

PeopleSoft®

EnterpriseOne 8.10
Multicurrency
PeopleBook

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Table of Contents

About These EnterpriseOne PeopleBooks Preface	1
EnterpriseOne Application Prerequisites	1
Obtaining Documentation Updates	2
Typographical Conventions and Visual Cues	2
Typographical Conventions.....	2
Visual Cues	3
Comments and Suggestions	3
Multicurrency Overview	4
Example: Multicurrency Process	7
Multicurrency Menus	7
Changing from a Non-Currency to a Multicurrency Environment	8
Updating Domestic Currency Codes	9
Checklist: Multicurrency Setup for General Accounting	11
Basic Multicurrency Setup.....	11
Exchange Rate Setup	12
AAIs for Unrealized Gains and Losses	13
Post Balances by Currency	14
Multicurrency Intercompany Settlements	14
Detailed Currency Restatement	15
Balance Restatement.....	16
“As If” Restatement	17
Setting Up Multicurrency Constants	17
Setting Up Currency Codes	20
How Currency Decimals Are Managed	22
Setting Up Companies for Multicurrency.....	23
Balances by Currency Versus Summarized Balances	23
Changing from Summarized Balances to Balances by Currency.....	26
Reviewing Multicurrency Ledger Types	27
Assigning Currency Codes to Monetary Accounts	27
Setting Up Multicurrency AAIs for General Accounting.....	29

AAIs for Unrealized Gains and Losses on Monetary Bank Accounts	29
AAIs for Posting Balances by Currency	31

Exchange Rates 32

Exchange Rate Calculation Methods	32
Inverse Method.....	33
No Inverse Method	34
Triangulation Method	35
Exchange Rate Setup and Spot Rates	38
Setting Up Exchange Rates for the Inverse Method	38
Setting Up Exchange Rates for the No Inverse Method.....	40
Setting Up Exchange Rates for the Triangulation Method	43
Processing Options for Currency Exchange Rate Entry (P0015A)	45
Setting Up Multiple Exchange Rates for a Single Currency	46
Reviewing Exchange Rates	48
Printing the Currency Exchange Rates Report	50
Creating Currency Cross-Rate Relationships	51
Related Tasks for Currency Cross-Rate Relationships	52
Calculating Exchange Rates Based on Currency Cross-Rate Relationships..	53
Processing Options for Calculate Cross Currency Rates (R11153).....	54
Overriding the Exact Date Match Processing Option.....	54
Uploading Exchange Rates from an External Source	55
Revising External Exchange Rates.....	56
Processing External Exchange Rates.....	59
Processing Options for External Exchange Rate Processor (R0015Z1)	60
Processing Options for External Currency Exchange Rates Purge (R0015Z1P)....	60

Checklist: Multicurrency Setup for Accounts Receivable 61

Foreign Currency Customer Records	61
Foreign Currency Invoices	62
Foreign and Alternate Currency Receipts	62
Foreign Currency Drafts	63
Foreign Currency Automatic Debits	64
“As If” Currency Processing	64
AAIs for Foreign Currency Realized and Unrealized Gains and Losses.....	65
AAIs for Alternate Currency Realized Gains and Losses.....	65
Assigning Currency Codes to a Customer Record	66
Multicurrency Processing Options for Customer Master (P03013).....	68
Setting Up the Offset Method in the Constants	68
Setting Up Multicurrency AAIs for Accounts Receivable.....	70

