank, the system displays activities at level 1 and above.

#### 2. View Number

**Blank = No cost will be displayed**

Use this processing option to specify which set of costs you want the system to retrieve from the cost analyzer.

---

Valid values are 1 through 10.

If you leave this option blank, the system issues an error and no costs are displayed.

### **3. Fiscal Year**

**Blank = No cost will be displayed**

Use this processing option to specify the Fiscal Year the system uses to retrieve activity cost from the cost analyzer.

If you leave this option blank, the system does not display costs and an invalid fiscal year error is issued.

### **4. Ledger Type**

**Blank = AA**

Use this processing option to indicate the ledger type the system uses to retrieve the activity cost from the cost analyzer. Ledger type is a user defined code (09/LT) that specifies the type of the ledger, such as AA (Actual Amounts), BA (Budget Amounts), or AU (Actual Units).

If you leave this option blank, the system retrieves activity costs from the AA (Actual Amounts) ledger.

#### **a. From Period**

**Blank = Period 1**

Use this processing option to indicate the first period that the system includes in the costs.

Valid values are 1 to 14.

You must enter a value that corresponds to periods in your fiscal date pattern.

If you leave this option blank, the system uses Period 1.

#### **b. Thru Period**

---

**Blank = Period 1**

Use this processing option to indicate the last period that the system includes in the costs.

Valid values are 1 to 14.

You must enter a value that corresponds to periods in your fiscal date pattern.

If you leave this option blank, the system uses Period 1.

---

**Process Tab**

---

**1. Automatically Find On Entry**

**1 = Automatic Find**

**Blank = Manual Find**

Use this processing option to automatically load data into the grid upon entering the Activity Cost Inquiry program.

Use this feature only if there are not many records to retrieve; otherwise, you may slow the system's performance unnecessarily.

If you leave this field blank, you will need to do a manual Find.

---

## Display Tab

---

### 1. Multi-Level

**1 = Multi Level**

**Blank = Single Level**

Use this processing option to display the parent and its children activities in the Activity Cost Inquiry program.

Valid values are:

1 Multi Level. The system will display the parent and all of its children activities.

Blank Single Level. The system will display only the selected activity.

### 2. Cost

**1 = Original Posting Cost**

**Blank = Ending Balance Cost**

Use this processing option to display the original posting cost or ending balance cost in the Activity Cost Inquiry program.

Valid values are:

1 Display the original posting cost

Blank Display the ending balance cost

---

## Working with the ABC Workbench

When you review activities, you can exit to the following specific forms to access all of the elements of activity-based costing:

<b>Business Unit Revisions</b>	You can set up or revise departments.
<b>Organization Structure</b>	You can set up or revise resources in the chart of accounts. A chart of accounts provides the structure for your general ledger accounts.
<b>Activity Cost Inquiry</b>	You can view costs by activity. These costs are calculated by reading the Cost Analyzer Balances table. You can review detail information about activity costs by cost object.
<b>Activity Revisions</b>	You can enter or change attributes, category codes, driver codes, and so on.
<b>Cost Pool Definition</b>	You can identify the group of cost elements that share a common driver.
<b>Driver Definitions</b>	You can create and update driver definitions and calculation instructions. You can define how to calculate driver volumes at the summary level.
<b>Driver Volume Revisions</b>	You can calculate driver volumes and create driver balances. Based on driver definitions, you indicate which drivers the system calculates by selecting the driver in the Driver Selection program.
<b>Cost Object Type Definition</b>	You can set up user defined cost object types. The cost object types can then be included in manual journal entries, batch and standard voucher entries, and invoice entries.
<b>Cost Assignment Definition</b>	With ACA, you can create cost assignments that are based on information that the system gathers during transaction processing. You set up flexible calculations to assign costs for managerial accounting or activity-based costing.
<b>Cost Analyzer Balances</b>	You can review cost analyzer entries. You can review the details of a specific entry, including the net posting balances and year-to-date total for the selected entry. While you can access Cost Analyzer from ABC Workbench, you can inquire by activities only if you have activated the activity-based costing option in the Cost Management Constants.

---

### Note

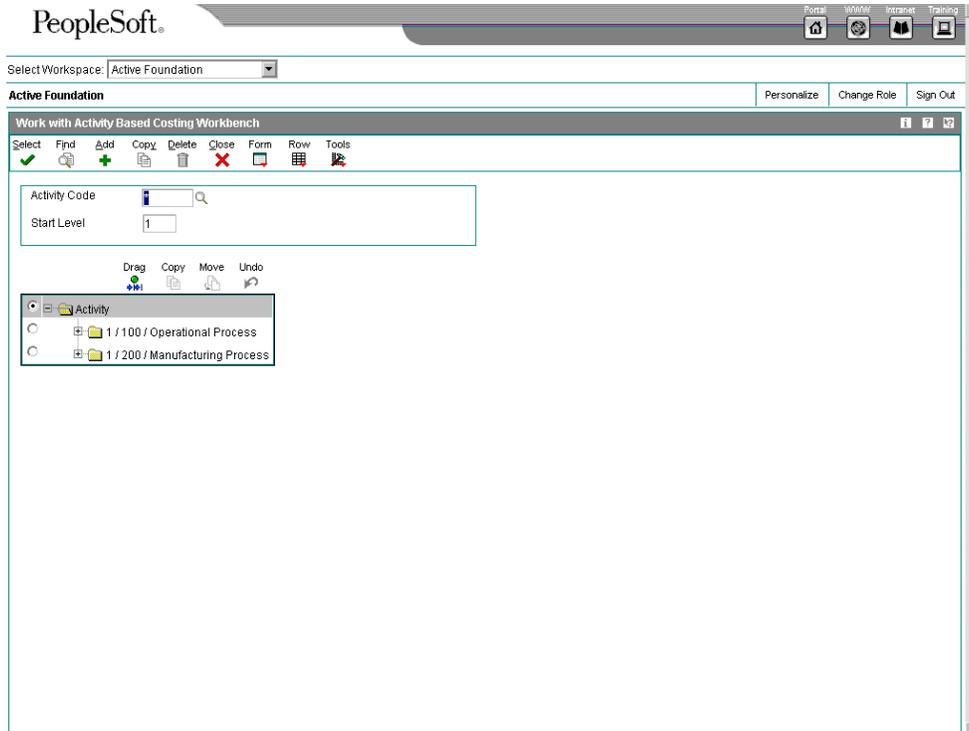
You can set the processing options for the ABC Workbench to customize the level at which the system displays multitiered allocations.

---

► **To review activities**

*From the Activity Based Costing menu (G1616), choose ABC Workbench.*

1. On Work with Activity Based Costing Workbench, complete the following field and click Find:
  - Activity



2. To display subprocesses, click the + sign in the detail area. Select an activity or subprocess and right-click on it. Choose Node and then Select from the popup menus.
3. On Enter/Change Activity make revisions as necessary and click OK to return to the Work With Activity Based Costing Workbench.

Alternatively, you can access the Enter/Change Activity form by highlighting an activity or subprocess, and then choosing Activity Revisions from the Row menu.

## Reviewing the Activity Master Report

*From the Activity Based Costing menu (G1616), choose Activity Master Report.*

You can review activities or processes that exist in the Activity Master report (R1640). Based on the data selection and processing options, you can review multiple levels, as well as the hierarchy of processes and subprocesses, of activities or groups. You can use the activity attributes and category codes to identify activity groups or activities with certain characteristics.

### See Also

- *Reviewing Activity Costs* in the *Advanced Cost Accounting Guide* for more information about displaying activities and processes online

## Processing Options for Activity Master Report (R1640)

---

Print

1. Level of detail

blank = single level report

1 = multi-level report

2. Items used in selecting the activities costs (required).

a. View Number

b. Fiscal Year

c. Ledger Type

d. Period From

e. Period Thru

3. Select items to be printed

a. Attribute Number

blank = attribute 1

b. Category Number

blank = category 1

---

## Assignments

The assignment feature is a major component of the Advanced Cost Accounting system. It is a flexible tool that enables you to allocate indirect costs, make projections based on assumptions, and try different “what if” scenarios without changing the original data.

An assignment is the method by which the system reallocates indirect revenue and costs. With assignments, you can identify, capture, and allocate costs or revenue to items, cost objects, or the subledger fields. For example, you can allocate indirect costs to products, customers, and activities. This flexibility enables you to report costs by either an activity, such as receiving, or to determine profitability by customer and product.

Although cost allocations are possible without the Advanced Cost Accounting system, using the system improves the accuracy of allocations. They are more meaningful and less arbitrary. Output is also improved by providing information at a product or customer level because these indirect costs can be applied to individual products or customers by using a relevant business driver.

For example, ABC Company has some generic shipping costs that cannot be attributed to specific customers. If an assignment were calculated based on the number of sales orders, customers would be assigned a pro-rated share of the shipping costs—the customer sales orders as the numerator, and the total sales orders as the denominator.

The Advanced Cost Accounting system provides a totally new set of features for assignments, expanding on both the flexibility and complexity provided by the current General Accounting allocations programs.

Several other major differences exist between the general ledger allocations and the new advanced cost accounting assignments, including the following:

- You can assign costs to the cost objects and item fields.
- You can assign costs based on driver information.

- You can select all account and business unit category codes, ranges, literal usage, and lists. Data selection is significantly improved.
- You can run multitiered allocations in the Advanced Cost Accounting system.
- In the assignment feature, no allocation entries are posted to the Account Balances table (F0902).

---

## Understanding Assignments

When you set up assignments, you must perform the following tasks:

- Define the Assignment
- Choose the Computation Type
- Enter From (Source) Information
- Enter Based On Information
- Enter Date Definition Information
- Enter Apply To Information

### Defining the Assignment

An assignment is the description header record for assignment sequences. A sequence is the order or hierarchy that the system uses to process calculations. To allow for multitiered calculations, an assignment can be made up on one or many assignment sequences. For example, in your assignment of Sales Activity, you have two sequences: sales costs by percent of time, and sales costs by number of sales order lines for a customer.

When you define your assignment, you must enter identifying information and specify the order in which the system processes information for this assignment in relation to other assignments. If you create an assignment with multiple sequences, the system retrieves the following default information from the previous assignment sequence:

- Assignment name
- Date definitions
- From - driver or cost analyzer based
- Based on - driver, cost analyzer based, or index computation

## Choosing the Computation Type

You must decide whether this is an index allocation, a variable numerator, or a rate calculation.

Based on the assignment type selection, the system displays only those fields that are valid for the assignment type. Consider the following validation rules for each assignment type:

<b>Index computation</b>	<ul style="list-style-type: none"> <li>The From component can be either the Cost Analyzer Balances table or the Driver Balances table.</li> <li>The Based On component is a factor.</li> <li>The Apply To component can only be the Cost Analyzer Balances table balance.</li> </ul>
<b>Variable numerator</b>	<ul style="list-style-type: none"> <li>The From component must be the Cost Analyzer Balances table.</li> <li>The Based On component can be either the Cost Analyzer Balances table or the Driver Balances table. You are not allowed to enter a factor.</li> <li>The Apply To component must be a Cost Analyzer Balances table balance.</li> </ul>
<b>Rate calculations</b>	<ul style="list-style-type: none"> <li>The From component must be the Cost Analyzer Balances table.</li> <li>The Based On component must be the Driver Balances table.</li> <li>The Apply To component must be a cost pool or activity rate from the Rates table.</li> </ul>
<b>Rate-based computations</b>	<ul style="list-style-type: none"> <li>The From component must be the Driver Balances table.</li> <li>The Based On component factor is from the Rates table.</li> <li>The Apply To component must be a Cost Analyzer Balances table balance.</li> </ul>

When you enter From and Based On definitions, you can define versions of the following business views and customize your data selection accordingly:

- Cost Calculation Select Balances (R16102)
- Cost Calculation Select Drivers (R16132)
- Cost Calculations Select Rates (R16142)

To select a version of cost analyzer, driver balances, or rates, click the appropriate option.

## Entering From (Source) Information

Based on the assignment type selection, the system displays only those fields that are valid for the assignment type. Consider the following validation rules for each assignment type for the From Information:

<b>Index computation</b>	The From component can be either the Cost Analyzer Balances table or the Driver Balances table.
<b>Variable numerator</b>	The From component can only be the Cost Analyzer Balances table.
<b>Rate calculations</b>	The From component must be the Cost Analyzer table.
<b>Rate-based computations</b>	The From component must be the Driver Balances table.

Based on the option of the calculation type, you exit to the appropriate version template to create the data selection for the assignment sequence. If the From is based on the Cost Analyzer Balances table, click the search button to exit to the Cost Calculation Select Balances program (R16102). On Work with Batch Versions, you can select an existing version of the Cost Analyzer template, or you can create a new version. In your Cost Analyzer version for this assignment sequence, you might define the data selection as follows:

- View
- Ledger Type (AA)
- Business unit
- Accounts

### Entering Based On Information

The Based On information can be either data in the Cost Analyzer Balances table, data in the Driver Table, data in the Rate table, or an Index Factor. Consider the following validation rules for each assignment type to select Based On data:

<b>Index computation</b>	The Based On component is a factor.
<b>Variable numerator</b>	The Based On component can be either the Cost Analyzer Balances table or the Driver Balances table. You are not allowed to enter a factor.
<b>Rate calculations</b>	The Based On component must be the Driver Balances table.
<b>Rate-based computations</b>	The Based On component must be the Rate table.

For example, suppose you want to reassign costs that are based on statistical information that exists in the Driver Balances table. Click the search button to exit to the Cost Calculation Select Drivers version (R16132). On Work with Batch Versions, you can select an existing version of the driver template, or you can create a new version and define the data selection as follows:

- Driver Code
- Ledger Type (AA)
- Business Unit
- Fiscal Year

### Entering Date Definition Information

You define dates at the sequence level for the From, Based On, and Apply To information.

You can indicate whether the assignment sequence is a monthly, quarterly, or annual assignment. The system uses this indicator to automatically increase the periods and the fiscal year incrementally.

When you run the Cost Assignment Calculation program (R1610), you can indicate whether you want the system to increment the dates according to the date definition in the assignment sequence.

## Entering Apply To Information

The Apply To information defines where you want to code the result of the cost assignment.

Each field has three options. You can apply the results of the cost assignment to a specific value (Specify), the value in the Based On field, or the originating value (From).

---

### Note

If you want to apply the results of the cost assignment to a specific value, the system retrieves the default value from the previous sequence and enters the value as the default.

---

For example, suppose that you want to apply the costs to the same business unit that you used in the From information. However, you want to apply it to a different account. When you enter the Apply To options, specify that the Apply To business unit is the same as the From business unit. You must enter a specific value for the new object account.

Based on the assignment type selection, the system displays only those fields that are valid for the assignment type. Consider the following validation rules for each assignment type when you enter the Apply To information:

<b>Index computation</b>	The Apply To result updates the Cost Analyzer Balance table based on the From or Specific Values.
<b>Variable numerator</b>	The Apply To results update the Cost Analyzer Balance table either based on the From, Based On, or Specific Values.
<b>Rate calculations</b>	The Apply To component can only be a cost pool or activity for the Rate table.
<b>Rate-based computations</b>	The Apply To amount is stored in the Cost Analyzer Balance table at an account, activity, or cost object level. You must specify an account.

### Example: Index Computation

Index computations use a calculation factor to calculate projected amounts. For example, ABC Company wants to evaluate next year's budget based on a 10 percent increase in this year's budget. The company can create an index computation using cost analyzer balances multiplied by a factor of 110 percent.

### Example: Variable Numerator

ABC Company wants to allocate all indirect selling costs to its sales offices, based on the number of sales orders that are generated by each office; but the company does not want to actually record the allocation. It wants only to evaluate the proposed result. This type of process can be done through ACA assignments. This variable numerator assignment is defined as follows:

- Account balances are obtained from the Cost Analyzer Balances table (F1602).
- The driver is the number of sales orders by business unit.
- Total indirect selling costs from the Cost Analyzer Balances table are pro-rated, based on a calculated sales order percentage.
- The pro-rated cost is applied to each sales office business unit.

### **Example: Rate Calculation**

Rate calculation is useful when deriving a rate per unit. For example, ABC Company wants to find out how much it is spending on individual accounts receivable activities so that it can evaluate whether to streamline the accounts receivable process. The company could create a rate calculation assignment to find out the cost of each activity and then evaluate where improvements could be made.

### **Example: Rate-Based Computation**

Rate-based computation uses an existing user-defined rate per unit or a rate-from-a-rate calculation assignment, and applies it to costs or driver volumes. For example, if a company wants to charge certain customers an add-on rate for a labor-intensive task, it could use a set rate multiplied by the number of man-hours consumed in the process, and apply it to the applicable customers.

---

## **Setting Up Rates**

You can use rates in the Advanced Cost Accounting system as a basis to reallocate costs. For example, to calculate the advertising rate, you can retrieve sales order detail lines by product and multiply them by a rate for each product.

When you create a rate in the Rate Master Revisions program (P1642), the system assigns an identification number to the rate and stores the information for the rate in the following tables:

- Rate Master Header File (F1642)
- Rate Master Detail File (F16421)

You can set up rates that are specific to items, cost objects, activity or cost pools, and subledger types. When you define rates, the system prompts you to set up a default rate for the activity or cost pool. The system uses the default rate in a rate-based calculation if the From information in the assignment does not have a matching rate in the rate master tables.

### **► To set up rates**

---

*From the Assignments menu (G1623), choose Rate Master Revisions.*

1. On Work with Rates, click Add.
2. On Enter/Change Rates, complete the following fields:
  - Description
  - Ledger Type
  - Driver Code
  - Cost Type
  - Business Unit
  - Effective From Date
  - Cost Method

3. Do one of the following:

To set up rates for activities, complete the following field:

- Activity Code

To set up rates for cost pools, complete the following field:

- Cost Pool

4. To limit the rate rule to an item, cost object, or subledger, complete one or more of the following fields in the detail area of the form:

- Item Number
- Type 1
- Cost Object 1
- Type 2
- Cost Object 2
- Type 3
- Cost Object 3
- Type 4
- Cost Object 4
- Subledger Type
- Subledger

5. Click OK.

---

## Setting Up Assignments

An assignment definition has of three components. Each component has a date, frequency, and account definition:

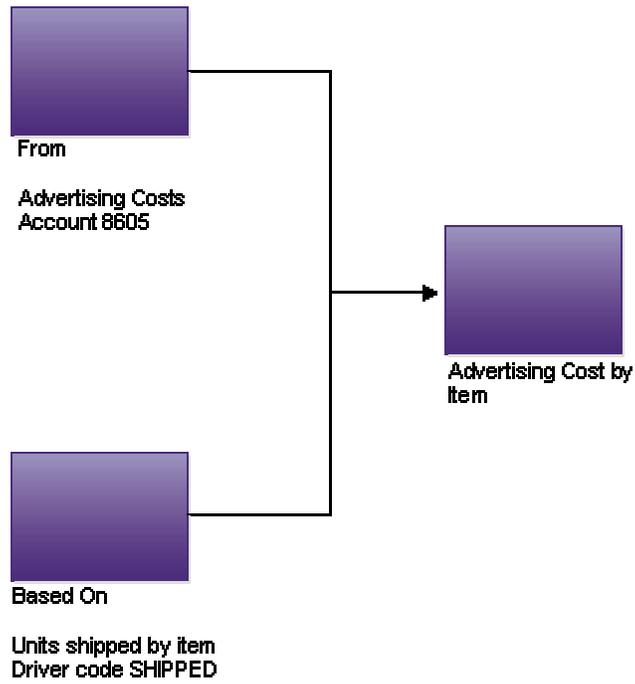
<b>From</b>	The source of the definition
<b>Based On</b>	How to assign the From
<b>Apply To</b>	Where to assign the result of the assignment

You can set up assignment calculations for either a single cost assignment or as part of several sequences to allow for multitiered calculations.