AAIs for Unrealized Gains and Losses on Foreign Currency Invoices	70
AAIs for Realized Gains and Losses on Foreign Currency Receipts	73
AAIs for Realized Gains and Losses on Alternate Currency Receipts	74
AAIs for the Rounding Account for Foreign and Alternate Currency Receipts	76
AAIs for the Clearing Account for Alternate Currency Receipts	76
AAIs for Receivable Trade Accounts in Foreign Currencies.....	77
AAIs for Receivable Bank Accounts in Foreign Currencies	79
Fields in the F0015Z1 Workfile	79
Customer Currency Conversion	85
How the Address Book Conversion Programs Work	85
Example: Converting Customer Amounts	86
Example: Parent/Child Structure with Different Currencies.....	88
Processing Options for Address Book Conversion – F03012 (R8903012E)...	89
Multicurrency Invoices	90
Domestic Versus Foreign Currency Transactions.....	90
How Domestic Amounts Are Calculated on Foreign Transactions without Taxes	91
Example: Foreign Transaction Split into Multiple Pay Items.....	91
Example: Foreign Transaction Entered with Multiple Pay Items (No Split Payment Terms).....	92
How Domestic Amounts Are Calculated on Foreign Transactions with Taxes.....	92
Example: Foreign Transaction with Taxes.....	94
Rounding versus Soft Rounding	95
Multicurrency Batch Totals	96
Entering Invoices in a Foreign Currency	96
AID Field Updated During Invoice Entry	99
Related Tasks for Foreign Currency Invoices.....	99
Reviewing Invoices in a Foreign Currency.....	100
Dates That Affect the Transaction Amounts You View	100
Multicurrency Processing Options for Invoice Entry MBF (P03B0011)	103
Printing Invoices in a Foreign Currency	104
Processing Multicurrency Batch Invoices.....	104
Guidelines for Amount, Exchange Rate, and Currency Mode Fields for Batch Invoices	105
Multicurrency Fields Required in the F03B11Z1 and F0911Z1 Tables	106
Reviewing Invoices in an “As If” Currency	110
Multicurrency Processing Options for Customer Ledger Inquiry (P03B2002)	112
Posting Foreign Currency Invoices	113
Multicurrency Receipts	114
General Ledger Receipts	116
Programs for Foreign and Alternate Currency Receipts	116
Entering Manual Receipts in a Foreign Currency	117

Related Topics for Foreign Currency Receipts	123
Multicurrency Processing Options for Standard Receipt Entry (P03B102)	123
Entering Manual Receipts in an Alternate Currency	125
Example: T-Accounts for Alternate Currency Receipts	126
Multicurrency Fields Updated During Receipt and Draft Entry	131
Processing Automatic Receipts in a Foreign Currency	134
Multicurrency Fields Required in the F03B13Z1 Table	135
Reviewing Receipts in a Foreign or Alternate Currency	136
Reviewing Statements in a Domestic or Foreign Currency	136
Generating Statements in a Domestic or Foreign Currency	137
Processing Automatic Debits in a Foreign Currency	137
Posting Foreign and Alternate Currency Receipts	138
Posting Receipts to Monetary Bank Accounts	139
Multicurrency Automatic Entries Created by the Receipt and Draft Post	141
Slight Rounding Differences Recorded by the Receipt Post	142
Multicurrency Journal Entries Created by the Receipt and Draft Post	143
Generating Credit Reimbursements in a Foreign Currency	143
Processing Accounts Receivable Drafts in a Foreign Currency	145
Remitting Foreign Currency Drafts with Contingent Liability	146
Foreign Currency Drafts and Processing Options	147
Multicurrency Credit and Collections Management	148
Printing Delinquency Notices in Multiple Currencies	152
Generating Delinquency Fees in Multiple Currencies	152
Running the Credit Analysis Refresh	153
Reviewing Customer Accounts in Multiple Currencies	153
Updating Customer Statistical Information in Multiple Currencies	156
Currency Gains and Losses for Accounts Receivable	157
Calculating Unrealized Gains and Losses	157
Running the A/R Unrealized Gain/Loss Report	158
Example: Unrealized Gain/Loss on a Foreign Currency Invoice	159
Processing Options for A/R Unrealized Gain/Loss Report (R03B426)	160
Calculating Realized Gains and Losses	161
Example: Realized Gain/Loss on Foreign Currency Invoice and Receipt	163
Example: Realized Gain/Loss on Foreign Invoice and Alternate Currency Receipt	164
Multicurrency Reports for Accounts Receivable	166
Open A/R Detail Reports for Multiple Currencies	166
Processing Options for Currency Detail – Foreign and Domestic (R03B429A)	167
Processing Options for Currency Detail –Aging (R03B429B)	167
Processing Options for Currency – Foreign/Domestic with Aging (R03B429C)	171
Open A/R Detail – Summarized with Currency Report (R03B413B)	174