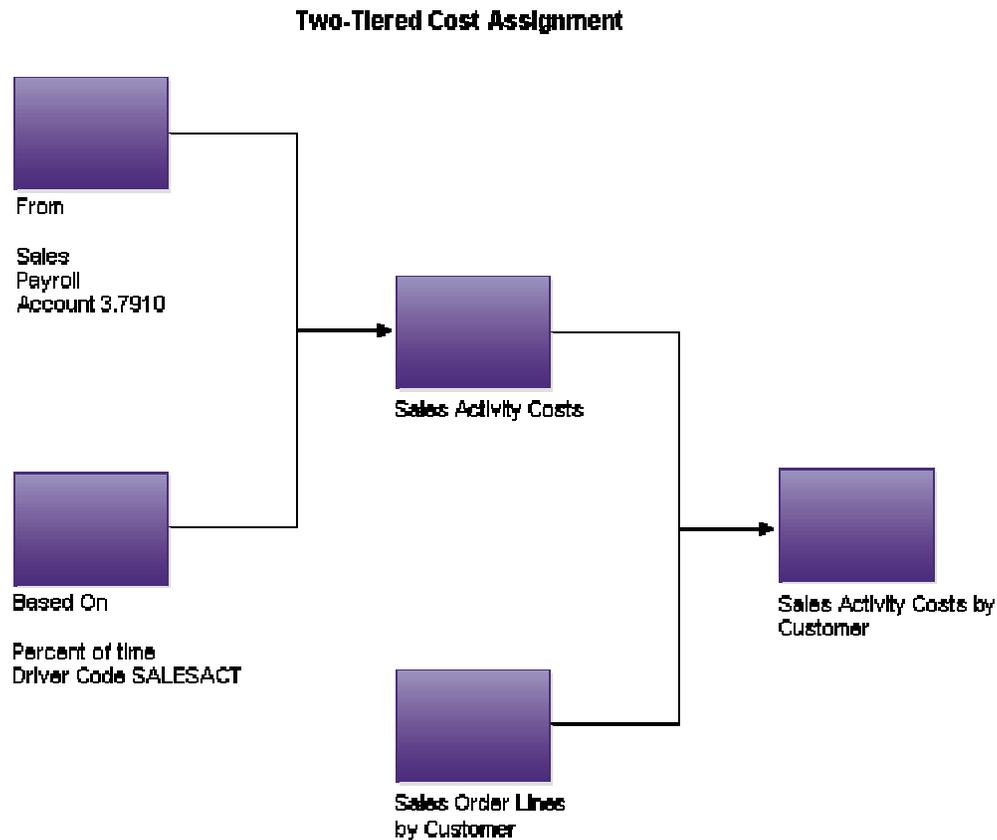
The following graphics illustrate a single cost assignment and a two-tiered assignment.

### Single Cost Assignment

#### Single Cost Assignment



## Two-Tiered Cost Assignment



## Setting Up Index Computations

Based on the assignment type selection, the system displays only those fields that are valid for the assignment type. Consider the following validation rules for index computations:

- The From component can be either the Cost Analyzer table or the Driver Balances table.
- The Based On component is a factor.
- The Apply To component can be only a Cost Analyzer balance.

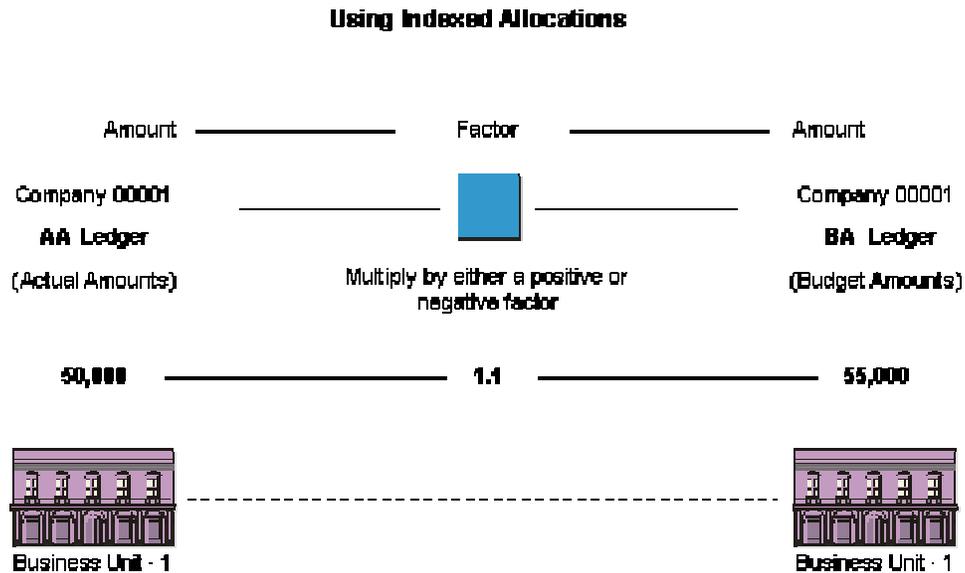
To determine an accurate projection, you can use index computations where you multiply historical data from the Cost Analyzer table or from Driver Balances table by a factor. For example, you could multiply this year's budget by a percentage factor in order to determine next year's budget.

### Example: Index Computations

Suppose that you want to calculate next year's budget based on this year's balance with a 10 percent increase. You must identify the appropriate accounts and ledger, and identify the factor by which the system calculates the resulting budget. Then you must identify the ledger where you will place the results.

The system takes the end-of-year balances in the AA (actual amounts) ledger in accounts 6110 through 6320 and multiplies each by 1.1 (a 10 percent increase). You can then specify that the results be placed in the same account numbers in the BA (budget amounts) ledger for the following year.

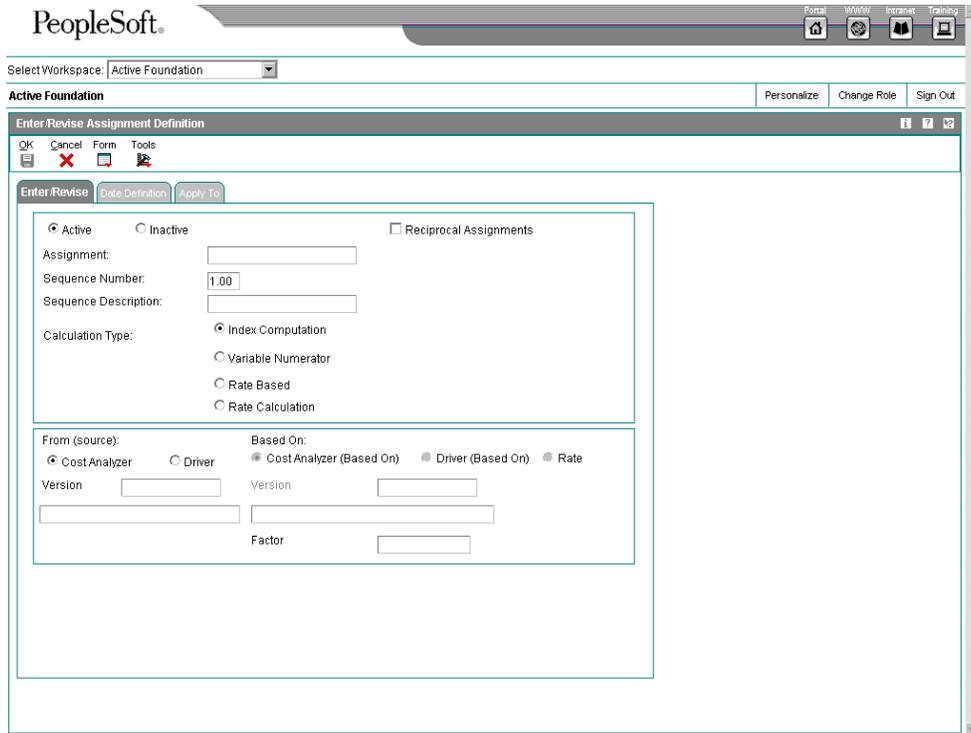
The following graphic illustrates how you can use indexed allocations to calculate the budget using the Cost Analyzer Balances table:



► **To set up an index computation**

*From the Assignments menu (G1623), choose Assignment Definition.*

1. On Assignment Definitions, click Add.



2. On Enter/Revise Assignment Definition, click the Enter/Revise tab, and then click one of the following options:

- Active
- Inactive

The Use Matching Business Units option does not apply to a calculation for an index computation.

3. Complete the following fields to identify the assignment calculation:

- Assignment:
- Sequence Description:

The system automatically assigns a sequence number.

4. Turn on the following assignment type:

- Index Computation

When you turn on the Index Computation option, you can choose either the Cost Analyzer Balances table or the Driver Balances table as the From Component.

5. For the From component, turn on either of the following fields for an index computation type:

- Cost Analyzer
- Driver

6. Based on your selection in the From component, complete the following field or use the search button to select from a list of versions for either the Cost Calculation Select Balances program (R16102) or the Cost Calculation Select Drivers program (R16132):

- Version

7. For the Based on component, complete the following field:

- Factor

When you choose Index Computation for the assignment type, you can enter a factor only for the Based On component.

8. To specify the effective dates of the assignment calculation, click the Date Definition tab.

The screenshot shows the 'Enter/Revise Assignment Definition' window in PeopleSoft. The window title is 'Active Foundation'. The 'Date Definition' tab is selected, showing the following fields:

- FROM:** Period From, Period Through, Fiscal Year From, Fiscal Year Through.
- BASED ON:** Period From, Period Through, Fiscal Year From, Fiscal Year Through, Effective Date.
- TO:** Period From, Period Through, Fiscal Year From, Fiscal Year Through, Effective Date.
- Assignment Frequency:** Monthly (selected), Quarterly, Annually.

When you choose Index Computation for the assignment type, you enter only a From and To date or period ranges because the Based On component is a factor.

9. For each of the From and To definitions, complete the following fields:

- Period From
- Period Through
- Fiscal Year From
- Fiscal Year Through

10. To specify how often the system creates computations, turn on an option from the following heading:

- Assignment Frequency

11. To specify how the system stores the results of the cost assignment, click the Apply To tab.

When you choose Index Computation for the assignment type, you apply the cost assignments to either the same business unit as you specified for the From component or to a specific value.

12. Turn on either the From or the Specify option for each of the following fields and click OK:

- Ledger Type
- Business Unit
- Object
- Subsidiary
- Subledger
- Subledger Type
- Cost Object 1
- Cost Object 2
- Cost Object 3
- Cost Object 4
- Item
- Activity

#### **See Also**

- *Understanding Assignments* in the *Advanced Cost Accounting Guide* for more information about assignments

## **Setting Up Variable Numerators**

Based on the assignment type selection, the system displays only those fields that are valid for the assignment type. Consider the following validation rules for variable numerators:

- The From component must be the Cost Analyzer Balances table.
- The Based On component can be either the Cost Analyzer Balances table or the Driver Balances table. You are not allowed to enter a factor.
- The Apply To component must be a Cost Analyzer balance.

A variable numerator is a factor that is based on data which you specify. Since this data changes when it is updated, the factor might vary from one calculation to the next. You can re-allocate costs or revenue to objects, based on data in the Cost Analyzer Balances table (F1602) or Driver Balances table (F1632).

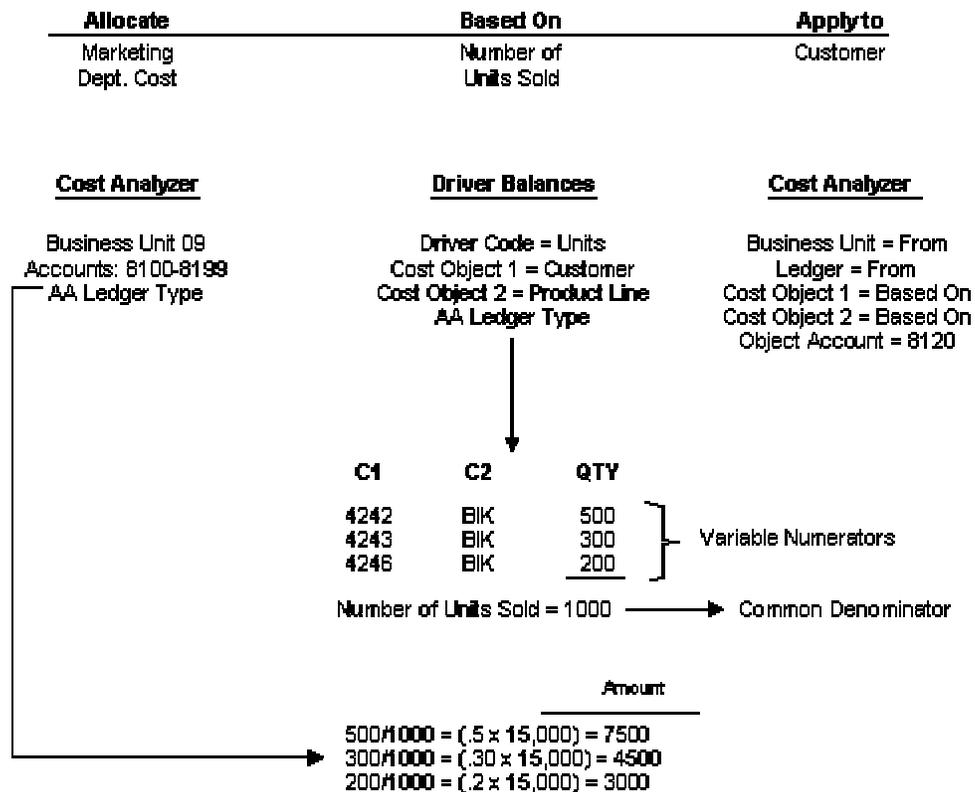
## Example: Variable Numerator

Suppose that you want to reassign indirect costs (15,000 USD) from the marketing department (Business Unit 9) to several customers because you have determined that these marketing costs vary, based on the number of bicycles sold. These bicycle accounts are 8100-8199. You want to base the assignment amount on the number of bicycles sold by each customer. Bicycles are a product line identified by an item category code.

An automatic driver is defined to capture units by product line and customer. For example, cost object 1 would reflect customer, and cost object 2 reflects the product line.

The following graphic illustrates this example:

### Example: Variable Numerator



#### Result: Cost Analyzer Balance Table

Ledger	B/U	Acct	C1	C2	AMT
AA	9.	8120	4242	BIK	7500
AA	9.	8120	4243	BIK	4500
AA	9.	8120	4246	BIK	3000

► **To set up a variable numerator**

From the Assignments menu (G1623), choose Assignment Definition.

1. On Assignment Definitions, click Add.

The screenshot shows the 'Enter/Revise Assignment Definition' form in the PeopleSoft system. The form is titled 'Enter/Revise Assignment Definition' and has a toolbar with 'Enter/Revise', 'Date Definition', and 'Apply To' buttons. The form contains several sections: 1. Status: 'Active' (selected) and 'Inactive' radio buttons, and a 'Reciprocal Assignments' checkbox. 2. Identification: 'Assignment' (text field), 'Sequence Number' (text field with '1.00'), and 'Sequence Description' (text field). 3. Calculation Type: Radio buttons for 'Index Computation', 'Variable Numerator' (selected), 'Rate Based', and 'Rate Calculation'. 4. From (source): Radio buttons for 'Cost Analyzer' (selected), 'Driver', and 'Rate'. 5. Based On: Radio buttons for 'Cost Analyzer (Based On)' (selected), 'Driver (Based On)', and 'Rate'. 6. Fields: 'Version' (text field), 'Factor' (text field), and an empty text field.

2. On Enter/Revise Assignment Definition, click the Enter/Revise tab and turn on one of the following options:

- Active
- Inactive

3. Complete the following fields to identify the assignment calculation:

- Assignment:
- Sequence Number:

The system automatically assigns a sequence number.

4. Turn on the following assignment type:

- Variable Numerator

5. For the From component, turn on the following option:

- Cost Analyzer

When you choose Variable Numerator for the assignment type, you can choose only the Cost Analyzer Balances table as the From Component.

6. Complete the following field in the From area of the form or use the Search button to select from a list of versions of the Cost Calculation Select Balances program (R16102):
  - Version
 

The Based On component can be either a version of the Cost Analyzer program (R16102) or the Driver Balances program (R16132). You are not allowed to enter a factor.
7. In the Based On area, turn on one of the following options:
  - Cost Analyzer (Based On)
  - Driver (Based On)
8. Complete the following field in the Based On area of the form or use the search button to select from a list of versions for the appropriate program:
  - Version
9. To specify the effective dates of the assignment calculation, click the Date Definition tab.

The screenshot shows the PeopleSoft interface for 'Enter/Revise Assignment Definition'. The 'Date Definition' tab is active. The form is divided into three main sections: FROM, BASED ON, and TO. Each section contains input fields for 'Period From', 'Period Through', 'Fiscal Year From', and 'Fiscal Year Through'. The 'BASED ON' section also includes an 'Effective Date' field. At the bottom, there is an 'Assignment Frequency' section with radio buttons for 'Monthly', 'Quarterly', and 'Annually'. The 'Monthly' option is selected.

When you choose Variable Numerator for the assignment type, you can enter date or period ranges for the From, Based On, and To components.

10. For each of the three definitions (From, Based On, and To), complete the following fields:
  - Period From
  - Period Through
  - Fiscal Year From
  - Fiscal Year Through

11. To specify how often the system creates assignments, turn on an option from the following heading:
  - Assignment Frequency
12. To specify how the system stores the results of the cost assignment, click the Apply To tab.

Three options exist for each field. When you choose Variable Numerator for the assignment type, you apply the cost assignments to a Cost Analyzer table that you specified in the From or the Based On component or in a specific value. However, the Apply To component must be a Cost Analyzer balance.
13. Choose one of the four options for each of the following fields and click OK:
  - Ledger Type
  - Business Unit
  - Object
  - Subsidiary
  - Subledger
  - Subledger Type
  - Cost Object 1
  - Cost Object 2
  - Cost Object 3
  - Cost Object 4
  - Item
  - Activity

## Setting Up Rate Calculations

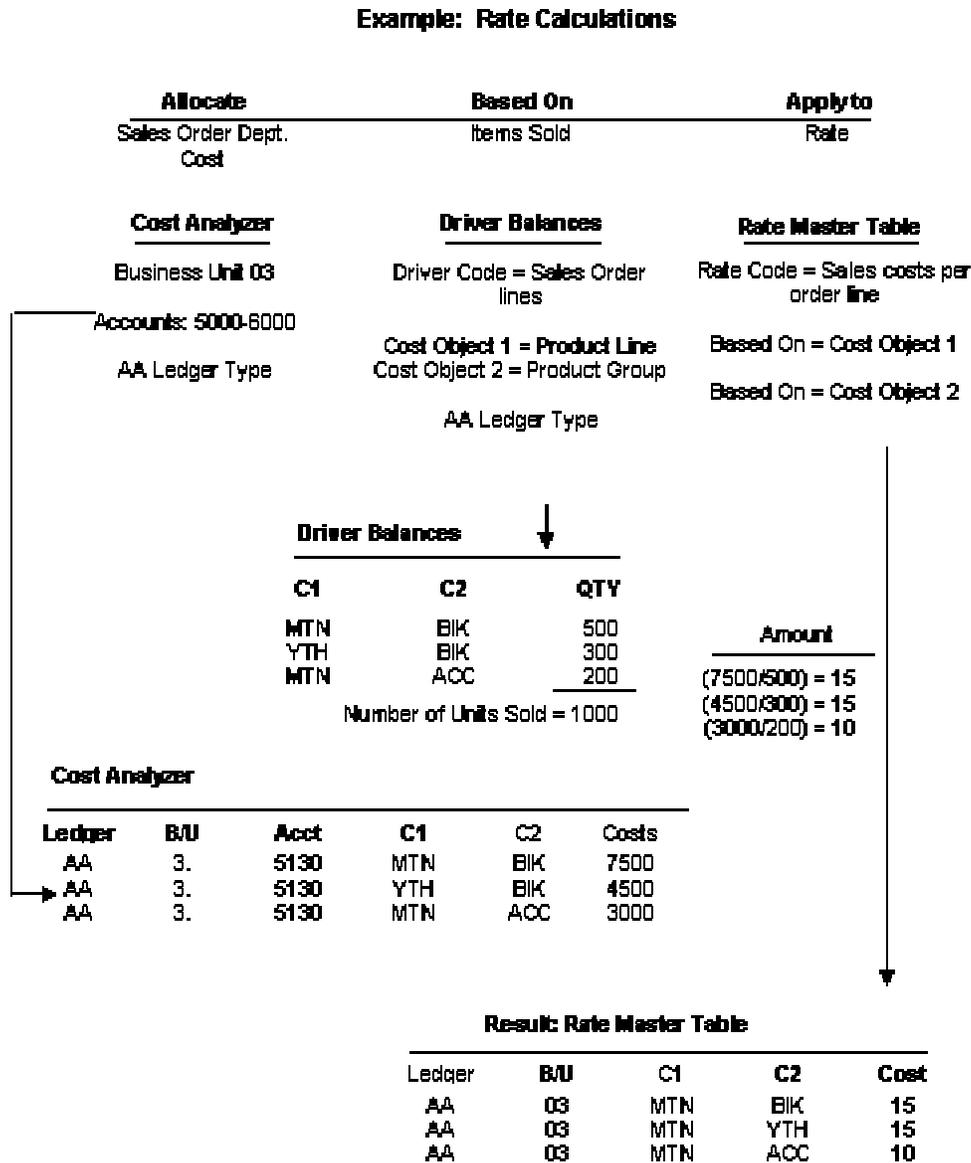
The system displays only those fields that are valid for the assignment type selected. Consider the following validation rules for rate calculations:

- The From component must be the Cost Analyzer Balances table (F1602).
- The Based On component must be the Driver Balances table (F1632).
- The Apply To component is based on the cost driver. For example, a cost driver of Item and Hours sends output to the rate table as a rate per item.

You can use a rate calculation to calculate a per unit cost from amounts that are stored in the Cost Analyzer Balances table and volumes that are stored in the Driver Balances table. The resulting calculation is a rate value at a cost pool or driver level. For example, you can retrieve the total of sales order department costs (an amount held in the Cost Analyzer Balances table) and divide this number by the items sold (an amount held in the Driver Balances table). The resulting number is the new rate, which can be stored in the rate master tables.

## Example: Rate Calculations

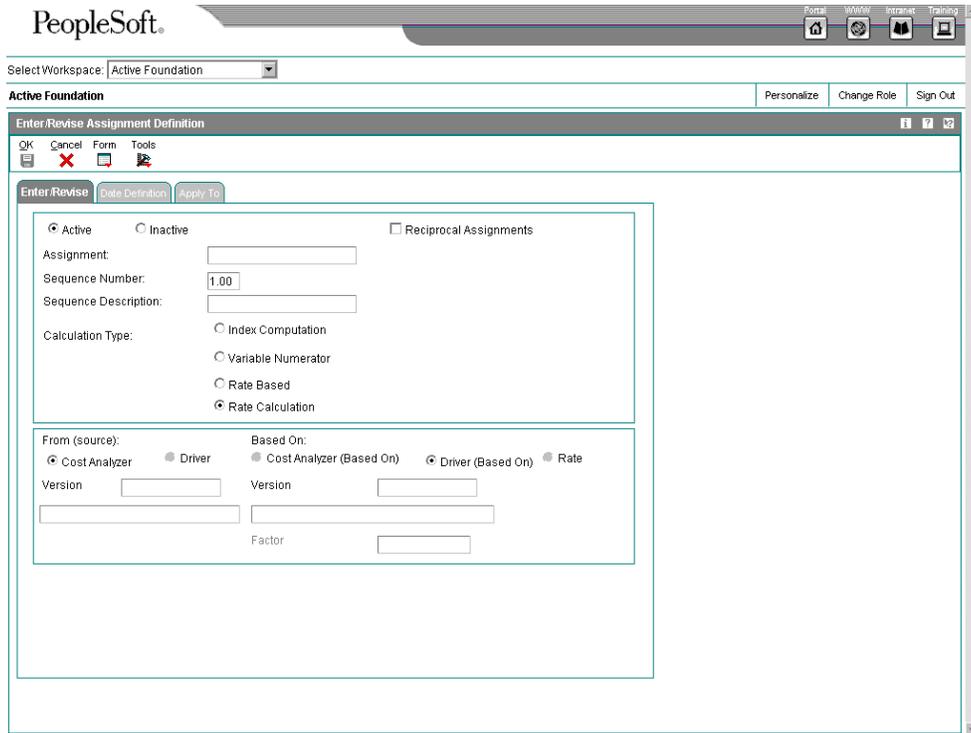
The following graphic illustrates an example of rate calculations:



### ► To set up rate calculations

From the Assignments menu (G1623), choose Assignment Definition.

1. On Assignment Definitions, click Add.



2. On Enter/Revise Assignment Definition, click the Enter/Revise tab, and then turn on one of the following options:
  - Active
  - Inactive
3. Complete the following fields to identify the assignment calculation:
  - Assignment:
  - Sequence Description:

The system automatically assigns a sequence number.
4. Turn on the following assignment type:
  - Rate Calculation

When you choose the Rate Calculation assignment type, you can choose only the Cost Analyzer table as the From Component.
5. Turn on the following option:
  - Cost Analyzer
6. Complete the following field or use the Search button to select from a list of versions for the External Cost Analyzer Balances program (P1602):
  - Version

When you choose Rate Calculation for the assignment type, you can choose only the Driver Balances table (F1632) as the Based On Component.

7. Turn on the following option as your assignment type:
  - Driver (Based On)
8. Complete the following field or use the Search button to select from a list of versions for the Driver Balances program:
  - Version

The Based On component must be a version of the Cost Calculation Select Drivers program (R16132).
9. To specify the effective dates of the assignment calculation, click the Date Definition tab.

The screenshot shows the 'Enter/Revise Assignment Definition' form in the PeopleSoft system. The 'Date Definition' tab is selected. The form is divided into three main sections: 'FROM', 'BASED ON', and 'TO'. Each section contains four input fields: 'Period From', 'Fiscal Year From', 'Period Through', and 'Fiscal Year Through'. The 'BASED ON' and 'TO' sections also include an 'Effective Date' field. At the bottom of the form, there is an 'Assignment Frequency' section with three radio button options: 'Monthly' (which is selected), 'Quarterly', and 'Annually'. The form is displayed within a browser window with the PeopleSoft logo and navigation links at the top.

Three options exist for each field. When you choose Rate Calculation for the assignment type, you can enter date or period ranges for the From and Based On components, and assign an effective date.

10. Complete the following fields in the relevant area of the form:
  - Period From
  - Period Through
  - Fiscal Year From
  - Fiscal Year Through
11. To specify how often the system creates computations, turn on an option in the Assignment Frequency area.

12. To specify how the system stores the results of the cost assignment, click the Apply To tab.

Four options exist for each field. When you choose Rate Calculation for the assignment type, you apply the cost assignments to a Cost Analyzer Balances table (F1602) that you specified for the From component or the Driver Balances table (F1632) that you specified for the Based On component, or you can enter a specific value. The system inactivates any information that does not apply to the rate calculation assignment.

The Apply To component can be only a cost pool or activity rate in the Cost Calculations Select Rates table (R16142).

13. Choose one of the four options for each of the following fields, and then click OK:

- Ledger Type
- Business Unit
- Subledger
- Subledger Type
- Cost Object 1
- Cost Object 2
- Cost Object 3
- Cost Object 4
- Item
- Activity

#### See Also

- *Setting Up Rates* in the *Advanced Cost Accounting Guide* for information about how to set up rates that are specific to items, cost objects, activities or cost pools, and subledger types
- *Understanding Assignments* in the *Advanced Cost Accounting Guide* for more information about assignments

## Setting Up Rate-Based Computations

Based on the assignment type selection, the system displays only those fields that are valid for the assignment type. Consider the following validation rules for rate-based computations:

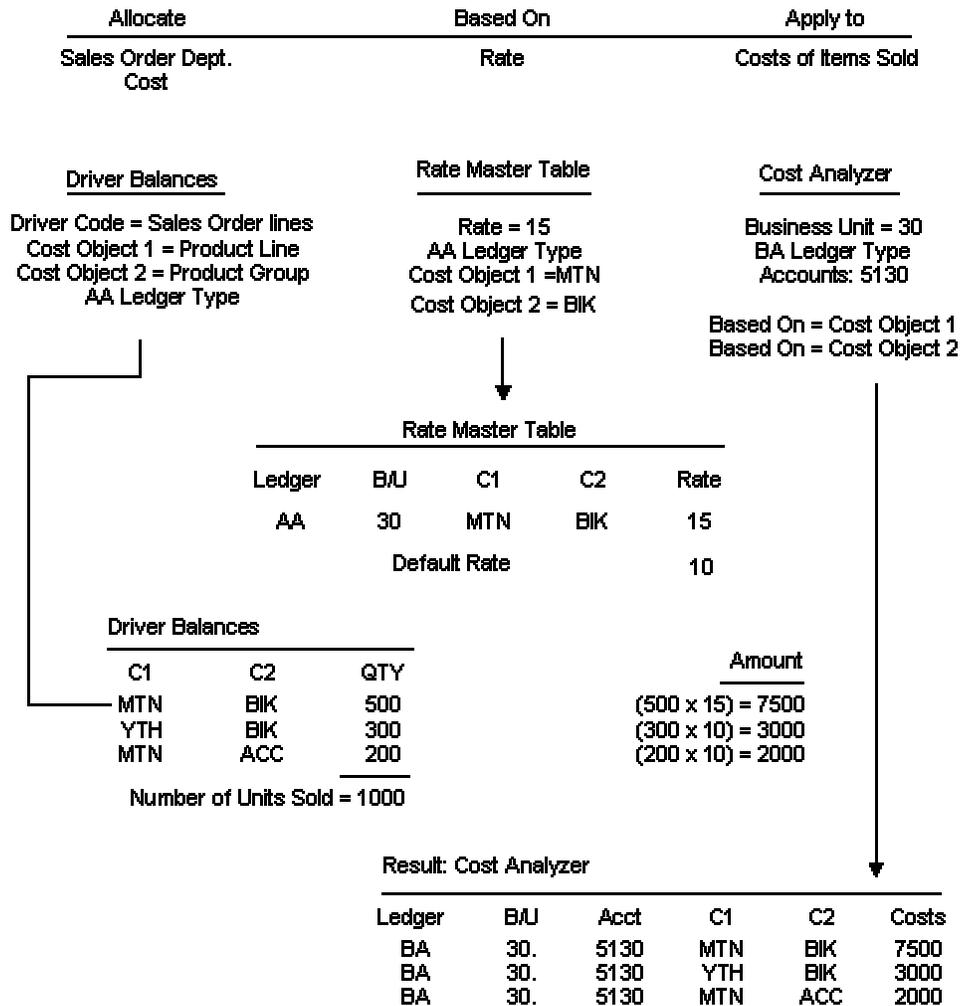
- The From component must be the Driver Balances table.
- The Based On component is from the Rates table.
- The Apply To component must be a Cost Analyzer balance.

A rate-based computation is a rate that is applied to costs or driver volumes and amounts. You might use a rate-based computation to determine the budgeted per line advertising rate by product line. For example, to calculate the advertising amount, you can retrieve sales order detail lines by product and multiply them by a rate for each product. The rate can be different for each product. You can set up a default rate that the system uses if it does not find an exact match with cost object types that matches the From record.

## Example: Rate-Based Computations

The following graphic illustrates an example of rate-based computations:

### Example: Rate-Based Computations



### ► To set up rate-based computations

From the Assignments menu (G1623), choose Assignment Definition.

1. On Assignment Definitions, click Add.

2. On Enter/Revise Assignment Definition, click the Enter/Revise tab and turn on one of the following options:
  - Active
  - Inactive
3. Complete the following fields to identify the assignment calculation:
  - Assignment:
  - Sequence Description:

The system automatically assigns a sequence number.
4. Turn on the following calculation type:
  - Rate Based

When you choose Rate Based for the assignment type, you can choose only the Driver Balances table as the From Component.
5. Turn on the following option:
  - Driver
6. Complete the following field in the From area of the form or use the Search button to select from a list of versions for the Cost Calculation Select Drivers program (R16132):
  - Version

7. Complete the following field in the To area of the form or use the Search button to select from a list of versions for the Cost Calculations Select Rates table (R16142):

- Version

When you choose Rate Based for the assignment type, you must use a rate from the Rate Master Detail File table (F16421) as the Based On component.

8. To specify the effective dates of the assignment calculation, click the Date Definition tab.

The screenshot shows the 'Enter/Revise Assignment Definition' form in PeopleSoft. The 'Date Definition' tab is active. The form contains the following sections:

- FROM:** Period From, Fiscal Year From, Period Through, Fiscal Year Through.
- BASED ON:** Period From, Fiscal Year From, Effective Date, Period Through, Fiscal Year Through.
- TO:** Period From, Fiscal Year From, Effective Date, Period Through, Fiscal Year Through.
- Assignment Frequency:** Monthly (selected), Quarterly, Annually.

When you choose Rate Based Calculation for the assignment type, you can enter date or period ranges for the From and Apply To components, and use an effective date for the Based On component.

9. For the From and To components, complete the following fields:

- Period From
- Period Through
- Fiscal Year From
- Fiscal Year Through

10. To specify how often the system creates computations, turn on an option in the Assignment Frequency area of the form.

11. To specify how the system stores the results of the cost assignment, click the Apply To tab.

Four options exist for each field. When you choose Rate Based for the assignment type, you can apply the cost assignments only to a Cost Analyzer balance.

12. Turn on one of the four options for each of the following fields and click OK:

- Ledger Type
- Business Unit
- Object
- Subsidiary
- Subledger
- Subledger Type
- Cost Object 1
- Cost Object 2
- Cost Object 3
- Cost Object 4
- Item
- Activity

**See Also**

- *Understanding Assignments* in the *Advanced Cost Accounting Guide* for more information about assignments

## Reciprocal Assignments

When you set up a cost assignment, you can designate it as a reciprocal assignment. Reciprocal assignments, which are typically used with the variable numerator calculation type, are useful if you assign costs for services that are provided by supporting departments.

For a reciprocal assignment, you specify either a maximum number of iterations or a minimum residual balance. The system continues to make reciprocal assignments until it has reached either the maximum number of iterations or the minimum residual balance.

### Example: Multiple Iterations of a Cost Assignment

In this example, the Information Technology department provides services to the Human Resources department, which provides services to the Information Technology, Production, and Marketing departments.

In the first iteration of cost assignments, the Human Resources department has 90,000 in costs and the Information Technology department has 20,000. The Human Resources department costs are assigned to the three departments as follows:

Department	Cost
Production	50,000
Marketing	10,000
Information Technology	30,000

The total costs for the Information Technology department, which include the original 20,000 and the 30,000 assigned from the Human Resources department, are assigned to the other supporting departments as follows:

Department	Cost
Production	25,000
Marketing	10,000
Human Resources	15,000

This completes the first iteration. However, a residual amount of 15,000 remains in the Human Resources department. If you set up a reciprocal assignment, the system continues to assign costs to the affected departments. You can specify the maximum number of iterations that the system should complete before the cost assignment is done, or you can specify the minimum residual balance amount that you will allow before the cost assignments are complete.

### Specifying the Maximum Iteration Threshold

Before you set up a reciprocal assignment, you must specify a number for the maximum iteration threshold in the Cost Management Constants program (P1609). This number overrides the maximum number that you enter when you set up your assignments. It is also used when you specify a residual balance for your assignment. If you enter a residual balance for your assignment and the system cannot meet the amount, it stops assigning costs when it reaches the maximum iteration threshold. The maximum iteration threshold prevents the assignment from going into an infinite loop.

#### ► To specify the maximum iteration threshold

---

*From the System Setup menu (G1641), choose Cost Management Constants.*

On Enter/Change Cost Management Constants, complete the following field and click OK.

- Maximum Iteration Threshold

You must enter a value greater than zero in this field.

### Setting Up Reciprocal Assignments

After you designate an assignment as a reciprocal assignment, you must specify whether you want the system to use a maximum number of iterations or a minimum residual balance when determining when to stop assigning costs.

If you choose a maximum number of iterations, the number that you enter must be less than or equal to the maximum iteration threshold specified in the Cost Management Constants program (P1609). If the number of iterations that you specify is greater than the number specified in the constants, it will be changed to the number of the maximum iteration threshold.

Also, if you specify a number of iterations, but the balance for the account from which you are assigning reaches zero prior to completing the number of iterations, the assignment will stop.

If you specify a residual cost balance amount and that threshold is not reached prior to completing the maximum number of iterations specified in the constants, the assignment will stop.

## ► To set up reciprocal assignments

---

*From the Assignments menu (G1623), choose Assignment Definition.*

1. On Assignment Definitions, click Add.
2. On Enter/Revise Assignment Definition, turn on the Reciprocal Assignments option.
3. Do one of the following:
  - To specify the maximum number of assignment iterations, turn on the Number of Iterations option and enter the number of iterations.
  - To specify the minimum residual balance, turn on the Residual Balance option and enter the residual balance.
4. Follow the steps for setting up an assignment and click OK.

### See Also

- For information about setting up assignments for a calculation type, see one of the following topics in the *Advanced Cost Accounting* Guide:
  - *To set up an index computation*
  - *To set up a variable numerator*
  - *To set up rate calculations*
  - *To set up rate-based computations*

## Cost Object Matching

Cost object matching is a type of assignment. Like other assignments, cost object matching is a method by which the system reallocates indirect revenue and costs. For cost object matching, you can choose from the following types of calculations when you set up an assignment:

- Variable numerator
- Rate calculation
- Rate based

When you set up an assignment using cost object matching, the system performs calculations only if the from and based-on items for a particular cost object are the same. The items are ledger type, object account, subsidiary, and so on.

For example, you want to be able to spread the costs for activities from accounts in two different business units. To do this, you would match business units when you set up an assignment using cost object matching.

► **To set up an assignment using cost object matching**

---

*From the Assignments menu (G1623), choose Assignment Definition.*

1. On Assignment Definitions, click Add.
2. On Enter/Revise Assignment Definition, complete the following fields on the Enter/Revise tab:
  - Assignment:
  - Sequence Description:
3. Turn on one of the following calculation types:
  - Variable Numerator
  - Rate Based
  - Rate Calculation

Do not use the index computation type for cost object matching.

Depending on the calculation type you choose, some options and fields described in the following steps might not apply. If an option or field is not available for input, continue to the next step.

4. Turn on one of the following options in the From (source) area of the form:
  - Cost Analyzer
  - Driver
5. Enter a version in the following field in the From (source) area of the form:
  - Version
6. Turn on one of the following option in the Based On area of the form:
  - Cost Analyzer (Based On)
  - Driver (Based On)
  - Rate
7. Enter a version in the following field in the Based On area of the form:
  - Version
8. On the Date Definition tab, complete the following fields in the FROM area of the form:
  - Period From
  - Fiscal Year From
  - Period Through
  - Fiscal Year Through

9. Complete the following fields in the BASED ON area of the form:
  - Period From
  - Fiscal Year From
  - Period Through
  - Fiscal Year Through
  - Effective Date
10. Complete the following fields in the TO area of the form:
  - Fiscal Year From
  - Period Through
  - Fiscal Year Through
  - Assignment Frequency
  - Effective Date
11. Turn on one of the following assignment frequency options:
  - Monthly
  - Quarterly
  - Annually
12. On the Apply To tab, turn on the Match option for each item that uses cost object matching.

For each item on the Apply To tab, you must turn on the From, Based On, Match, or Specify option. The option that you turn on depends on the calculation type. The default option is From.
13. Click OK

## Working with Cost Assignments

After you set up cost assignment calculations, you can select assignments to run, create assignment audit trails, and update the Cost Analyzer Balances table (F1602) or the Rate Master Header File table (F1642). With the Audit Assignment Trail program, you can review assignment transactions.

### Revising Cost Assignment Calculations

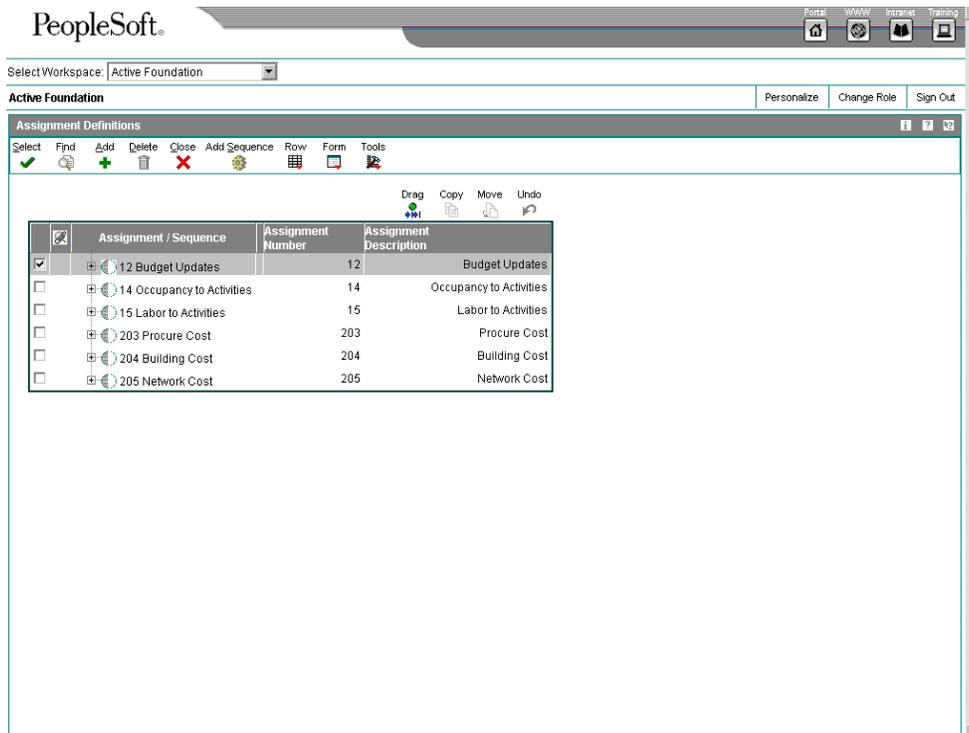
You can review and edit cost assignment definitions before running the calculation. For example, you can disable or enable sequences according to your business needs. Additionally, you can copy and change existing information for a new cost assignment calculation.

#### ► **To revise cost assignment calculations**

---

*From the Assignments menu (G1623), choose Assignment Definition.*

1. On Assignment Definitions, click the + symbol to the left of the assignment number to display all sequences for an assignment.



2. To enable or disable an assignment sequence, choose the record, and then choose Enable/Disable from the Row menu.
3. To edit calculation information, choose the record and click Select.
4. On Enter/Revise Assignment Definition form, change information on any of the three tabs, as necessary, and then click OK.

### See Also

- *Setting Up Assignments* in the *Advanced Cost Accounting Guide* for more information about assignments

## Running Cost Assignment Calculations

*From the Assignments menu (G1623), choose Assignment Calculations*

When you run the Assignment Calculations program (R1610), you can choose to run single or multiple assignments, or several assignment sequences. The system processes only active sequences.

The system only runs assignments against one cost analyzer view at a time. You must enter the appropriate view in the processing options for Assignment Calculations (R1610) for the system to create entries in the Cost Analyzer Balances table (F1602) or the Rate Master Header File (F1642) or Rate Master Detail File (F16421) tables.