Processing Options for Open A/R Summary with Currency (R03B413B)	174
Open A/R Detail with Remarks Report (R03B4201A)	177
Multicurrency Considerations for the Open A/R Detail with Remarks Report	178
Processing Options for A/R Invoice Details (R03B4201A)	178
Open A/R Detail with Aging Report (R03B4201B)	179
Multicurrency Considerations for the A/R Detail with Aging Report.....	179
Processing Options for Open A/R Detail with Aging (R03B4201B)	180
Open A/R Summary Analysis Report (R03B155).....	184
Processing Options for Open A/R Summary Analysis (R03B155)	185
Other Accounts Receivable Reports for Multicurrency.....	186
Checklist: Multicurrency Setup for Accounts Payable	187
Foreign Currency Supplier Records	187
Foreign Currency Vouchers	187
Foreign and Alternate Currency Payments	188
Foreign Currency Drafts	189
“As If” Currency Processing	189
AAIs for Foreign Currency Realized and Unrealized Gains and Losses.....	190
AAIs for Alternate Currency Realized Gains and Losses.....	190
Assigning Currency Codes to a Supplier Record	191
Multicurrency Processing Options for Supplier Master Information (P04012).....	193
Setting Up the Offset Method in the Constants	193
Setting Up Multicurrency AAIs for Accounts Payable	195
AAIs for Unrealized Gain and Losses on Foreign Currency Vouchers.....	195
AAIs for Realized Gains and Losses on Foreign Currency Payments	197
AAIs for Realized Gains and Losses on Alternate Currency Payments	198
AAIs for the Clearing Account for Alternate Currency Payments	200
AAIs for Payable Bank Accounts	201
AAIs for Payable Trade Accounts	203
Payment Translation Codes	204
Supplier Currency Conversion	205
How the Address Book Conversion Programs Work	206
Example: Converting Supplier Amounts	207
Example: Parent/Child Structure with Different Currencies.....	208
Processing Options for Address Book Conversion – F0401 (R890401E).....	209
Multicurrency Vouchers	210
Domestic Versus Foreign Currency Transactions.....	210
How Domestic Amounts Are Calculated on Foreign Transactions without Taxes... 211	
How Domestic Amounts Are Calculated on Foreign Transactions with Taxes..... 212	
Rounding versus Soft Rounding	214
Multicurrency Batch Totals	215