If the assignment type is based on the Cost Analyzer Balances table, the calculation is based on the net balances in the account. If the assignment type is based on the Driver Balances table, the calculation is based on the driver balance. You can run assignments in proof or final mode:

<b>Proof mode</b>	The system does not update cost analyzer balances. If an error exists, the system stops processing at the appropriate sequence and prints an error on the Assignment Computations report. The system does not update the date definition, based on the date frequency.
<b>Final mode</b>	When the sequence is run in final mode, you can select a processing option to enable the system to advance the date definition according to this frequency. For example, if you have defined the frequency as quarterly, the system updates the date definition to the next quarter. The system creates assignment entries. You can choose to print the Assignment Computations report.

When you run the assignment in final mode, the system creates assignment entries. You can use processing options to choose whether to create an audit trail in the Cost Calculations Transactions table (F1611) and to advance the date definition according to the date frequency. For example, if you set the processing options to advance the date and the assignment frequency is quarterly, when the Period From is 11 and the Fiscal Year From is 05, the system advances the Period From to 2 and the Fiscal Year to 06.

The audit trail allows you to view the balance prior to any assignments (net posting), and then review balances that are assigned In and Out at the transaction level (net balances). On the Cost Analyzer Inquiry by Account form, you can review the following:

- Original Balance - Information retrieved from the Account Ledger table (F0911)
- The balance of all assigned Ins
- The balance of all assigned Outs
- The net balance (Original Balance + Assigned Ins and Assigned Outs)

### See Also

- *Viewing Cost Analyzer Balances* in the *Advanced Cost Accounting Guide* for more information about reviewing cost analyzer balances

### Processing Options for Cost Calculations (R1610)

---

#### Process

1. Enter the number of the view to be used to read and write records to the cost analyzer balances table (F1602). This processing option is required.

#### View Number

2. Enter the mode that the calculations are to be processed.

1 = Proof mode with report (default)

2 = Final mode with report

3 = Final mode with no report

#### Mode

3. Enter a '1' if you would like the dates to be incremented according to the frequency of the calculation. The dates will only be incremented if this option is equal to '1' and if the calculation is run in final mode.

#### Date Increments

4. Enter a '1' if you would like to create an audit trail by writing records to the Cost Calculation Transactions (F1611) table. If this option is left blank no records will be written to the F1611 table.

#### Create Audit Trail

#### Print

---

1. Enter a '1' if you would like to suppress printing amounts which are zero.  
Supress Zero Amounts

## Reviewing Cost Assignment Transactions

You can use the Assignment Audit Inquiry program to review assignment transactions. For example, on the Assignment Audit Trail Inquiry form, you can review accounts that are receiving allocated costs (to accounts), the accounts that are allocating costs (from accounts), or both. Additionally, you review assignment allocations for cost objects, item number, or subledger type.

For the assignment audit trail, the system displays transactions from the Cost Calculation Transactions table (F1611). When you run the Assignment Calculations program, you must set the processing option to create the audit trail to review assignment transactions.

### ► To review cost assignment transactions

*From the Assignments menu (G1623), choose Audit Assignment Inquiry.*

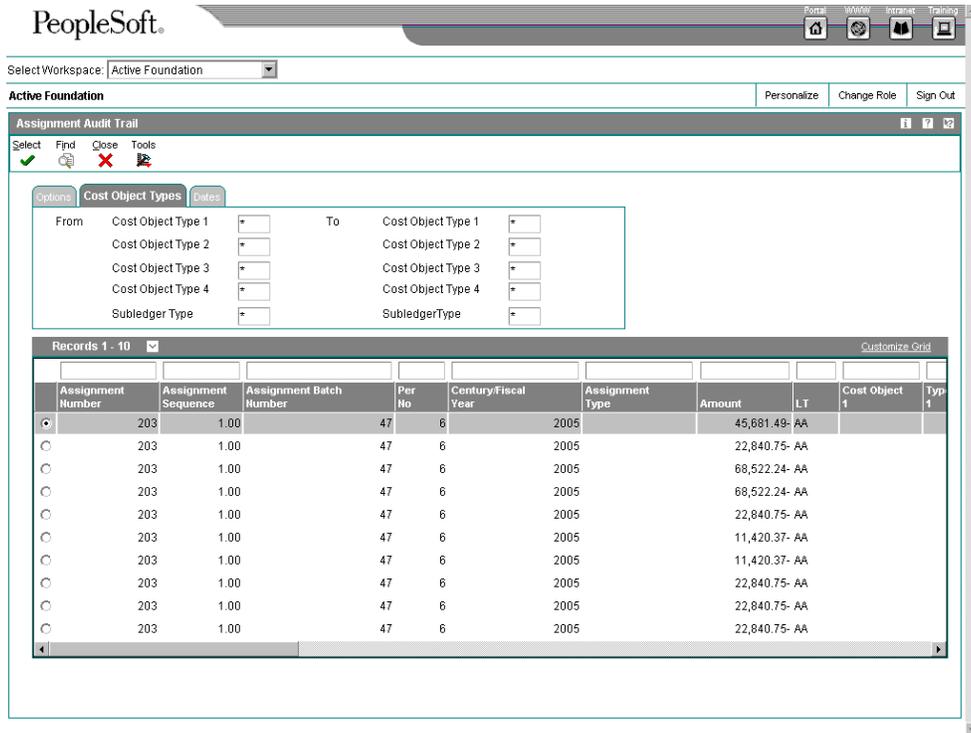
1. On Assignment Audit Trail, click Find.

Assignment Number	Assignment Sequence	Assignment Batch Number	Per No	Century/Fiscal Year	Assignment Type	Amount	LT	Cost Object 1	Typ 1
203	1.00		47	6	2005	45,681.49- AA			
203	1.00		47	6	2005	22,840.75- AA			
203	1.00		47	6	2005	88,522.24- AA			
203	1.00		47	6	2005	88,522.24- AA			
203	1.00		47	6	2005	22,840.75- AA			
203	1.00		47	6	2005	11,420.37- AA			
203	1.00		47	6	2005	11,420.37- AA			
203	1.00		47	6	2005	22,840.75- AA			
203	1.00		47	6	2005	22,840.75- AA			
203	1.00		47	6	2005	22,840.75- AA			

2. To define search criteria by account or ledger type, click the Options tab, complete the following fields, and click Find:

- View Number
- Ledger Type
- Account Number

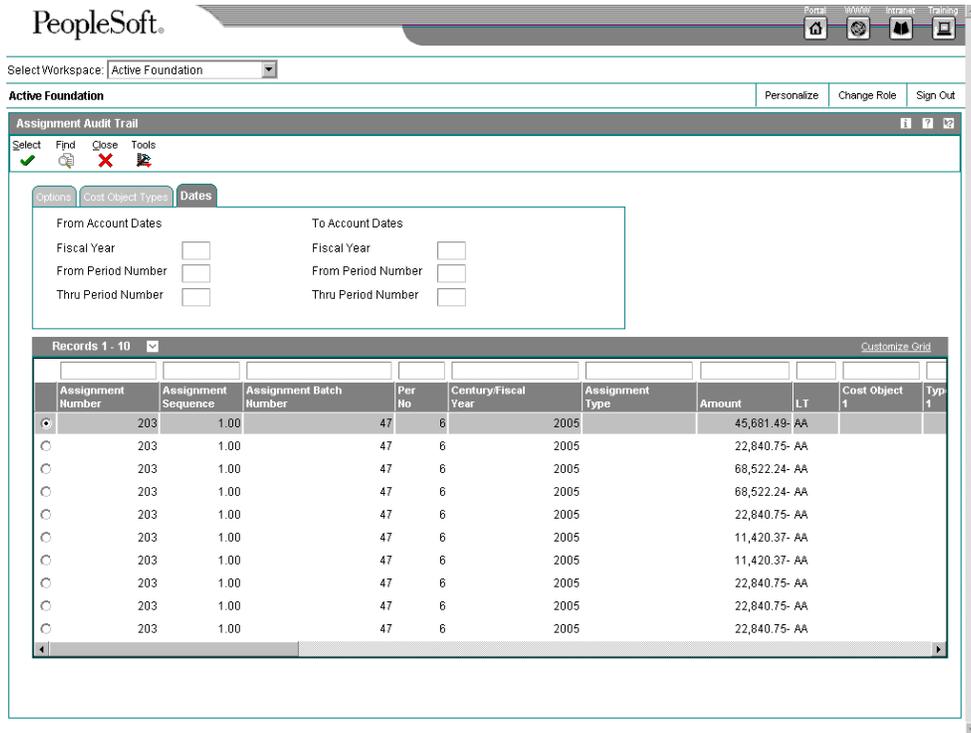
You can enter values in both the From Account Values and To Account Values fields.



3. To define search criteria by cost object and type, click the Cost Object Types tab, complete the following fields, and click Find.

- Cost Object Type 1
- Cost Object Type 2
- Cost Object Type 3
- Cost Object Type 4
- Subledger Type

You can enter values in both the From and To fields.



4. To define search criteria by account date, click the Dates tab, complete the following fields, and click Find.

- Fiscal Year
- From Period Number
- Thru Period Number

You can enter values in both the From Account Dates and To Accounts Dates fields.

## Reviewing the Assignment Computations Report

*On the Assignments menu (G1623), choose Assignment Calculations.*

When you run the Cost Assignment Calculation program, you can generate the Assignment Computations report. If you run the Cost Assignment Calculation program in proof mode, you can review assignments prior to the creation of reallocation transactions. On the Assignment Computations report, you can review the following information:

- Cost analyzer view number
- Assignment number, name, and sequence
- Assignment calculation type and frequency
- Assign from information
- Based on information
- Apply to information

You can use this report as an audit trail to view the balance prior to any assignments. For multitiered allocations, you can also view transaction levels for individual assignments. The original balance enables you to reconcile amounts in the general ledger, depending on your summarization during update.

When you create proof computations, the system does not assign a batch number. Rather, it specifies the modes as proof in the upper right corner of the report. When you create final computations, the system specifies the Mode as Final and updates either the Costs Analyzer Balances table (F1602), or the Rate Master Header File (F1642) or Rate Master Detail File (F16421) tables.

# Using Advanced Cost Accounting Financial Reports for Profitability Analysis

The Advanced Cost Accounting system provides four financial reports that you can use for profitability analysis and financial reporting with cost objects. The reports include: Profitability by Cost Object report (R16023), Income Statement by Cost Object report (R16024), Trial Balance by Cost Object report (R16025), and Trial Balance by Object Account for Cost Object report (R16026).

The format for these financial reports is very similar to that of other financial reports within the General Accounting system. The difference is that instead of running them by company, business unit, and so on, you can run them by cost object.

All four reports print information from the Cost Analyzer Balances table (F1602), so you must make sure to update this table before running any of the reports. The Cost Analyzer Balances table is updated when you run the Post To Cost Analyzer Balances program (R1602).

---

## Comparing Profitability of Multiple Projects

After you have defined all of the costs for different projects, you can combine the costs to determine the profitability of a project and then compare its profitability to that of other projects. For example, if your company manufactures bicycles, you can compare the profitability of all models from the simplest road bicycle to the most expensive racing bicycle.

To compare the profitability of items by cost objects, use the financial reports in the Advanced Cost Accounting system. In the example, cost objects are the different models of bicycle.

### Prerequisite

- ❑ Run the Post To Cost Analyzer Balances program (R1601) to update the Cost Analyzer Balances table (F1602). See *Posting Entries to the Cost Analyzer Balances Table* in the *Advanced Cost Accounting Guide*.

---

## Profitability by Cost Object

*From the Reporting menu (G1625), choose Profitability by Cost Object.*

This report helps you determine the profitability of a certain product line, customer, business unit, or any other cost object. You can choose any combination of cost objects in any hierarchy and the report will print the profitability for each.

This report prints information from the Cost Analyzer Balances table (F1602) by cost analyzer view, so you must update this table before running the report. The F1602 table is updated when you run the Post To Cost Analyzer Balances program (R1602).

### See Also

- ❑ *Posting Entries to the Cost Analyzer Balances Table* in the *Advanced Cost Accounting Guide* for more information about posting to the Cost Analyzer Balances table (F1602)

## Processing Options for Profitability by Cost Object (R16023)

---

### Process

1. Enter the period number and fiscal year for the report to be based on. If left blank, the financial reporting date will be used. For the financial reporting date to be company specific you must sequence by company or business unit.

Period Number

Fiscal Year

2. Blank Cost Objects.

1 = Suppress

Blank = Print

### Cost Objects

1. Enter the order in which the Cost Objects should be reported. Leave blank not to include that Cost Object.

Cost Object 1

Cost Object 2

Cost Object 3

Cost Object 4

Item Number

2. Enter the Cost Object View Number for the Cost Analyzer Balances File.

A specific view number

Zero = All view numbers

---

## Income Statement by Cost Object

*From the Reporting menu (G1625), choose Income Statement by Cost Object.*

You can use this report to track revenues, expenses, and the net income or loss for a particular cost object. The report format is similar to other PeopleSoft income statement reports. You can run the report over a specific cost analyzer view or over all views.

This report prints information from the Account Master table (F0901), the Business Unit Master table (F0006), and the Cost Analyzer Balances table (F1602). You must run the Post To Cost Analyzer Balances program (R1602) to update table F1602 before running the Statement by Cost Object report.

### See Also

- *Posting Entries to the Cost Analyzer Balances Table* in the *Advanced Cost Accounting Guide* for more information about posting to the Cost Analyzer Balances table (F1602)

## Processing Options for Income Statement By Cost Object (R16024)

---

### Select

1. Period Number

Blank = Current Reporting Period

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2. Fiscal Year

Blank = Current Reporting Year

Print

1. Account Level Of Detail
2. Reverse Sign

0 = No sign reversal

1 = Reverse sign for all account types

2 = Reverse sign for revenue accounts only

3. Calculate Net Income

Blank = No calculation

1 = Calculate

4. Headings

Blank = Print headings on first page only

1 = Print headings with page number and date on each page

2 = Print headings without page number, only with date on each page

5. Date Title Type

Blank = No date title will print

Cost Objects

1. Cost Object/Item Number

1 = Cost Object 1

2 = Cost Object 2

3 = Cost Object 3

4 = Cost Object 4

5 = Item Number

2. Cost Object Type

OR

Item Number Type

1 = Short Item Number

2 = Long Item Number

3 = Third Item Number

3. Cost Object

OR

4. Item Number

5. View Number

Zero = All view numbers

---

---

## Trial Balance by Cost Object

*From the Reporting menu (G1625), choose Trial Balance by Cost Object.*

To verify the accuracy of individual ledger account balances and the overall ledger, use the Trial Balance by Cost Object report (R16025). You can also use this report to analyze the debit and credit totals that make up the trial balance for a specific cost object item. The format is similar to that of other PeopleSoft trial balance reports.

The Trial Balance by Cost Object report allows you to specify whether to use information from the Account Ledger table (F0911) or the Cost Analyzer Balances table (F1602). If you decide to use information from the F1602 table, you must remember to run the Post To Cost Analyzer Balances program (R1602) before running the R16025. The F1602 table is updated only when you run the Post to Cost Analyzer Balances program.

### See Also

- *Posting Entries to the Cost Analyzer Balances Table* in the *Advanced Cost Accounting Guide* for more information about posting to the Cost Analyzer Balances table (F1602)

## Processing Options for Trial Balance by Cost Object (R16025)

### Period Tab

---

#### Fiscal Year

Use this processing option to specify the last two digits of the fiscal year for which the trial balance will be printed. For example, enter 05 for 2005. If you complete this processing option, you must also specify the ending period number in the Period Number processing option. If you leave this processing option blank, the program uses the fiscal year defined for the General Accounting system on the Company Setup form and recorded in the Company Constants table (F0010).

#### Period Number

Use this processing option to identify the period for which the trial balance will be printed. If you complete this processing option, you must also specify the fiscal year for the ending period in the Fiscal Year processing option. If you leave this processing option blank, the program uses the current period defined for the General Accounting system on the Company Setup form and recorded in the Company Constants table (F0010).

---

## Print Tab

---

**1 = Standard account number**

**2 = Short account ID**

**3 = Third G/L number**

Use this processing option to specify the format for printed account numbers.

Enter one of the following choices:

1 Standard account number (The default is business unit.object.subsidiary)

2 Short account ID (The system assigns)

3 Third G/L number (Your organization can assign during account setup)

If you leave this field blank, the system uses the standard account number.

**1 = Omit**

**Blank = Include**

Use this processing option to specify whether the system includes or omits accounts with zero balances for the specified period. Valid values are:

Blank

Include accounts with zero balances.

1

Omit accounts with zero balances.

Note: Accounts that are assigned a posting edit code of N print even when you set this processing option to 1. Accounts that are assigned a posting edit code of N are header accounts, which do not have balances.

---

**1 = Break on new business unit**

---

**Blank = None**

To skip to a new page when the business unit number changes, enter 1. To print without page breaks, leave this field blank.

---

## **LOD Tab**

---

**A specific level of detail**

**Blank = All levels**

Use this processing option to specify the lowest level of detail to print on the report. You can enter a value between 1 and 9 to tell the system to print that level of detail. For example, if you specify level 7 as the lowest level and your chart of accounts includes levels 8 and 9, level 7 will include the totals for accounts with level 8 and 9 amounts, but the system will not print the detail for levels 8 and 9.

Alternatively, you can leave this processing option blank to print all levels of detail on the report.

Note: If your chart of accounts was set up in a manner that skips levels, the system might produce inaccurate results when it rolls-up detail levels.

---

## **Ledger Tab**

---

**A specific ledger type**

**Blank = AA**

Use this processing option to specify the type of ledger. The value that you specify must exist in the Ledger Type UDC table (09/LT). If you do not complete this processing option, the system prints amounts for the AA (actual amounts) ledger type.

Note: If you specify the CA (foreign currency) ledger type, and the CA ledger type includes amounts for multiple currencies, the totals will be meaningless.

---

## **Subledger Tab**

---

**A specific subledger**

**\* = All subledgers**

---

---

**Blank = No subledgers**

Use this processing option to print amounts for accounts with subledgers. Your choices are:

- o Enter a specific subledger number.
  
- o Enter \*. The report will include all subledgers
  
- o Leave this processing option blank. The report will include only accounts without subledgers.

If you complete this field, you must also complete the Subledger Type field.

You can specify the subledger type or select it from the Select User Define Code form in the Subledger Type field.

The user defined code (system 00/type ST) that specifies the table containing the subledger numbers. For example, subledger type A identifies the Address Book Master table (F0101).

If you complete this field, you must also complete the Subledger field.

---

**Currency Tab**

---

**A specific currency code**

**\* = All**

**Blank = No currency code**

Use this processing option to specify the currencies that the system includes in the report when you post account balances by currency. To limit the report to amounts for a specific currency code, enter the code for the currency. The value that you enter must exist in the Currency Codes table (F0013). To include amounts for all currencies, enter \* (asterisk). Leave this processing option blank if you do not post balances by currency.

---

Note: If you specify the CA ledger type in the Ledger Type processing option, and the CA ledger type includes amounts for multiple currencies, the totals will be meaningless unless you enter a specific currency code for this processing option.

---

## **Cost Objects Tab**

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### **A Cost Object Code**

**5 = Item Number**

Use this processing option to specify the cost object for the system to use to print the report. Enter a valid cost object code. You can also specify that the system report on a specific item number. If you want to report on a specific item number, enter a value of 5.

### **A Cost Object Type**

**1 = Short Item Number**

**2 = Long Item Number**

**3 = Third Item Number**

Use this processing option to specify the cost object type for the system to use to print the report. Enter a valid cost object type. Or, if you specified in the Cost Object Code processing option to report on a specific item number, enter the format of the item number. Valid values to specify format are:

1

Short item number

2

Third item number

3

Long item number

### **Cost Object Value**

**Item Number**

**\* = all cost object values**

---

Use this processing option to specify the cost object for the system to use to print the report. Enter a valid cost object. Or, if you specified in the Cost Object Code processing option to report on a specific item number, enter the item number. If you want to report on a specific item number, the format must match the value specified in the Cost Object Type processing option. If you want to report on all object types, enter \*.

**Blank = Account Ledger (F0911)**

**1 = Cost Analyzer Balances (F1602)**

Use this processing option to specify the source file for the system to use to print the report. Valid values are:

Blank

Account Ledger table (F0911)

1

Cost Analyzer Balances table (F1602)

**A specific View Number**

**Zero = All views**

Use this processing option to specify the cost analyzer view for the system to use to print the report. Enter the number of a valid cost analyzer view. If you leave this field blank or enter 0, the system prints the report for all cost analyzer views.

---

## **Trial Balance by Object Account for Cost Object**

*From the Reporting menu (G1625), choose Trial Balance by Object Account for Cost Object.*

You can use this report to verify the accuracy of individual ledger account balances and your overall ledger. This report consolidates object accounts across many business units.

This report allows you to specify whether to use information from the Account Ledger table (F0911) or from the Cost Analyzer Balances table (F1602).

If you decide that you want to use information from the Cost Analyzer Balances table (F1602), you must remember to run the Post to Cost Analyzer Balances program (R1602) before running the Trial Balance by Object Account for Cost Object. The Cost Analyzer Balances table (F1602) is updated only when you run the Post to Cost Analyzer Balances program.

## See Also

- *Posting Entries to the Cost Analyzer Balances Table* in the *Advanced Cost Accounting Guide* for more information about posting to the Cost Analyzer Balances table (F1602)

# Processing Options for Trial Balance by Object Account for Cost Object (R16026)

## Period Tab

---

### Fiscal Year

Use this processing option to specify the last two digits of the fiscal year for which the trial balance will be printed. For example, enter 05 for 2005. If you complete this processing option, you must also specify the ending period number in the Period Number processing option. If you leave this processing option blank, the program uses the fiscal year defined for the General Accounting system on the Company Setup form and recorded in the Company Constants table (F0010).

### Period Number

Use this processing option to identify the period for which the trial balance will be printed. If you complete this processing option, you must also specify the fiscal year for the ending period in the Fiscal Year processing option. If you leave this processing option blank, the program uses the current period defined for the General Accounting system on the Company Setup form and recorded in the Company Constants table (F0010).

---

## Print Tab

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### Model Business Unit

Use this processing option to specify the model business unit for the system to use to retrieve account descriptions. Enter a valid model business unit.

**1 = Omit**

**Blank = Include**

Use this processing option to specify whether the system includes or omits accounts with zero balances for the specified period. Valid values are:

Blank

Include accounts with zero balances.

---

1

Omit accounts with zero balances.

Note: Accounts that are assigned a posting edit code of N print even when you set this processing option to 1. Accounts that are assigned a posting edit code of N are header accounts, which do not have balances.

---

## **LOD Tab**

---

### **A specific level of detail**

**Blank = All levels**

Use this processing option to specify the lowest level of detail to print on the report. You can enter a value between 1 and 9 to tell the system to print that level of detail. For example, if you specify level 7 as the lowest level and your chart of accounts includes levels 8 and 9, level 7 will include the totals for accounts with level 8 and 9 amounts, but the system will not print the detail for levels 8 and 9.

Alternatively, you can leave this processing option blank to print all levels of detail on the report.

Note: If your chart of accounts was set up in a manner that skips levels, the system might produce inaccurate results when it rolls-up detail levels.

---

## **Ledger Tab**

---

### **A specific ledger type**

**Blank = AA**

Use this processing option to specify the type of ledger. The value that you specify must exist in the Ledger Type UDC table (09/LT). If you do not complete this processing option, the system prints amounts for the AA (actual amounts) ledger type.

Note: If you specify the CA (foreign currency) ledger type, and the CA ledger type includes amounts for multiple currencies, the totals will be meaningless.

---

## Subledger Tab

---

**A specific subledger**

**\* = All subledgers**

**Blank = No subledgers**

Use this processing option to print amounts for accounts with subledgers. Your choices are:

- o Enter a specific subledger number.
  
- o Enter \*. The report will include all subledgers
  
- o Leave this processing option blank. The report will include only accounts without subledgers.

If you complete this field, you must also complete the Subledger Type field.

You can specify the subledger type or select it from the Select User Define Code form in the Subledger Type field.

The user defined code (system 00/type ST) that specifies the table containing the subledger numbers. For example, subledger type A identifies the Address Book Master table (F0101).

If you complete this field, you must also complete the Subledger field.

---

## Currency Tab

---

**A specific currency code**

**\* = All**

**Blank = No currency code**

---

---

Use this processing option to specify the currencies that the system includes in the report when you post account balances by currency. To limit the report to amounts for a specific currency code, enter the code for the currency. The value that you enter must exist in the Currency Codes table (F0013). To include amounts for all currencies, enter \* (asterisk). Leave this processing option blank if you do not post balances by currency.

Note: If you specify the CA ledger type in the Ledger Type processing option, and the CA ledger type includes amounts for multiple currencies, the totals will be meaningless unless you enter a specific currency code for this processing option.

---

## **Cost Objects Tab**

---

### **A Cost Object Code**

**5 = Item Number**

Use this processing option to specify the cost object for the system to use to print the report. Enter a valid cost object code. You can also specify that the system report on a specific item number. If you want to report on a specific item number, enter a value of 5.

### **A Cost Object Type**

**1 = Short Item Number**

**2 = Long Item Number**

**3 = Third Item Number**

Use this processing option to specify the cost object type for the system to use to print the report. Enter a valid cost object type. Or, if you specified in the Cost Object Code processing option to report on a specific item number, enter the format of the item number. Valid values to specify format are:

1

Short item number

2

Third item number

---

3

Long item number

**Cost Object Value**

**Item Number**

**\* = all cost object values**

Use this processing option to specify the cost object for the system to use to print the report. Enter a valid cost object. Or, if you specified in the Cost Object processing option to report on a specific item number, enter the item number. If you want to report on a specific item number, the format must match the value specified in the Cost Object Type processing option. If you want to report on all object types, enter \*.

**Blank = Account Ledger (F0911)**

**1 = Cost Analyzer Balances (F1602)**

Use this processing option to specify the source file for the system to use to print the report. Valid values are:

Blank

Account Ledger table (F0911)

1

Cost Analyzer Balances table (F1602)

**A specific View Number**

**Zero = All views**

Use this processing option to specify the cost analyzer view for the system to use to print the report. Enter the number of a valid cost analyzer view. If you leave this processing option blank or enter 0, the system prints the report for all cost analyzer views.

---

# Using Advanced Cost Accounting Audit Reports for Reconciliation

One of the obstacles that organizations using Activity Based Costing (ABC) face is trying to reconcile GAAP based reporting to ABC based reporting. GAAP methodologies of recognizing costs differ from ABC methodologies.

ABC changes the way costs are allocated to products in two ways. First, costs are redistributed between products and services. Second, more overhead costs are driven to products. As a result, the recognition of costs is often changed between accounting periods.

To be able to reconcile traditional or GAAP based accounting to that based on ABC accounting methodologies, organizations need to reconcile the opening and closing account balances from both a standard and activity-based view.

The ACA system provides four audit reports that assist in reconciling the two accounting systems:

- Resource To Activity Cost Audit Trail Report
- Audit Trail By Assignment
- Resource To Cost Object Audit Trail Report
- Activity To Cost Object Audit Trail Report

All four reports are based on information from an audit log file, called the Cost Calculations (F1611) table. You must indicate in the processing options of the Assignment Calculations (R1610) program that you want to generate the audit log table.

---

## Audit Trail Report-Resource to Activity

*From the Assignments menu (G1623), choose Audit Trail Rpt-Resource to Activity.*

To reconcile general ledger account balances to the activity view account balances, you need to reconcile resource to activity account balances. You can run this report to assist in this process. This report allows you to reconcile the resources (accounts) that have been assigned to an activity.

This report prints information from an audit log file, which is called the Cost Calculation Transactions table (F1611). You must specify in the processing options of the Assignment Calculations program (R1610) that you want the system to generate this audit log file.

When selecting records from the audit log file to print on the report, the system validates the Activity Code field and the To Activity Code field. The system only selects records where the Activity Code field is blank and the To Activity Code field is not blank.

The Audit Trail Report-Resource to Activity report also prints information from the Account Master table (F0901). This action allows you to perform data selection on fields in the Account Master table (F0901) such as the Account Category code fields.

## Processing Options For Audit Trail Rpt-Resource to Activity (R16111)

---

Process

1. View

---

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### Audit Trail Report by Assignment

*From the Assignments menu (G1623), choose Audit Trail Report by Assignment.*

Use this report if you need to reconcile account balances within a particular assignment. This report shows you all of the assignment activity for a particular account.

This report prints information from an audit log file, which is called the Cost Calculation Transactions table (F1611). You must specify in the processing options of the Assignment Calculations program (R1610) that you would like the system to generate this audit log file.

The system also prints information from the Account Master file (F0901), so you can use data selection on fields from this file such as the Account Category Code fields.

## Processing Options for Audit Trail Rpt by Assignment (R16112)

---

Process

1. View

---

---

### Audit Trail Rpt-Resource to Cost Object

*From the Assignments (G1623) menu, choose Audit Trail Rpt-Resource to Cost Object.*

You can use this report to help you reconcile resources to cost object account balances. You can also use this report to reconcile the resources (accounts) that have been assigned to various cost objects within an assignment.

This report prints information from an audit log file, which is called the Cost Calculation Transactions table (F1611). You must specify in the processing options of the Assignment Calculations program (R1610) that you would like to generate this audit log file.

When selecting records from the audit log file, the system validates the Activity Code field and the To Cost Object field. The system selects only records where the Activity Code field and the To Cost Object field are not blank.

This report also prints information from the Account Master table (F0901). This feature allows you to perform data selection on fields in the Account Master table such as the Account Category Code fields.

## Processing Options for Audit Trail Rpt-Resource to Cost Object (R16113)

---

Process

1. View

---

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## Audit Trail Rpt-Activity to Cost Object

*From the Assignments menu (G1623), choose Audit Trail Rpt-Activity to Cost Object.*

This report assist you in reconciling activity to cost object account balances. You can reconcile the cost objects to which an activity was assigned within a particular assignment.

This report prints information from an audit log file, which is called the Cost Calculation Transactions table (F1611). You must specify in the processing options of the Assignment Calculations program (R1610) that you would like to generate this audit log file.

When selecting records from the audit log file to print on the report, the system validates the Activity Code field and the To Cost Object field. The system selects only records where the Activity Code and the To Cost Object fields are not blank.

This report also prints information from the Account Master file (F0901). This action allows you to perform data selection on fields in the Account Master file such as the Account Category Code fields.

## Processing Options for Audit Trail Rpt-Activity to Cost Object (R16114)

---

Process

1. View

---

# Customer Profitability Report

*From the Reporting menu (G1625), choose Customer Profitability Report.*

Throughout the supply chain, various levels of management in your company might require tools to determine the profitability of customers, products, or both. Your company's management might need reports that show which customers are most profitable and deserve superior customer service. The Customer Profitability report (R16028) provides this information for you.

The Customer Profitability report prints four different sections:

- Revenue
- Expense

The Revenue and Expense sections consist of values with account numbers that fall within the AAI range of Revenue and Expenses.

- Activity Costs

The Activity Costs section contains:

- Accounts that have been assigned to an activity
- Accounts where a customer has been assigned
- Accounts where the account numbers are greater than the range for the GLG 9 AAI
- Other Indirect Expense and Income

The Other Indirect Income and Expense section includes:

- Accounts that fall outside the AAI range for Revenues and Expenses (greater than the GLG 9 AAI)
- Accounts that have been assigned to a customer
- Accounts that have not been assigned to an activity

Because meeting the needs of every customer is impossible, this report serves as a generic template that you can modify to meet your needs, according to your setup of the Advanced Cost Accounting system. This level of flexibility is achieved through the use of processing options, data selection, and minor code changes.

On the Select tab of the processing options, you can choose the cost analyzer view, fiscal year, from period, thru period, and ledger type for the system to use for the report. The Detail tab provides further flexibility by allowing you to choose the lowest level of account detail and the range of activities for the report.

---

## Note

This report was designed to work for a level of detail of 5, 6, 7, 8, or 9. You must select one of these levels of detail in the Level of Detail processing option to see accurate profitability for a customer.

---

The Customer Profitability report uses an internal UBE called Profitability Reporting (R16028A). The specifications for this internal UBE need to be checked into the server for the report to run correctly.

This report prints information from the Cost Analyzer Balances table (F1602). You must run the Post to Cost Analyzer Balances program (R1602) to update this table.

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**Note**

Because of the complexity of this report, processing time could be slow. Therefore, we recommend that you run this report at night and with data selection. For example, run only one or two companies at a time.

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**See Also**

- ❑ *Checking Out or Checking In a Batch Version* in the *Foundation Guide* for information about checking in specifications for a report into the server
- ❑ *Posting Entries to the Cost Analyzer Balances Table* in the *Advanced Cost Accounting Guide* for more information about posting to the Cost Analyzer Balances table (F1602)

**Prerequisite**

- ❑ Set up the GLG Automatic Accounting Instructions (AAIs). See *General Purpose Accounts* in the *General Accounting Guide* for more information about setting up the GLG AAIs.
- ❑ Set up the FS04 AAI. See *Financial Statement Totals* in the *General Accounting Guide* for more information on setting up the FS04 AAI.
- ❑ Turn on Activity Based Costing in the Cost Management Constants. See *Setting Up Constants* in the *Advanced Cost Accounting Guide*.

---

# Processing Options for the Customer Profitability Report (R16028)

## Select Tab

---

### 1. View

Use this processing option to specify the view that will be used in the data selection criteria for the report. Enter the number (from 1 to 10) of a valid cost analyzer view. If you leave this processing option blank, the system will use a value of 1.

### 2. Fiscal Year (4 digits)

Use this processing option to specify the fiscal year for the system to use in the data selection criteria for the report. Enter the last two digits of the fiscal year for which you want to run the report. For example, enter 05 for 2005. If you leave this processing option blank, the current year as defined in the Companies program (P0010) will be used.

### 3. Period From

Use this processing option to specify the "from" period for the system to use in the data selection criteria for the report. Enter a valid period number. If you leave this processing option blank, the system uses period 1.

### 4. Period Thru

Use this processing option to specify the "thru" period for the system to use in the data selection criteria for the report. Enter a valid period number. If you leave this processing option blank, the system uses period 12.

### 5. Ledger Type

Use this processing option to specify the ledger type for the system to use in the data selection criteria for the report. Enter a valid ledger type from UDC 09/LT. If you leave this processing option blank, the system uses ledger type AA.

---

## Detail Tab

---

### 1. Account Level of Detail

Use this processing option to specify the lowest level of account detail for the system to display on the report. Enter a number from 1 to 9. If you leave this processing option blank, the system will display a level of 9.

### 2. Activity Range - Beginning

---

Use this processing option to specify the beginning activity code for the system to include on the report. Enter a valid activity code. If you leave this processing option blank, the system includes all activities up to the value specified in the Activity Range - Ending processing option. If you leave the Activity Range - Ending processing option blank as well, the system includes all activities.

### **3. Activity Range - Ending**

Use this processing option to specify the ending activity code for the system to include on the report. Enter a valid activity code. If you leave this processing option blank, the system includes all activities starting with the value specified in the Activity Range - Beginning processing option. If you leave the Activity Range - Beginning processing option blank as well, the system includes all activities.

---

# EnterpriseOne PeopleBooks Glossary

<b>“as of” processing</b>	A process that is run at a specific point in time to summarize item transactions.
<b>52 period accounting</b>	A method of accounting that uses each week as a separate accounting period.
<b>account site</b>	In the invoice process, the address to which invoices are mailed. Invoices can go to a different location or account site from the statement.
<b>active window</b>	The window that contains the document or display that will be affected by current cursor movements, commands, and data entry in environments that are capable of displaying multiple on-screen windows.
<b>ActiveX</b>	A technology and set of programming tools developed by Microsoft Corporation that enable software components written in different languages to interact with each another in a network environment or on a web page. The technology, based on object linking and embedding, enables Java applet-style functionality for Web browsers as well as other applications (Java is limited to Web browsers at this time). The ActiveX equivalent of a Java applet is an ActiveX control. These controls bring computational, communications, and data manipulation power to programs that can “contain” them—for example, certain Web browsers, Microsoft Office programs, and anything developed with Visual Basic or Visual C++.
<b>activity</b>	In Advanced Cost Accounting, an aggregation of actions performed within an organization that is used in activity-based costing.
<b>activity driver</b>	A measure of the frequency and intensity of the demands that are placed on activities by cost objects. An activity driver is used to assign costs to cost objects. It represents a line item on the bill of activities for a product or customer. An example is the number of part numbers, which is used to measure the consumption of material-related activities by each product, material type, or component. The number of customer orders measures the consumption of order-entry activities by each customer. Sometimes an activity driver is used as an indicator of the output of an activity, such as the number of purchase orders that are prepared by the purchasing activity. See also cost object.
<b>activity rule</b>	The criteria by which an object progresses from a given point to the next in a flow.
<b>actual cost</b>	Actual costing uses predetermined cost components, but the costs are accumulated at the time that they occur throughout the production process.
<b>adapter</b>	A component that connects two devices or systems, physically or electronically, and enables them to work together.
<b>add mode</b>	The condition of a form where a user can enter data into it.
<b>advanced interactive executive</b>	An open IBM operating system that is based on UNIX.
<b>agent</b>	A program that searches through archives or other repositories of information on a topic that is specified by the user.

<b>aging</b>	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.
<b>aging schedule</b>	A schedule that is used to determine whether a payment is delinquent and the number of days which the payment is delinquent.
<b>allegato IVA clienti</b>	In Italy, the term for the A/R Annual VAT report.
<b>allegato IVA fornitori</b>	In Italy, the term for the A/P Annual VAT report.
<b>application layer</b>	The seventh layer of the Open Systems Interconnection Reference Model, which defines standards for interaction at the user or application program level.
<b>application programming interface (API)</b>	A set of routines that is used by an application program to direct the performance of procedures by the computer's operating system.
<b>AS/400 Common</b>	A data source that resides on an AS/400 and holds data that is common to the co-existent library, allowing PeopleSoft EnterpriseOne to share information with PeopleSoft World.
<b>assembly inclusion rule</b>	A logic statement that specifies the conditions for using a part, adjusting the price or cost, performing a calculation, or using a routing operation for configured items.
<b>audit trail</b>	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.
<b>automatic return</b>	A feature that allows a user to move to the next entry line in a detail area or to the first cell in the next row in several applications.
<b>availability</b>	The expression of the inventory amount that can be used for sales orders or manufacturing orders.
<b>available inventory</b>	The quantity of product that can be promised for sale or transfer at a particular time, considering current on-hand quantities, replenishments in process, and anticipated demand.
<b>back office</b>	The set of enterprise software applications that supports the internal business functions of a company.
<b>backhaul</b>	The return trip of a vehicle after delivering a load to a specified destination. The vehicle can be empty or the backhaul can produce less revenue than the original trip. For example, the state of Florida is considered a backhaul for many other states—that is, many trucking companies ship products into the state of Florida, but most of them cannot fill a load coming out of Florida or they charge less. Hence, trucks coming out of Florida are either empty or produce less revenue than the original trip.
<b>balance forward</b>	The cumulative total of inventory transactions that is used in the Running Balance program. The system does not store this total. You must run this program each time that you want to review the cumulative inventory transactions total.
<b>balance forward receipt application method</b>	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.

<b>bank tape (lock box) processing</b>	The receipt of payments directly from a customer's bank via customer tapes for automatic receipt application.
<b>base location</b>	[In package management] The topmost location that is displayed when a user launches the Machine Identification application.
<b>basket discount</b>	A reduction in price that applies to a group or "basket" of products within a sales order.
<b>basket repricing</b>	A rule that specifies how to calculate and display discounts for a group of products on a sales order. The system can calculate and display the discount as a separate sales order detail line, or it can discount the price of each item on a line-by-line basis within the sales order.
<b>batch job</b>	A job submitted to a system and processed as a single unit with no user interaction.
<b>batch override</b>	An instruction that causes a batch process to produce output other than what it normally would produce for the current execution only.
<b>batch process</b>	A type of process that runs to completion without user intervention after it has been started.
<b>batch program</b>	A program that executes without interacting with the user.
<b>batch version</b>	A version of a report or application that includes a set of user-defined specifications, which control how a batch process runs.
<b>batch/lot tracking</b>	The act of identifying where a component from a specific lot is used in the production of goods.
<b>batch/mix</b>	A manufacturing process that primarily schedules short production runs of products.
<b>batch-of-one processing</b>	A transaction method that allows a client application to perform work on a client workstation, and then submit the work all at once to a server application for further processing. As a batch process is running on the server, the client application can continue performing other tasks. See also direct connect, store-and-forward.
<b>binary large object (BLOB)</b>	A collection of binary data stored as a single entity in a [file].
<b>binder clip</b>	See paper clip.
<b>black products</b>	Products that are derived from the low or heavy end of the distillation process—for example, diesel oils and fuel oils. See also white products.
<b>blend note</b>	Document that authorizes a blending activity, and describes both the ingredients for the blend and the blending steps that occur.
<b>blend off</b>	Reworking off-specification material by introducing a small percentage back into another run of the same product.
<b>blind execution</b>	The mode of execution of a program that does not require the user to review or change the processing options set for the program, and does not require user intervention after the program has been launched.