Entering Vouchers in a Foreign Currency	216
Related Tasks for Foreign Currency Vouchers	218
Multicurrency Processing Options for Voucher Entry MBF (P0400047).....	219
Reviewing Vouchers in a Foreign Currency	221
Dates That Affect the Transaction Amounts You View	221
Processing Multicurrency Batch Vouchers.....	224
Guidelines for Amount, Exchange Rate, and Currency Mode Fields for Batch Vouchers	224
Multicurrency Fields Required in the F0411Z1 and F0911Z1 Tables.....	226
Processing Inbound EDI Vouchers in Multiple Currencies.....	230
Multicurrency Fields Required in the F47041, F47042, and F47044 Tables.....	231
Reviewing Vouchers in an “As If” Currency	233
Multicurrency Processing Options for A/P Standard Voucher Entry (P0411).....	236
Posting Foreign Currency Vouchers	236
Multicurrency Payments	238
Programs for Foreign and Alternate Currency Payments	240
Cash Requirements Report for Payments in a Foreign Currency	241
Entering Manual Payments in a Foreign Currency	241
Multicurrency Processing Options for A/P Manual Payments (P0413M)	244
Entering Manual Payments in an Alternate Currency	245
Writing Automatic Payments in a Foreign or Alternate Currency	250
Creating Payment Groups in a Foreign or Alternate Currency	250
Writing Payments in a Foreign or Alternate Currency.....	255
Updating the Accounts Payable Ledger.....	259
Reviewing Payments in a Foreign or Alternate Currency	259
Posting Foreign and Alternate Currency Payments	262
Slight Rounding Differences Recorded by the Payment Post	263
Processing Accounts Payable Drafts in a Foreign Currency.....	264
Currency Gains and Losses for Accounts Payable	266
Calculating Unrealized Gains and Losses	266
Running the A/P Unrealized Gain/Loss Report.....	267
Example: Unrealized Gain/Loss on a Foreign Currency Voucher	268
Processing Options for A/P Unrealized Gain/Loss Report (R04425)	269
Calculating Realized Gains and Losses.....	269
Example: Realized Gain/Loss on Foreign Currency Voucher and Payment	271
Example: Realized Gain/Loss on Foreign Voucher and Alternate Currency Payment	272
Multicurrency Reports for Accounts Payable	274
Open A/P Detail Reports for Multiple Currencies.....	274

Processing Options for Currency Detail – Foreign and Domestic (R04427A)	276
Processing Options for Currency Detail – Aging (R04427B)	276
Processing Options for Open A/P Detail w/Foreign Currency Aging (R04427C)	277
Data Sequence for Open A/P Detail Reports for Multiple Currencies	277
Open A/P Summary Reports for Multiple Currencies	278
Processing Options for A/P Summary with Currency (R04413A)	278
Data Sequence for Open A/P Summary Reports for Multiple Currencies	279
A/P Detail by Approver with Foreign Currency Aging	279
Processing Options for A/P Detail By Approver with Foreign Currency Aging (R04428C)	280
Other Accounts Payable Reports for Multicurrency	282
Multicurrency Journal Entries	283
Multicurrency Batch Totals	283
Entering Journal Entries in a Foreign Currency	284
Multicurrency Batch Journal Entry Processing	288
Guidelines for Amount, Exchange Rate, and Currency Mode Fields for Batch Journal Entries	288
Multicurrency Fields Required in the F0911Z1 Table	289
Posting Multicurrency Journal Entries	290
How Balance Amounts Are Stored in the F0902 Table	292
Multicurrency Intercompany Settlements	294
AAIs for Multicurrency Intercompany Settlements	294
Intercompany Journal Entries with Multiple Currencies	295
Revising Intercompany Journal Entries That Include Multiple Currencies	296
Example: Multicurrency Intercompany Settlements	296
Example: T-Accounts for Multicurrency Intercompany Settlements	298
Intercompany Accounts in Balance Report	299
Unrealized Gains and Losses for General Accounting	300
Monetary Account Valuation	300
Example: Monetary Account Valuation	302
Calculating Unrealized Gains and Losses on Monetary Accounts	302
Processing Options for Monetary Account Valuation (R09415)	303
Data Selection for Monetary Account Valuation	307
Realized Gains and Losses for Bank Statement Processing	308
Multicurrency Considerations for Bank Statement Processing	310
Currency Restatement	314
Currency Restatement Methods	314
Example: Currency Restatement	316