<b>boleto</b>	In Brazil, the document requesting payment by a supplier or a bank on behalf of a supplier.
<b>bolla doganale</b>	VAT-Only Vouchers for Customs. In Italy, a document issued by the customs authority to charge VAT and duties on extra-EU purchasing.
<b>bookmark</b>	A shortcut to a location in a document or a specific place in an application or application suite.
<b>bordero &amp; cheque</b>	In Brazil, bank payment reports.
<b>broker</b>	A program that acts as an intermediary between clients and servers to coordinate and manage requests.
<b>BTL91</b>	In the Netherlands, the ABN/AMRO electronic banking file format that enables batches with foreign automatic payment instructions to be delivered.
<b>budgeted volume</b>	A statement of planned volumes (capacity utilization) upon which budgets for the period have been set.
<b>bunkering</b>	A rate per ton or a sum of money that is charged for placing fuel on board; can also mean the operation itself.
<b>business function</b>	An encapsulated set of business rules and logic that can normally be re-used by multiple applications. Business functions can execute a transaction or a subset of a transaction (check inventory, issue work orders, and so on). Business functions also contain the APIs that allow them to be called from a form, a database trigger, or a non-EnterpriseOne application. Business functions can be combined with other business functions, forms, event rules, and other components to make up an application. Business functions can be created through event rules or third-generation languages, such as C. Examples of business functions include Credit Check and Item Availability.
<b>business function event rule</b>	Encapsulated, reusable business logic that is created by using through event rules rather than C programming. Contrast with embedded event rule. See also event rule.
<b>business object library</b>	[In interoperability] The repository that stores EnterpriseOne business objects, which consist of Java or CORBA objects.
<b>business unit</b>	A financial entity that is used to track the costs, revenue, or both, of an organization. A business unit can also be defined as a branch/plant in which distribution and manufacturing activities occur. Additionally, in manufacturing setup, work centers and production lines must be defined as business units; but these business unit types do not have profit/loss capability.
<b>business view</b>	Used by EnterpriseOne applications to access data from database tables. A business view is a means for selecting specific columns from one or more tables with data that will be used in an application or report. It does not select specific rows and does not contain any physical data. It is strictly a view through which data can be handled.
<b>business view design aid (BDA)</b>	An EnterpriseOne GUI tool for creating, modifying, copying, and printing business views. The tool uses a graphical user interface.

<b>buy-back crude</b>	In foreign producing oil countries, that portion of the host government's share of "participation crude" which it permits the company holding a concession to "buy back."
<b>CAB</b>	In Italy, the bank branch code or branch ID. A five-digit number that identifies any agency of a specific bank company in Italy.
<b>cadastro de pessoas físicas</b>	Cadastro de pessoas físicas. In Brazil, the federal tax ID for a person.
<b>category code</b>	A code that identifies a collection of objects sharing at least one common attribute.
<b>central object</b>	A software component that resides on a central server.
<b>central objects merge</b>	A process that blends a customer's modifications with the objects in a current release with objects in a new release.
<b>central server</b>	A computer that has been designated to contain the originally installed version of the software (central objects) for deployment to client computers.
<b>certificate input</b>	See direct input.
<b>certificate of analysis (COA)</b>	A document that is a record of all of the testing which has been performed against an item, lot, or both, plus the test results for that item and lot.
<b>change management</b>	[In software development] A process that aids in controlling and tracking the evolution of software components.
<b>change order</b>	In PeopleSoft, an addendum to the original purchase order that reflects changes in quantities, dates, or specifications in subcontract-based purchasing. A change order is typically accompanied by a formal notification.
<b>chargeback</b>	A receipt application method that generates an invoice for a disputed amount or for the difference of an unpaid receipt.
<b>chart</b>	EnterpriseOne term for tables of information that appear on forms in the software. See forms.
<b>check-in location</b>	The directory structure location for the package and its set of replicated objects. This location is usually \\deploymentserver\release\path_code\package\packagename. The subdirectories under this path are where the central C components (source, include, object, library, and DLL file) for business functions are stored.
<b>checksum value</b>	A computed value that depends on the contents of a block of data, and that is transmitted or stored with the data to detect whether errors have occurred in the transmission or storage.
<b>class</b>	[In object-oriented programming] A category of objects that share the same characteristics.
<b>clean cargo</b>	Term that refers to cargoes of gasoline and other refined products. See also dirty cargo.
<b>client access</b>	The ability to access data on a server from a client machine.
<b>client machine</b>	Any machine that is connected to a network and that exchanges data with a server.

<b>client workstation</b>	A network computer that runs user application software and is able to request data from a server.
<b>ClieOp03</b>	In the Netherlands, the euro-compliant uniform electronic banking file format that enables batches with domestic automatic direct debit instructions and batches with domestic payment instructions to be delivered.
<b>ClieOp2</b>	In the Netherlands, the uniform electronic banking file format that enables batches with domestic automatic direct debit instructions and batches with domestic payment instructions to be delivered.
<b>cluster</b>	Two or more computers that are grouped together in such a way that they behave like a single computer.
<b>co-existence</b>	A condition where two or more applications or application suites access one or more of the same database tables within the same enterprise.
<b>cold test</b>	The temperature at which oil becomes solid. Generally considered to be 5 degrees F lower than the pour point.
<b>commitment</b>	The number of items that are reserved to fill demand.
<b>common object request broker architecture</b>	An object request broker standard that is endorsed by the Object Management Group.
<b>compa-ratio</b>	An employee's salary divided by the midpoint amount for the employee's pay grade.
<b>component changeout</b>	See component swap.
<b>component object model (COM)</b>	A specification developed by Microsoft for building software components that can be assembled into programs or add functionality to existing programs running on Microsoft Windows platforms. COM components can be written in a variety of languages, although most are written in C++, and can be unplugged from a program at runtime without having to recompile the program.
<b>component swap</b>	In Equipment/Plant Management, the substitution of an operable component for one that requires maintenance. Typically, you swap components to minimize equipment downtime while servicing one of the components. A component swap can also mean the substitution of one parent or component item for another in its associated bill of material.
<b>conference room pilot environment</b>	An EnterpriseOne environment that is used as a staging environment for production data, which includes constants and masters tables such as company constants, fiscal date patterns, and item master. Use this environment along with the test environment to verify that your configuration works before you release changes to end-users.
<b>configurable network computing (CNC)</b>	An application architecture that allows interactive and batch applications that are composed of a single code base to run across a TCP/IP network of multiple server platforms and SQL databases. The applications consist of re-usable business functions and associated data that can be configured across the network dynamically. The overall objective for businesses is to provide a future-proof environment that enables them to change organizational structures, business processes, and technologies independently of each other.

<b>configurable processing engine</b>	Handles all “batch” processes, including reporting, Electronic Data Exchange (EDI) transactions, and data duplication and transformation (for data warehousing). This ability does not mean that it exists only on the server; it can be configured to run on desktop machines (Windows 95 and NT Workstation) as well.
<b>configuration management</b>	A rules-based method of ordering assemble-to-order or make-to-order products in which characteristics of the product are defined as part of the Sales Order Entry process. Characteristics are edited by using Boolean logic, and then translated into the components and routing steps that are required to produce the product. The resulting configuration is also priced and costed, based on the defined characteristics.
<b>configured item segment</b>	A characteristic of a configured item that is defined during sales order entry. For example, a customer might specify a type of computer hard drive by stating the number of megabytes of the hard drive, rather than a part number.
<b>consuming location</b>	The point in the manufacturing routing where a component or subassembly is used in the production process. In kanban processing, the location where the kanban container materials are used in the manufacturing process and the kanban is checked out for replenishment.
<b>contra/clearing account</b>	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.
<b>contribution to profit</b>	Selling price of an item minus its variable costs.
<b>control table</b>	A table that controls the program flow or plays a major part in program control.
<b>control table workbench</b>	During the Installation Workbench process, Control Table Workbench runs the batch applications for the planned merges that update the data dictionary, user defined codes, menus, and user overrides tables.
<b>control tables merge</b>	A process that blends a customer’s modifications to the control tables with the data that accompanies a new release.
<b>corrective work order</b>	A work order that is used to formally request unscheduled maintenance and communicate all of the details pertaining to the requested maintenance task.
<b>corrective work order</b>	A work order that is used to formally request unscheduled maintenance and communicate all of the details pertaining to the requested maintenance task.
<b>cost assignment</b>	Allocating resources to activities or cost objects.
<b>cost component</b>	An element of an item’s cost—for example, material, labor, or overhead.
<b>cost object</b>	Any customer, product, service, contract, project, or other work unit for which you need a separate cost measurement.
<b>cost rollup</b>	A simulated scenario in which work center rates, material costs, and labor costs are used to determine the total cost of an item.
<b>costing elements</b>	The individual classes of added value or conversion costs. These elements are typically materials, such as raw and packaging; labor and machine costs; and overhead, such as fixed and variable. Each corporation defines the necessary detail of product costs by defining and tracking cost categories and subcategories.

<b>credit memo</b>	A negative amount that is used to correct a customer's statement when he or she is overcharged.
<b>credit notice</b>	The physical document that is used to communicate the circumstances and value of a credit order.
<b>credit order</b>	A credit order is used to reflect products or equipment that is received or returned so that it can be viewed as a sales order with negative amounts. Credit orders usually add the product back into inventory. This process is linked with delivery confirmation.
<b>cross segment edit</b>	A logic statement that establishes the relationship between configured item segments. Cross segment edits are used to prevent ordering of configurations that cannot be produced.
<b>crude oil assay</b>	A procedure for determining the distillation curve and quality characteristics of a crude oil.
<b>cumulative update</b>	A version of software that includes fixes and enhancements that have been made since the last release or update.
<b>currency relationships</b>	When converting amounts from one currency to another, the currency relationship defines the from currency and the to currency in PeopleSoft software. For example, to convert amounts from German marks to the euro, you first define a currency relationship between those two currencies.
<b>currency restatement</b>	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.
<b>current cost</b>	The cost that is associated with an item at the time a parts list and routing are attached to a work order or rate schedule. Current cost is based on the latest bill of material and routing for the item.
<b>customer pricing rules</b>	In Procurement, the inventory pricing rules that are assigned to a supplier. In Sales, inventory pricing rules that are assigned to a customer.
<b>D.A.S. 2 Reporting (DAS 2 or DADS 1)</b>	In France, the name of the official form on which a business must declare fees and other forms of remuneration that were paid during the fiscal year.
<b>data dictionary</b>	A dynamic repository that is used for storing and managing a specific set of data item definitions and specifications.
<b>data source workbench</b>	During the Installation Workbench process, Data Source Workbench copies all of the data sources that are defined in the installation plan from the Data Source Master and Table and Data Source Sizing tables in the Planner data source to the System - release number data source. It also updates the Data Source Plan detail record to reflect completion.
<b>data structure</b>	A description of the format of records in a database such as the number of fields, valid data types, and so on.
<b>data types</b>	Supplemental information that is attached to a company or business unit. Narrative type contains free-form text. Code type contains dates, amounts, and so on.

<b>datagram</b>	A self-contained packet of information that is forwarded by routers, based on their address and the routing table information.
<b>date pattern</b>	A period of time that is set for each period in standard and 52-period accounting and forecasting.
<b>DCE</b>	See distributed computing environment.
<b>DEB</b>	See déclaration d'échange de biens.
<b>debit memo</b>	In Accounts Payable, a voucher that is entered with a negative amount. Enter this type of voucher when a supplier sends you a credit so that you can apply the amount to open vouchers when you issue payment to the supplier.
<b>debit memo</b>	A form that is issued by a customer, requesting an adjustment of the amount, which is owed to the supplier.
<b>debit statement</b>	A list of debit balances.
<b>de-blend</b>	When blend off does not result in a product that is acceptable to customers. The further processing of product to adjust specific physical and chemical properties to within specification ranges. See also blend off.
<b>déclaration d'échange de biens (DEB)</b>	The French term that is used for the Intrastat report.
<b>delayed billing</b>	The invoicing process is delayed until the end of a designated period.
<b>delta load</b>	A batch process that is used to compare and update records between specified environments.
<b>denominated-in currency</b>	The company currency in which financial reports are based.
<b>deployment server</b>	A server that is used to install, maintain, and distribute software to one or more enterprise servers and client workstations.
<b>detail</b>	The specific information that makes up a record or transaction. Contrast with summary.
<b>detail information</b>	Information that primarily relates to individual lines in a sales or purchase order.
<b>direct connect</b>	A transaction method in which a client application communicates interactively and directly with a server application. See also batch-of-one immediate, store-and-forward.
<b>direct input</b>	The system calculates the net units when you enter gross volume, temperature, and gravity or density. This data is generally entered during product receiving from the certificate that is prepared by an independent inspector.
<b>direct ship orders</b>	A purchase order that is issued to a third-party supplier who designates the destination as the customer. A direct ship sales order is also created for the customer. Direct ship orders occur when a product is not available from a company-owned or company-operated source, so the system creates an order to ship the product from a third-party source directly to the customer. Sometimes referred to as a drop ship or third-party supply.
<b>direct usage</b>	Consumption of resources that are attributable to specific production runs because the resources were directly issued to the schedule/order.

<b>director</b>	An EnterpriseOne user interface that guides a user interactively through an EnterpriseOne process.
<b>dirty cargo</b>	Term that refers to crude oil cargoes or other non-refined petroleum cargoes. See also clean cargo.
<b>dispatch planning</b>	Efficient planning and scheduling of product deliveries. Considerations include: Dispatch groups Scheduled delivery date Scheduled delivery time Preferred delivery date Preferred delivery time Average delivery time for that geographical location Available resources Special equipment requirements at the product's source or destination.
<b>displacement days</b>	The number of days that are 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.
<b>display sequence</b>	A number that the system uses to re-order a group of records on the form.
<b>distributed computing environment (DCE)</b>	A set of integrated software services that allows software which is running on multiple computers to perform seamless and transparently to the end-users. DCE provides security, directory, time, remote procedure calls, and files across computers running on a network.
<b>distributed data processing</b>	Processing in which some of the functions are performed across two or more linked facilities or systems.
<b>distributed database management system (DDBMS)</b>	A system for distributing a database and its control system across many geographically dispersed machines.
<b>do not translate (DNT)</b>	A type of data source that must exist on the AS/400 because of BLOB restrictions.
<b>double-byte character set (DBCS)</b>	A method of representing some characters by using one byte and other characters by using two bytes. Double-byte character sets are necessary to represent some characters in the Japanese, Korean, and Chinese languages.
<b>downgrade profile</b>	A statement of the hierarchy of allowable downgrades. Includes substitutions of items, and meeting tighter specifications for those products with wider or overlapping specification ranges.
<b>DTA</b>	Datenträgeraustausch. A Swiss payment format that is required by Telekurs (Payserv).
<b>dual pricing</b>	To provide prices for goods and services in two currencies. During the euro transition period, dual pricing between the euro and Economic and Monetary Union (EMU) member currencies is encouraged.

<b>dynamic link library (DLL)</b>	A set of program modules that are designed to be invoked from executable files when the executable files are run, without having to be linked to the executable files. They typically contain commonly used functions.
<b>dynamic partitioning</b>	The ability to dynamically distribute logic or data to multiple tiers in a client/server architecture.
<b>economy of scale</b>	A phenomenon whereby larger volumes of production reduce unit cost by distributing fixed costs over a larger quantity. Variable costs are constant; but fixed costs per unit are reduced, thereby reducing total unit cost.
<b>edit mode</b>	A processing mode or condition where the user can alter the information in a form.
<b>edit rule</b>	A method that is used for formatting user entries, validating user entries, or both, against a predefined rule or set of rules.
<b>embedded event rule</b>	An event rule that is specific to a particular table or application. Examples include form-to-form calls, hiding a field that is based on a processing option value, or calling a business function. Contrast with business function event rule. See also event rule.
<b>employee work center</b>	A central location for sending and receiving all EnterpriseOne messages (system and user-generated), regardless of the originating application or user. Each user has a mailbox that contains workflow and other messages, including Active Messages. With respect to workflow, the Message Center is MAPI compliant and supports drag-and-drop work reassignment, escalation, forward and reply, and workflow monitoring. All messages from the message center can be viewed through EnterpriseOne messages or Microsoft Exchange.
<b>Emulator</b>	An item of software or firmware that allows one device to imitate the functioning of another.
<b>encapsulation</b>	The ability to confine access to and manipulation of data within an object to the procedures that contribute to the definition of that object.
<b>engineering change order (ECO)</b>	A work order document that is used to implement and track changes to items and resulting assemblies. The document can include changes in design, quantity of items required, and the assembly or production process.
<b>enhanced analysis database</b>	A database containing a subset of operational data. The data on the enhanced analysis database performs calculations and provides summary data to speed generation of reports and query response times. This solution is appropriate when external data must be added to source data, or when historical data is necessary for trend analysis or regulatory reporting. See also duplicated database, enterprise data warehouse.
<b>enterprise server</b>	A computer containing programs that collectively serve the needs of an enterprise rather than a single user, department, or specialized application.
<b>EnterpriseOne object</b>	A re-usable piece of code that is used to build applications. Object types include tables, forms, business functions, data dictionary items, batch processes, business views, event rules, versions, data structures, and media objects. See also object.

<b>EnterpriseOne process</b>	Allows EnterpriseOne clients and servers to handle processing requests and execute transactions. A client runs one process, and servers can have multiple instances of a process. EnterpriseOne processes can also be dedicated to specific tasks (for example, workflow messages and data replication) to ensure that critical processes do not have to wait if the server is particularly busy.
<b>EnterpriseOne web development computer</b>	A standard EnterpriseOne Windows developer computer with the additional components installed: Sun's JDK 1.1. JFC (0.5.1). Generator Package with Generator.Java and JDECOM.dll. R2 with interpretive and application controls/form.
<b>environment workbench</b>	During the Installation Workbench process, Environment Workbench copies the environment information and Object Configuration Manager tables for each environment from the Planner data source to the System release number data source. It also updates the Environment Plan detail record to reflect completion.
<b>equivalent fuel</b>	A barrel of equivalent fuel supplies six million BTUs of heat. Fuel gas quantities are usually calculated as equivalent fuel barrels in economic calculations for refinery operations.
<b>escalation monitor</b>	A batch process that monitors pending requests or activities, and restarts or forwards them to the next step or user after they have been inactive for a specified amount of time.
<b>ESR</b>	Einzahlungsschein mit Referenznummer. A pay slip with a reference number.
<b>event rule</b>	[In EnterpriseOne] A logic statement that instructs the system to perform one or more operations that are based on an activity that can occur in a specific application, such as entering a form or exiting a field.
<b>exit bar</b>	[In EnterpriseOne] The tall pane with icons in the left portion of many EnterpriseOne program windows.
<b>facility</b>	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.
<b>fast path</b>	[In EnterpriseOne] A command prompt that allows the user to move quickly among menus and applications by using specific commands.
<b>file handle</b>	A temporary reference (typically a number) that is assigned to a file which has been opened by the operating system and is used throughout the session to access the file.
<b>file server</b>	A computer that stores files to be accessed by other computers on the network.
<b>find/browse</b>	A type of form used to: Search, view, and select multiple records in a detail area. Delete records. Exit to another form. Serve as an entry point for most applications.

<b>firm planned order (FPO)</b>	A work order that has reached a user defined status. When this status is entered in the processing options for the various manufacturing programs, messages for those orders are not exploded to the components.
<b>fiscal date pattern</b>	A representation of the beginning date for the fiscal year and the ending date for each period in that year.
<b>fix/inspect</b>	A type of form used to view, add, or modify existing records. A fix/inspect form has no detail area.
<b>fixed quantity</b>	A term that indicates the bill of material relationship between a parent item and its components or ingredients. When a bill of material component has a fixed quantity relationship to its parent, the amount of the component does not change when the software calculates parts list requirements for different work order quantities. Contrast with variable quantity.
<b>flexible account numbers</b>	The format of account numbers for journal entries. The format that you set up must be the three segments:  Business unit.  Object.  Subsidiary.
<b>form design aid (FDA)</b>	The EnterpriseOne GUI development tool for building interactive applications and forms.
<b>form exit</b>	[In EnterpriseOne] An option that is available as a button on the Form Exit bar or as a selection in the Form menu. It allows users to open an interconnected form.
<b>form interconnection</b>	Allows one form to access and pass data to another form. Form interconnections can be attached to any event; however, they are normally used when a button is clicked.
<b>form type</b>	The following form types are available in EnterpriseOne:  Find/browse.  Fix/inspect.  Header detail.  Headerless detail.  Message.  Parent/child.  Search/select.
<b>form-to-form call</b>	A request by a form for data or functionality from one of the connected forms.
<b>framework</b>	[In object-oriented systems] A set of object classes that provide a collection of related functions for a user or piece of software.
<b>frozen cost</b>	The cost of an item, operation, or process after the frozen update program is run; used by the Manufacturing Accounting system.
<b>frozen update program</b>	A program that freezes the current simulated costs, thereby finalizing them for use by the Manufacturing Accounting system.

<b>globally unique identifier (GUI)</b>	A 16-byte code in the Component Object Model that identifies an interface to an object across all computers and networks.
<b>handle</b>	[In programming] A pointer that contains the address of another pointer, which, in turn, contains the address of the desired object.
<b>hard commitment</b>	The number of items that are reserved for a sales order, work order, or both, from a specific location, lot, or both.
<b>hard error</b>	An error that cannot be corrected by a given error detection and correction system.
<b>header</b>	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.
<b>header information</b>	Information that pertains to the entire order.
<b>hover help</b>	A help function that provides contextual information or instructions when a cursor moves over a particular part of the interface element for a predefined amount of time.
<b>ICMS</b>	Imposto sobre circulação de mercadoria e serviços. In Brazil, a state tax that is applied to the movement of merchandise and some services.
<b>ICMS Substituto</b>	Imposto sobre circulação de mercadoria e serviços substituto. In Brazil, the ICMS tax that is charged on interstate transactions, or on special products and clients.
<b>ICMS Substituto-Markup</b>	See imposto sobre circulação de mercadoria e serviços substituto-markup.
<b>imposto de renda (IR)</b>	Brazilian income tax.
<b>imposto sobre produtos industrializados</b>	In Brazil, a federal tax that applies to manufactured goods (domestic and imported).
<b>imposto sobre services (ISS)</b>	In Brazil, tax on services.
<b>inbound document</b>	A document that is received from a trading partner using Electronic Data Interface (EDI). This document is also referred to as an inbound transaction.
<b>indented tracing</b>	Tracking all lot numbers of intermediates and ingredients that are consumed in the manufacture of a given lot of product, down through all levels of the bill of material, recipe, or formula.
<b>indexed allocations</b>	A procedure that allocates or distributes expenses, budgets, adjustments, and so on, among business units, based on a fixed percentage.
<b>indirect measurement</b>	Determining the quantity on-hand by:  Measuring the storage vessels and calculating the content's balance quantity.  or  Theoretically calculating consumption of ingredients and deducting them from the on-hand balance.

<b>indirect usage</b>	Determining what should have been used by multiplying receipt quantity of the parent times the quantity per statement in the formula, recipe, or bill of material. This transaction typically affects both consumption on schedule as well as issue from on-hand balances.
<b>in-process rework</b>	Recycling a semi processed product that does not meet acceptable standards. Further processing takes the product out of a given operation and sends it back to the beginning of that operation or a previous operation (for example, unreacted materials).  Rework that is detected prior to receipt of finished goods and corrected during the same schedule run.
<b>INPS withholding tax</b>	Instituto Nazionale di Previdenza Sociale withholding tax. In Italy, a 12% social security withholding tax that is imposed on payments to certain types of contractors. This tax is paid directly to the Italian social security office.
<b>inscrição estadual</b>	ICMS tax ID. In Brazil, the state tax ID.
<b>inscrição municipal</b>	ISS tax ID. In Brazil, the municipal tax ID.
<b>integrated toolset</b>	Unique to EnterpriseOne is an industrial-strength toolset that is embedded in the already comprehensive business applications. This toolset is the same toolset that is used by PeopleSoft to build EnterpriseOne interactive and batch applications. Much more than a development environment, however, the EnterpriseOne integrated toolset handles reporting and other batch processes, change management, and basic data warehousing facilities.
<b>integrity test</b>	A process that is used to supplement a company's internal balancing procedures by locating and reporting balancing problems and data inconsistencies.
<b>interbranch sales order</b>	A sales order that is used for transactions between branch/plants other than the selling branch/plant.
<b>Interoperability</b>	The ability of different computer systems, networks, operating systems, and applications to work together and share information.
<b>inventory pricing rule</b>	A discount method that is used for purchases from suppliers and sales to customers. The method is based on effectivity dates, up-to quantities, and a factor by which you can mark up or discount the price or cost.
<b>inventory turn</b>	The number of times that the inventory cycles, or turns over, during the year. A frequently used method to compute inventory turnover is to divide the annual costs of sales by the average inventory level.
<b>invoice</b>	An itemized list of goods that are shipped or services that are rendered, stating quantities, prices, fees, shipping charges, and so on. Companies often have their invoices mailed to a different address than where they ship products. In such cases, the bill-to address differs from the ship-to address.
<b>IP</b>	See imposto sobre produtos industrializados.
<b>IR</b>	See imposto de renda.
<b>IServer Service</b>	Developed by PeopleSoft, this Internet server service resides on the Web server and is used to speed up delivery of the Java class files from the database to the client.

<b>ISS</b>	See imposto sobre servicios.
<b>jargon</b>	An alternate data dictionary item description that EnterpriseOne or PeopleSoft World displays, based on the product code of the current object.
<b>java application server</b>	A component-based server that resides in the middle-tier of a server-centric architecture and provides middleware services for security and state maintenance, along with data access and persistence.
<b>JDBNET</b>	A database driver that allows heterogeneous servers to access each other's data.
<b>jde.ini</b>	A PeopleSoft file (or member for AS/400) that provides the runtime settings that are required for EnterpriseOne initialization. Specific versions of the file or member must reside on every machine that is running EnterpriseOne, including workstations and servers.
<b>JDE.LOG</b>	The main diagnostic log file of EnterpriseOne. Always located in the root directory on the primary drive. Contains status and error messages from the startup and operation of EnterpriseOne.
<b>JDEBASE Database Middleware</b>	<p>PeopleSoft proprietary database middleware package that provides two primary benefits:</p> <ol style="list-style-type: none"> <li>1. Platform-independent APIs for multidatabase access. These APIs are used in two ways: <ol style="list-style-type: none"> <li>a. By the interactive and batch engines to dynamically generate platform-specific SQL, depending on the data source request.</li> <li>b. As open APIs for advanced C business function writing. These APIs are then used by the engines to dynamically generate platform-specific SQL.</li> </ol> </li> <li>2. Client-to-server and server-to-server database access. To accomplish this access, EnterpriseOne is integrated with a variety of third-party database drivers, such as Client Access 400 and open database connectivity (ODBC).</li> </ol>
<b>JDECallObject</b>	An application programming interface that is used by business functions to invoke other business functions.
<b>JDEIPC</b>	Communications programming tools that are used by server code to regulate access to the same data in multiprocess environments, communicate and coordinate between processes, and create new processes.
<b>JDENET</b>	PeopleSoft proprietary middleware software. JDENET is a messaging software package.
<b>JDENET communications middleware</b>	PeopleSoft proprietary communications middleware package for EnterpriseOne. It is a peer-to-peer, message-based, socket-based, multiprocess communications middleware solution. It handles client-to-server and server-to-server communications for all EnterpriseOne supported platforms.
<b>just in time installation (JITI)</b>	EnterpriseOne's method of dynamically replicating objects from the central object location to a workstation.
<b>just in time replication (JITR)</b>	EnterpriseOne's method of replicating data to individual workstations. EnterpriseOne replicates new records (inserts) only at the time that the user needs the data. Changes, deletes, and updates must be replicated using Pull Replication.

<b>Kagami</b>	In Japan, summarized invoices that are created monthly (in most cases) to reduce the number of payment transactions.
<b>latitude</b>	The X coordinate of the location of an item in the warehouse. The system can use latitude, longitude, and height when suggesting locations for putaway, replenishment, and picking.
<b>laytime (or layhours)</b>	<p>The amount of time that is allotted to a tanker at berth to complete loading or discharging cargo. This time is usually expressed in running hours, and is fixed by prior agreement between the vessel owner and the company that is chartering the vessel. Laytime is stipulated in the charter, which states exactly the total of number of hours that are granted at both loading and unloading ports, and indicates whether such time is reversible. A statement of “Seventy-Two Hours, Reversible” means that a total of 72 hours is granted overall at both ports, and any time saved at one port can be applied as a credit at the other port.</p> <p>For example, if the vessel uses only 32 hours instead of 36 hours to load cargo, it can apply an additional four hours to the 36 hours allotted at the discharge port. Such considerations are important for purposes of computing demurrage.</p>
<b>leading zeros</b>	A series of zeros that certain facilities in PeopleSoft systems place in front of a value that is entered. This situation normally occurs when you enter a value that is smaller than the specified length of the field. For example, if you enter 4567 in a field that accommodates eight numbers, the facility places four zeros in front of the four numbers that you enter. The result appears as 00004567.
<b>ledger type</b>	A code that designates a ledger which is 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 can also be stored in the CA (foreign currency) ledger type.
<b>level break</b>	The position in a report or text where a group of similar types of information ends and another one begins.
<b>libro IVA</b>	Monthly VAT report. In Italy, the term for the report that contains the detail of invoices and vouchers that were registered during each month.
<b>line of business</b>	A description of the nature of a company’s work; also a tool to control the relationship with that customer, including product pricing.
<b>linked service type</b>	A service type that is associated with a primary service type. Linked service types can be cancelled, and the maintenance tasks are performed when the primary service type to which they are linked comes due. You can specify whether the system generates work orders for linked service types, as well as the status that the system assigns to work orders that have already been generated. Sometimes referred to as associated service types. See also primary service type and service type.
<b>livro razao</b>	In Brazil, a general ledger report.
<b>load balancing</b>	The act of distributing the number of processes proportionally to all servers in a group to maximize overall performance.
<b>location workbench</b>	During the Installation Workbench process, Location Workbench copies all locations that are defined in the installation plan from the Location Master table in the Planner data source to the System data source.

<b>log files</b>	Files that track operations for a process or application. Reviewing log files is helpful for troubleshooting problems. The file extension for log files is .LOG.
<b>logic data source</b>	Any code that provides data during runtime.
<b>logical compartment</b>	One of two ways that is identified in the transportation constants to display compartments on vehicles. Logical display numbers the compartments sequentially.  For example, if two vehicles are on a trip and each vehicle has three compartments, the logical display is 1,2,3,4,5,6.
<b>logical file</b>	A set of keys or indices that is used for direct access or ordered access to the records in a physical file. Several logical files can have different accesses to a physical.
<b>logical shelf</b>	A logical, not physical, location for inventory that is used to track inventory transactions in loan/borrow, or exchange agreements with other companies. See also logical warehouse.
<b>logical warehouse</b>	Not a physical warehouse containing actual inventory, but a means for storing and tracking information for inventory transactions in loan/borrow, or exchange agreements with other companies.
<b>longitude</b>	The Y coordinate of the location of an item in the warehouse. The system can use latitude, longitude, and height when suggesting locations for putaway, replenishment, and picking.
<b>LSV</b>	Lastschriftverfahren. A Swiss auto debit format that is required by Telekurs (Payserv).
<b>mail merge</b>	A mass-mail facility that takes names, addresses, and (sometimes) pertinent facts about recipients and merges the information into a form letter or a similarly basic document.
<b>mailmerge workbench</b>	[In EnterpriseOne] An application that merges Microsoft Word 6.0 (or higher) word-processing documents with EnterpriseOne records to automatically print business documents.
<b>main fuels</b>	Usually refers to bulk fuel products, but sometimes includes packaged products.
<b>maintenance loop</b>	See maintenance route.
<b>maintenance route</b>	A method of performing PMs for multiple pieces of equipment from a single preventive maintenance work order. A maintenance route includes pieces of equipment that share one or more identical maintenance tasks which can be performed at the same time for each piece of equipment. Sometimes referred to as maintenance loop.
<b>maintenance work order</b>	In PeopleSoft EnterpriseOne systems, a term that is used to distinguish work orders created for the performance of equipment and plant maintenance from other work orders, such as manufacturing work orders, utility work orders, and engineering change orders.

<b>manufacturing and distribution planning</b>	Planning that includes resource and capacity planning, and material planning operations. Resource and capacity planning allows you to prepare a feasible production schedule that reflects your demand forecasts and production capability. Material Planning Operations provides a short-range plan to cover material requirements that are needed to make a product.
<b>mapping</b>	A set of instructions that describes how one data structure passes data to another.
<b>master business function</b>	An interactive master file that serves as a central location for adding, changing, and updating information in a database.
<b>master business function</b>	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 that you establish.
<b>master table</b>	A database table that is 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.
<b>matching document</b>	A document that is associated with an original document to complete or change a transaction. For example, a receipt is the matching document of an invoice.
<b>media object</b>	An electronic or digital representation of an object.
<b>media storage objects</b>	Files that use one of the following naming conventions that are not organized into table format: Gxxx, xxxGT, or GTxxx.
<b>memory violation</b>	An error that occurs as the result of a memory leak.
<b>menu selection</b>	An option on a menu that initiates a software function directly.
<b>message center</b>	A central location for sending and receiving all EnterpriseOne messages (system- and user-generated), regardless of the originating application or user.
<b>messaging application programming interface (MAPI)</b>	An architecture that defines the components of a messaging system and how they behave. It also defines the interface between the messaging system and the components.
<b>metal content</b>	A series of properties of a blended product that help to determine its suitability for a prescribed purpose.
<b>metals management</b>	The process of maintaining information about the location and status of durable product containers such as liquid petroleum gas (LPG) cylinders.
<b>mobile inventory</b>	Inventory that is transferred from a depot to a barge or truck for milk-run deliveries.
<b>modal</b>	A restrictive or limiting interaction that is created by a given condition of operation. Modal often describes a secondary window that restricts a user's interaction with other windows. A secondary window can be modal with respect to its primary window or to the entire system. A modal dialog box must be closed by the user before the application continues.

<b>model work order</b>	For scheduled preventive maintenance or for a condition-based alert, a model work order functions as a template for the creation of other work orders. You can assign model work orders to service types and condition-based alerts. When the service type comes due or the alert is generated, the system automatically generates a work order that is based on information from the model work order.
<b>modeless</b>	Not restricting or limiting interaction. Modeless often describes a secondary window that does not restrict a user's interaction with other windows. A modeless dialog box stays on the screen and is available for use at any time, but also permits other user activities.
<b>multiple stocking locations</b>	Authorized storage locations for the same item number at locations, in addition to the primary stocking location.
<b>multitier architecture</b>	A client/server architecture that allows multiple levels of processing. A tier defines the number of computers that can be used to complete some defined task.
<b>named event rules (NER)</b>	Also called business function event rules. Encapsulated, re-usable business logic that is created by using event rules, rather than C programming.
<b>national language support (NLS)</b>	Mechanisms that are provided to facilitate internationalization of both system and application user interfaces.
<b>natureza da operação</b>	Transaction nature. In Brazil, a code that classifies the type of commercial transaction to conform to the fiscal legislation.
<b>negative pay item</b>	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 of the 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).
<b>net added cost</b>	The cost to manufacture an item at the current level in the bill of material. Thus, for manufactured parts, the net added cost includes labor, outside operations, and cost extras applicable to this level in the bill of material, but not materials (lower-level items). For purchased parts, the net added cost also includes the cost of materials.
<b>next status</b>	The next step in the payment process for payment control groups. The next status can be either WRT (write) or UPD (update).
<b>node</b>	A termination point for two or more communications links. A node can serve as the control location for forwarding data among the elements of a network or multiple networks, as well as performing other networking and, in some cases, local processing.
<b>non-inventory items</b>	See non-stock items.
<b>non-list price</b>	A price for bulk products that is determined by its own algorithms, such as a rolling average or commodity price plus.
<b>non-prime product</b>	A manufactured product with revenue potential that is less than the product planned for, or scheduled to be produced.

<b>non-stock items</b>	Items that the system does not account for as part of the inventory. For example, office supplies, or packaging materials can be non-stock items.
<b>nota fiscal</b>	In Brazil, a legal document that must accompany all commercial transactions.
<b>nota fiscal fatura</b>	In Brazil, a nota fiscal and invoice information.
<b>notula</b>	In Italy, the process whereby a business does not recognize value added tax until the payment of a voucher.
<b>object configuration manager (OCM)</b>	EnterpriseOne's object request broker and the control center for the runtime environment. It keeps track of the runtime locations for business functions, data, and batch applications. When one of these objects is called, the Object Configuration Manager directs access to it by using defaults and overrides for a given environment and user.
<b>object embedding</b>	When an object is embedded in another document, an association is maintained between the object and the application that created it; however, any changes made to the object are also only kept in the compound document. See also object linking.
<b>object librarian</b>	A repository of all versions, applications, and business functions that are re-usable in building applications.
<b>object linking</b>	When an object is linked to another document, a reference is created with the file in which the object is stored, as well as with the application that created it. When the object is modified, either from the compound document or directly through the file in which it is saved, the change is reflected in that application as well as anywhere it has been linked. See also object embedding.
<b>object linking and embedding (OLE)</b>	A technology for transferring and sharing information among applications by allowing the integration of objects from diverse applications, such as graphics, charts, spreadsheets, text, or an audio clip from a sound program. OLE is a compound document standard that was developed by Microsoft Corporation. It enables you to create objects with one application, and then link or embed them in a second application. Embedded objects retain their original format and links to the application that created them. See also object embedding, object linking.
<b>object management workbench (OMW)</b>	The change management system that is used for EnterpriseOne development.
<b>object-based technology (OBT)</b>	A technology that supports some of the main principles of object-oriented technology: Classes. Polymorphism. Inheritance. Encapsulation.

<b>object-oriented technology (OOT)</b>	Brings software development past procedural programming into a world of reusable programming that simplifies development of applications. Object orientation is based on the following principles:  Classes.  Polymorphism.I  Inheritance.  Encapsulation.
<b>offsetting account</b>	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.
<b>open database connectivity (ODBC)</b>	Defines a standard interface for different technologies to process data between applications and different data sources. The ODBC interface comprises set of function calls, methods of connectivity, and representation of data types that define access to data sources.
<b>open systems interconnection (OSI)</b>	The OSI model was developed by the International Standards Organization (ISO) in the early 1980s. It defines protocols and standards for the interconnection of computers and network equipment.
<b>order detail line</b>	A part of an order that contains transaction information about a service or item being purchased or sold, such as quantity, cost, price, and so on.
<b>order hold</b>	A flag that stops the processing of an order because it has exceeded the credit or budget limit, or has another problem.
<b>order-based pricing</b>	Pricing strategy that grants reductions in price to a customer. It is based upon the contents and relative size (volume or value) of the order as a whole.
<b>outbound document</b>	A document that is sent to a trading partner using EDI. This term is also referred to as an outbound transaction.
<b>outturn</b>	The quantity of oil that is actually received into a buyer's storage tanks when a vessel is unloaded. For various reasons (vaporization, clingage to vessel tank walls, and so on), the amount of a product pumped into shore tankage at unloading is often less than the quantity originally loaded onto the vessel, as certified by the Bill of Lading. Under a delivered or CIF outturn transaction, the buyer pays only for the barrels actually "turned out" by the vessel into storage.  When a buyer is paying CIF Bill of Lading figures, a loss of 0.5% of total cargo volume is considered normal. Losses in excess of 0.5%, however, are either chargeable to the seller or are covered by specialized insurance that covers partial, as well as total, loss of the cargo.
<b>overhead</b>	In the distillation process, that portion of the charge that leaves the top of the distillation column as vapor. This definition is strictly as it relates to ECS.
<b>override conversion method</b>	A method of calculating exchange rates that is set up between two specific currencies. For those specific currencies, this method overrides the conversion method in General Accounting Constants and does not allow inverse rates to be used when calculating currency amounts.

<b>package / package build</b>	A collection of software that is grouped into a single entity for modular installation. EnterpriseOne objects are installed to workstations in packages from the deployment server. A package can be compared to a bill of material or kit that indicates the necessary objects for that workstation and where the installation program can find them on the deployment server. It is a point-in-time “snapshot” of the central objects on the deployment server.
<b>package location</b>	The directory structure location for the package and its set of replicated objects. This location is usually \\deployment server\release\path_code\package\ package name. The replicated objects for the package are placed in the subdirectories under this path. This location is also where the package is built or stored.
<b>package workbench</b>	During the Installation Workbench process, Package Workbench transfers the package information tables from the Planner data source to the System - release number data source. It also updates the Package Plan detail record to reflect completion.
<b>packaged products</b>	Products that, by their nature, must be delivered to the customer in containers which are suitable for discrete consumption or resale.
<b>pane/panel</b>	A resizable subarea of a window that contains options, components, or other related information.
<b>paper clip</b>	An icon that is used to indicate that a media object is attached to a form or record.
<b>parent/child form</b>	A type of form that presents parent/child relationships in an application on one form:  The left portion of the form presents a tree view that displays a visual representation of a parent/child relationship.  The right portion of the form displays a detail area in browse mode. The detail area displays the records for the child item in the tree.  The parent/child form supports drag and drop functionality.
<b>parent/child relationship</b>	See parent/component relationship.
<b>parent/component relationship</b>	1. In Capital Asset Management, the hierarchical relationship of a parent piece of equipment to its components. For example, a manufacturing line could be a parent and the machinery on the line could be components of the line. In addition, each piece of machinery could be a parent of still more components.  2. In Product Data Management, a hierarchical relationship of the components and subassemblies of a parent item to that parent item. For example, an automobile is a parent item; its components and subassemblies include: engine, frame, seats, and windows.  Sometimes referred to as parent/child relationship.
<b>partita IVA</b>	In Italy, a company fiscal identification number.
<b>pass-through</b>	A process where data is accepted from a source and forwarded directly to a target without the system or application performing any data conversion, validation, and so on.
<b>pay on consumption</b>	The method of postponing financial liability for component materials until you issue that material to its consuming work order or rate schedule.

<b>payment group</b>	A system-generated group of payments with similar information, such as a bank account. The system processes all of the payments in a payment group at the same time.
<b>PeopleSoft database</b>	See JDEBASE Database Middleware.
<b>performance tuning</b>	The adjustments that are made for a more efficient, reliable, and fast program.
<b>persistent object</b>	An object that continues to exist and retains its data beyond the duration of the process that creates it.
<b>pervasive device</b>	A type of intelligent and portable device that provides a user with the ability to receive and gather information anytime, from anywhere.
<b>planning family</b>	A means of grouping end items that have similarity of design or manufacture.
<b>plug-in</b>	A small program that plugs into a larger application to provide added functionality or enhance the main application.
<b>polymorphism</b>	A principle of object-oriented technology in which a single mnemonic name can be used to perform similar operations on software objects of different types.
<b>portal</b>	A Web site or service that is a starting point and frequent gateway to a broad array of on-line resources and services.
<b>Postfinance</b>	A subsidiary of the Swiss postal service. Postfinance provides some banking services.
<b>potency</b>	Identifies the percent of an item in a given solution. For example, you can use an 80% potent solution in a work order that calls for 100% potent solution, but you would use 25% more, in terms of quantity, to meet the requirement ( $100 / 80 = 1.25$ ).
<b>preference profile</b>	The ability to define default values for specified fields for a user defined hierarchy of items, item groups, customers, and customer groups. In Quality Management setup, this method links test and specification testing criteria to specific items, item groups, customers, or customer groups.
<b>preflush</b>	A work order inventory technique in which you deduct (relieve) materials from inventory when the parts list is attached to the work order or rate schedule.
<b>preventive maintenance cycle</b>	The sequence of events that make up a preventive maintenance task, from its definition to its completion. Because most preventive maintenance tasks are commonly performed at scheduled intervals, parts of the preventive maintenance cycle repeat, based on those intervals.
<b>preventive maintenance schedule</b>	The combination of service types that apply to a specific piece of equipment, as well as the intervals at which each service type is scheduled to be performed.
<b>primary service type</b>	A service type to which you can link related service types. For example, for a particular piece of equipment, you might set up a primary service type for a 1000-hour inspection and a linked service type for a 500-hour inspection. The 1000-hour inspection includes all of the tasks performed at 500 hours. When a primary service type is scheduled to be performed, the system schedules the linked service type. See also linked service type.

<b>pristine environment</b>	An EnterpriseOne environment that is used to test unaltered objects with PeopleSoft demonstration data or for training classes. You must have this environment so you can compare pristine objects that you modify.
<b>processing option</b>	A data structure that allows users to supply parameters that regulate the execution of a batch program or report.
<b>product data management (PDM)</b>	In PeopleSoft EnterpriseOne software, the system that enables a business to organize and maintain information about each item which it manufactures. Features of this system, such as bills of material, work centers, and routings, define the relationships among parents and components, and how they can be combined to manufacture an item. PDM also provides data for other manufacturing systems including Manufacturing Accounting, Shop Floor Management, and Manufacturing and Distribution Planning.
<b>product line</b>	A group of products with similarity in manufacturing procedures, marketing characteristics, or specifications that allow them to be aggregated for planning; marketing; and, occasionally, costing.
<b>product/process definition</b>	A combination of bill of material (recipe, formula, or both) and routing (process list). Organized into tasks with a statement of required consumed resources and produced resources.
<b>production environment</b>	An EnterpriseOne environment in which users operate EnterpriseOne software.
<b>program temporary fix (PTF)</b>	A representation of changes to PeopleSoft software that your organization receives on magnetic tapes or diskettes.
<b>project</b>	[In EnterpriseOne] A virtual container for objects being developed in Object Management Workbench.
<b>projected cost</b>	The target expenditure in added value for material, labor, and so on, during manufacture. See also standard cost.
<b>promotion path</b>	The designated path for advancing objects or projects in a workflow.
<b>protocollo</b>	See registration number.
<b>PST</b>	Provincial sales tax. A tax that is assessed by individual provinces in Canada.
<b>published table</b>	Also called a “Master” table, this is the central copy to be replicated to other machines and resides on the “publisher” machine. The Data Replication Publisher Table (F98DRPUB) identifies all of the published tables and their associated publishers in the enterprise.
<b>publisher</b>	The server that is responsible for the published table. The Data Replication Publisher Table (F98DRPUB) identifies all of the published tables and their associated publishers in the enterprise.
<b>pull replication</b>	One of the EnterpriseOne methods for replicating data to individual workstations. Such machines are set up as pull subscribers that use EnterpriseOne’s data replication tools. The only time that pull subscribers are notified of changes, updates, and deletions is when they request such information. The request is in the form of a message that is sent, usually at startup, from the pull subscriber to the server machine that stores the Data Replication Pending Change Notification table (F98DRPCN).

<b>query by example (QBE)</b>	Located at the top of a detail area, this area is used to search for data to display in the detail area.
<b>rate scheduling</b>	A method of scheduling product or manufacturing families, or both.  Also a technique to determine run times and quantities of each item within the family to produce enough of each individual product to satisfy demand until the family can be scheduled again.
<b>rate type</b>	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.
<b>real-time</b>	Pertaining to information processing that returns a result so rapidly that the interaction appears to be instantaneous.
<b>receipt routing</b>	A series of steps that is used to track and move items within the receipt process. The steps might include in-transit, dock, staging area, inspection, and stock.
<b>referential integrity</b>	Ensures that a parent record cannot be deleted from the database when a child record for exists.
<b>regenerable</b>	Source code for EnterpriseOne business functions can be regenerated from specifications (business function names). Regeneration occurs whenever an application is recompiled, either for a new platform or when new functionality is added.
<b>register types and classes</b>	In Italian VAT Summary Reporting, the classification of VAT transactions.
<b>relationship</b>	Links tables together and facilitates joining business views for use in an application or report. Relationships that are created are based on indexes.
<b>relevé d'identité bancaire (RIB)</b>	In France, the term that indicates the bank transit code, account number, and check digit that are used to validate the bank transit code and account number. The bank transit code consists of the bank code and agency code. The account number is alphanumeric and can be as many as 11 characters. PeopleSoft supplies a validation routine to ensure RIB key correctness.
<b>remessa</b>	In Brazil, the remit process for A/R.
<b>render</b>	To include external data in displayed content through a linking mechanism.
<b>repassé</b>	In Brazil, a discount of the ICMS tax for interstate transactions. It is the adjustment between the interstate and the intrastate ICMS tax rates.
<b>replenishment point</b>	The location on or near the production line where additional components or subassemblies are to be delivered.
<b>replication server</b>	A server that is responsible for replicating central objects to client machines.
<b>report design aid (RDA)</b>	The EnterpriseOne GUI tool for operating, modifying, and copying report batch applications.
<b>repost</b>	In Sales, the process of clearing all commitments from locations and restoring commitments, based on quantities from the Sales Order Detail table (F4211).
<b>resident</b>	Pertaining to computer programs or data while they remain on a particular storage device.

<b>retorno</b>	In Brazil, the receipt process for A/R.
<b>RIB</b>	See rélevé d'identité bancaire.
<b>ricevute bancarie (RiBa)</b>	In Italy, the term for accounts receivable drafts.
<b>riepilogo IVA</b>	Summary VAT monthly report. In Italy, the term for the report that shows the total amount of VAT credit and debit.
<b>ritenuta d'acconto</b>	In Italy, the term for standard withholding tax.
<b>rollback</b>	[In database management] A feature or command that undoes changes in database transactions of one or more records.
<b>rollup</b>	See cost rollup.
<b>row exit</b>	[In EnterpriseOne] An application shortcut, available as a button on the Row Exit bar or as a menu selection, that allows users to open a form that is related to the highlighted grid record.
<b>runtime</b>	The period of time when a program or process is running.
<b>SAD</b>	The German name for a Swiss payment format that is accepted by Postfinance.
<b>SAR</b>	See software action request.
<b>scalability</b>	The ability of software, architecture, hardware, or a network to support software as it grows in size or resource requirements.
<b>scripts</b>	A collection of SQL statements that perform a specific task.
<b>scrub</b>	To remove unnecessary or unwanted characters from a string.
<b>search/select</b>	A type of form that is used to search for a value and return it to the calling field.
<b>selection</b>	Found on PeopleSoft menus, selections represent functions that you can access from a menu. To make a selection, type the associated number in the Selection field and press Enter.
<b>serialize</b>	To convert a software object into a stream of bytes to store on a disk or transfer across a network.
<b>server map</b>	The server view of the object configuration mapping.
<b>server workbench</b>	During the Installation Workbench process, Server Workbench copies the server configuration files from the Planner data source to the System release number data source. It also updates the Server Plan detail record to reflect completion.
<b>service interval</b>	The frequency at which a service type is to be performed. Service intervals can be based on dates, periods, or statistical units that are user defined. Examples of statistical units are hours, miles, and fuel consumption.
<b>service type</b>	An individual preventive maintenance task or procedure, such as an inspection, lubrication, or overhaul. Service types can apply to a specific piece of equipment or to a class of equipment. You can specify that service types come due based on a predetermined service interval, or whenever the task that is represented by the service type becomes necessary.

<b>servlet</b>	A [small] program that extends the functionality of a Web server by generating dynamic content and interacting with Web clients by using a request-response paradigm.
<b>share path</b>	The network node under which one or more servers or objects reside.
<b>shop floor management</b>	A system that uses data from multiple system codes to help develop, execute, and manage work orders and rate schedules in the enterprise.
<b>silent mode</b>	A method for installing or running a program that does not require any user intervention.
<b>silent post</b>	A type of post that occurs in the background without the knowledge of the user.
<b>simulated cost</b>	After a cost rollup, the cost of an item, operation, or process according to the current cost scenario. This cost can be finalized by running the frozen update program. You can create simulated costs for a number of cost methods—for example, standard, future, and simulated current costs. See also cost rollup.
<b>single-byte character set (SBCS)</b>	An encoding scheme in which each alphabetic character is represented by one byte. Most Western languages, such as English, can be represented by using a single-byte character set.
<b>single-level tracking</b>	Finding all immediate parents where a specific lot has been used (consumed).
<b>single-voyage (spot) charter</b>	An agreement for a single voyage between two ports. The payment is made on the basis of tons of product delivered. The owner of the vessel is responsible for all expenses.
<b>slimer</b>	A script that changes data in a table directly without going through a regular database interface.
<b>smart field</b>	A data dictionary item with an attached business function for use in the Report Design Aid application.
<b>SOC</b>	The Italian term for a Swiss payment format that is accepted by Postfinance.
<b>soft commitment</b>	The number of items that is reserved for sales orders or work orders in the primary units of measure.
<b>soft error</b>	An error from which an operating system or program is able to recover.
<b>software action request (SAR)</b>	An entry in the AS/400 database that is used for requesting modifications to PeopleSoft software.
<b>SOG</b>	The French term for a Swiss payment format that is accepted by Postfinance.
<b>source directory</b>	The path code to the business function source files belonging to the shared library that is created on the enterprise server.
<b>special period/year</b>	The date that determines the source balances for an allocation.

<b>specification merge</b>	The Specification merge is comprised of three merges: Object Librarian merge (via the Object Management Workbench). Versions List merge. Central Objects merge. The merges blend customer modifications with data that accompanies a new release.
<b>specification table merge workbench</b>	During the Installation Workbench process, Specification Table Merge Workbench runs the batch applications that update the specification tables.
<b>specifications</b>	A complete description of an EnterpriseOne object. Each object has its own specification, or name, which is used to build applications.
<b>spot charter</b>	See single-voyage charter.
<b>spot rates</b>	An exchange rate that is entered at the transaction level. Spot rates are not used on transactions between two EMU member currencies because exchange rates are irrevocably fixed to the euro.
<b>stamp tax</b>	In Japan, a tax that is imposed on drafts payable, receipts over 30000 Japanese yen, and all contracts. The party that issues any of the above documents is responsible for this tax.
<b>standalone</b>	Operating or capable of operating independently of certain other components of a computer system.
<b>standard cost</b>	The expected, or target cost of an item, operation, or process. Standard costs represent only one cost method in the Product Costing system. You can also calculate, for example, future costs or current costs. However, the Manufacturing Accounting system uses only standard frozen costs.
<b>standard costing</b>	A costing method that uses cost units that are determined before production. For management control purposes, the system compares standard costs to actual costs and computes variances.
<b>subprocess</b>	A process that is triggered by and is part of a larger process, and that generally consists of activities.
<b>subscriber table</b>	The Subscriber table (F98DRSUB), which is stored on the Publisher Server with the Data Replication Publisher table (F98DRPUB), that identifies all of the subscriber machines for each published table.
<b>summary</b>	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 which is stored in certain tables. Contrast with detail.
<b>super backflush</b>	To create backflush transactions for material, labor, or both, against a work order at predefined pay points in the routing. By doing so, you can relieve inventory and account for labor amounts at strategic points throughout the manufacturing process.
<b>supersession</b>	Specification that a new product is replacing an active product on a specified effective date.

<b>supplemental data</b>	Additional 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).
<b>supplying location</b>	The location from which inventory is transferred once quantities of the item on the production line have been depleted. In kanban processing, the supplying location is the inventory location from which materials are transferred to the consuming location when the containers are replenished.
<b>system code</b>	A numeric or alphanumeric designation that identifies a specific system in EnterpriseOne software.
<b>system function</b>	[In EnterpriseOne] A named set of pre-packaged, re-usable instructions that can be called from event rules.
<b>table access management (TAM)</b>	The EnterpriseOne component that handles the storage and retrieval of user defined data. TAM stores information such as data dictionary definitions; application and report specifications; event rules; table definitions; business function input parameters and library information; and data structure definitions for running applications, reports, and business functions.
<b>table conversion workbench</b>	During the Installation Workbench process, Table Conversion Workbench runs the table conversions that change the technical and application tables to the format for the new release of EnterpriseOne. It also updates the Table Conversions and Controls detail records to reflect completion.
<b>table design aid (TDA)</b>	An EnterpriseOne GUI tool for creating, modifying, copying, and printing database tables.
<b>table event rules</b>	Use table event rules to attach database triggers (or programs) that automatically run whenever an action occurs against the table. An action against a table is referred to as an event. When you create an EnterpriseOne database trigger, you must first determine which event will activate the trigger. Then, use Event Rules Design to create the trigger. Although EnterpriseOne allows event rules to be attached to application events, this functionality is application-specific. Table event rules provide embedded logic at the table level.
<b>table handle</b>	A pointer into a table that indicates a particular row.
<b>table space</b>	[In relational database management systems] An abstract collection of containers in which database objects are stored.
<b>task</b>	[In Solution Explorer and EnterpriseOne Menu] A user defined object that can initiate an activity, process, or procedure.
<b>task view</b>	A group of tasks in Solution Explorer or EnterpriseOne Menu that are arranged in a tree structure.
<b>termo de abertura</b>	In Brazil, opening terms for the transaction journal.
<b>termo de encerramento</b>	In Brazil, closing terms for the transaction journal.
<b>three-tier processing</b>	The task of entering, reviewing, approving, and posting batches of transactions.

<b>three-way voucher match</b>	The process of comparing receipt information to supplier's invoices to create vouchers. In a three-way match, you use the receipt records, the purchase order, and the invoice to create vouchers.
<b>threshold percentage</b>	In Capital Asset Management, the percentage of a service interval that you define as the trigger for maintenance to be scheduled. For example, you might set up a service type to be scheduled every 100 hours with a threshold percentage of 90 percent. When the equipment accumulates 90 hours, the system schedules the maintenance.
<b>throughput agreement</b>	A service agreement in which a business partner agrees to store and manage product for another business partner for a specified time period. The second partner actually owns the stock that is stored in the first partner's depot, although the first partner monitors the stock level; suggests replenishments; and unloads, stores, and delivers product to the partner or its customers. The first partner charges a fee for storing and managing the product.
<b>throughput reconciliation</b>	Reconcile confirmed sales figures in a given period with the measured throughput, based on the meter readings. This process is designed to catch discrepancies that are due to transactions not being entered, theft, faulty meters, or some combination of these factors. This reconciliation is the first stage. See also operational reconciliation.
<b>token</b>	[In Object Management Workbench] A flag that is associated with each object which indicates whether you can check out the object.
<b>tolerance range</b>	The amount by which the taxes that you enter manually can vary from the tax that is calculated by the system.
<b>TP monitor</b>	Transaction Processing monitor. A monitor that controls data transfer between local and remote terminals and the applications that originated them. TP monitors also protect data integrity in the distributed environment and can include programs that validate data and format terminal screens.
<b>tracing</b>	The act of researching a lot by going backward, to discover its origin.
<b>tracking</b>	The act of researching a lot by going forward, to discover where it is used.
<b>transaction set</b>	An electronic business transaction (EDI Standard document) composed of segments.
<b>transclude</b>	To include the external data in the displayed content through a linking mechanism.
<b>transfer order</b>	An order that is used to ship inventory between branch/plants within your company and to maintain an accurate on-hand inventory amount. An interbranch transfer order creates a purchase order for the shipping location and a sales order for the receiving location.
<b>translation adjustment account</b>	An optional G/L account used in currency balance restatement to record the total adjustments at a company level.
<b>translator software</b>	The software that converts data from an application table format to an EDI Standard Format, and from EDI Standard Format to application table format. The data is exchanged in an EDI Standard, such as ANSI ASC X12, EDIFACT, UCS, or WINS.

<b>tree structure</b>	A type of graphical user interface that displays objects in a hierarchy.
<b>trigger</b>	Allows you to attach default processing to a data item in the data dictionary. When that data item is used on an application or report, the trigger is invoked by an event which is associated with the data item. EnterpriseOne also has three visual assist triggers:  Calculator.  Calendar.  Search form.
<b>two-way voucher match</b>	The process of comparing purchase order detail lines to the suppliers' invoices to create vouchers. You do not record receipt information.
<b>universal batch engine (UBE)</b>	[In EnterpriseOne] A type of application that runs a noninteractive process.
<b>unnormalized</b>	Data that is a random collection of data elements with repeating record groups scattered throughout. Also see Normalized.
<b>user overrides merge</b>	The User Overrides merge adds new user override records into a customer's user override table.
<b>user-defined code (UDC)</b>	A value that a user has assigned as being a valid entry for a given or specific field.
<b>utility</b>	A small program that provides an addition to the capabilities which are provided by an operating system.
<b>variable numerator allocations</b>	A procedure that allocates or distributes expenses, budgets, adjustments, and so on, among business units, based on a variable.
<b>variable quantity</b>	A term that indicates the bill of material relationship between a parent item and its components or ingredients. When a bill of material component has a variable quantity relationship to its parent, the amount of the component changes when the software calculates parts list requirements for different work order quantities. Contrast with fixed quantity.
<b>variance</b>	1. In Product Costing and Manufacturing Accounting, the difference between the frozen standard cost, the current cost, the planned cost, and the actual cost. For example, the difference between the frozen standard cost and the current cost is an engineering variance. Frozen standard costs come from the Cost Components table, and the current costs are calculated by using the current bill of material, routing, and overhead rates.  2. In Capital Asset Management, the difference between revenue that is generated by a piece of equipment and costs that are incurred by the equipment.
<b>versions list merge</b>	The Versions List merge preserves any non-XJDE and non-ZJDE version specifications for objects that are valid in the new release as well as their processing options data.
<b>VESR</b>	Verfahren Einzahlungsschein mit Referenznummer. The processing of an ESR pay slip with reference line through accounts receivable and accounts payable.
<b>visual assist</b>	Forms that can be invoked from a control to assist the user in determining what data belongs in the control.

<b>voucher logging</b>	The process of entering vouchers without distributing amounts to specific G/L accounts. The system initially distributes the total amount of each voucher to a G/L suspense account, where it is held until you redistribute it to the correct G/L account.
<b>wareki date format</b>	In Japan, a calendar format, such as Showa or Heisei. When a new emperor begins to reign, the government chooses the title of the date format and the year starts over at one. For instance, January 1, 1998, is equal to Heisei 10, January 1st.
<b>wash down</b>	A minor cleanup between similar product runs. Sometimes used in reference to the sanitation process of a food plant.
<b>wchar_t</b>	An internal type of a wide character. Used for writing portable programs for international markets.
<b>web server</b>	A server that sends information as requested by a browser and uses the TCP/IP set of protocols.
<b>work order life cycle</b>	In Capital Asset Management, the sequence of events through which a work order must pass to accurately communicate the progress of the maintenance tasks that it represents.
<b>workfile</b>	A system-generated file that is used for temporary data processing.
<b>workflow</b>	According to the Workflow Management Coalition, workflow means “the automation of a business process, in whole or part, during which documents, information, or tasks are passed from one participant to another for action, according to a set of procedural rules.”
<b>workgroup server</b>	A network server usually containing subsets of data that are replicated from a master network server.
<b>WorldSoftware architecture</b>	The broad spectrum of application design and programming technology that PeopleSoft uses to achieve uniformity, consistency, and complete integration throughout its software.
<b>write payment</b>	A step in processing payments. Writing payments includes printing checks, drafts, and creating a bank tape table.
<b>write-off</b>	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.
<b>Z file</b>	For store and forward (network disconnected) user, EnterpriseOne store-and-forward applications perform edits on static data and other critical information that must be valid to process an order. After the initial edits are complete, EnterpriseOne stores the transactions in work tables on the workstation. These work table are called Z files. When a network connection is established, Z files are uploaded to the enterprise server; and the transactions are edited again by a master business function. The master business function then updates the records in your transaction files.
<b>z-process</b>	A process that converts inbound data from an external system into an EnterpriseOne software table or converts outbound data into an interface table for an external system to access.

**zusammenfassende  
meldung**

In Germany, the term for the EU Sales Listing.

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