Detailed Currency Restatement	317
Detailed Currency Restatement and Ledgers Used	318
Detailed Currency Restatement Gains/Losses on Domestic Transactions	320
Detailed Currency Restatement Gains/Losses on Foreign Transactions	322
Detailed Currency Restatement Setup	323
Working with Journal Entries for Detailed Currency Restatement.....	330
Calculating Detailed Currency Restatement	331
Reviewing and Approving Detailed Currency Transactions.....	336
Posting Detailed Currency Transactions.....	338
Balance Restatement.....	338
Balance Restatement and Ledgers Used	340
Balance Restatement Setup	340
Calculating Restated Balances for Balance Restatement	351
Calculating Retained Earnings for the Consolidation Ledger	357
“As If” Restatement	358
“As If” Restatement and Ledgers Used.....	358
Calculating Restated Balances for “As If” Restatement.....	360
Multicurrency Multisite Consolidations	362
Basic Steps for Multisite Consolidations with Multiple Currencies	364
Multicurrency Cash Forecasting	367
Multicurrency Inquiries and Reports for General Accounting	368
About “As If” Currency Processing	368
Reviewing Accounts in Domestic, Foreign, and “As If” Currencies	369
Foreign Account Balances Report	377
Processing Options for Foreign Account Balances (R09707)	378
EnterpriseOne PeopleBooks Glossary	379
Index	415

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

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.

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.

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.

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.

See Also

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

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:

Typographical Convention or Visual Cue	Description
<i>Italics</i>	Indicates emphasis, topic titles, and titles of PeopleSoft or other book-length publications. Also used in code to indicate variable values.
Key+Key	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.
Monospace font	Indicates a PeopleCode program or other code example.
“ ” (quotation marks)	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.
Cross-references	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.

Note

Example of a note.

Cautions

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

Caution

Example of a caution.

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.

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

Multicurrency Overview

If your company does business internationally, you work with different currencies. As part of working with different currencies, your accounting system has additional setup requirements and added complexity. You must be able to process transactions in different currencies and follow the reporting and accounting requirements of the countries in which you do business.

Some of the fundamental requirements of an international company include the ability to do the following tasks:

- Convert foreign currency amounts to domestic currency amounts
- Receive or make payments in a domestic or foreign currency, as well as in an alternate currency (a currency other than the foreign or domestic currency)
- Revalue currencies as exchange rates fluctuate
- Restate amounts using one common currency for consolidated reporting

To work with foreign and alternate currencies, you use the PeopleSoft multicurrency programs. Some of the programs are used only by multicurrency clients, while others are standard PeopleSoft programs with multicurrency functionality. For example, the program you use to enter an invoice in a foreign currency is the same program that you use to enter an invoice in a domestic currency.

Multicurrency processing allows you to work with an unlimited number of currencies that can be consolidated, restated, compared, and processed in many ways. Review the following table for specific information about PeopleSoft multicurrency functionality:

Multicurrency Functionality	Description
Multiple currencies	You can use any currency in the world. You can create transactions in a foreign currency and the system will automatically convert the transaction to your domestic currency. You can also enter receipts and create payments in an alternate currency.
Currency preferences	You can designate a different currency preference for each of your companies, suppliers, customers, accounts, and employees.
Exchange rates	You set up and control the exchange rates for your various currencies. When you enter a transaction, the system retrieves the exchange rate or, if necessary, you can override the rate.
Exchange rate methods	You set up the exchange rate method for each currency relationship. All programs that calculate and use exchange rates use the multiplier or divisor method (also called inverse method) or the no inverse method of exchange rate calculation. Additionally, all programs can calculate an exchange rate through a third currency using the triangulation method.

Multicurrency Functionality	Description
Transaction entry	<p>When you enter a transaction, the system compares the currency of the transaction with the currency of the company. If the transaction currency is different from the company currency, it is considered a foreign transaction. The system converts foreign amounts to domestic amounts based on the currency of the transaction and the company with which the transaction is associated.</p> <p>Enter your invoices, vouchers, and other transactions in the original (or transaction) currency in which you receive or send them, regardless of whether the currency is a domestic or foreign currency. For receipts and payments, you can use an alternate currency as well.</p>
Alternate currency processing	<p>With alternate currency processing, you can receive payment in any currency and apply the receipt without having to void the original invoice and create a new invoice in the payment currency. The same applies to payments that you issue.</p>
"As if" currency	<p>You can view transaction amounts as if they were stored in a currency other than the currency in which they were actually stored. Regardless of whether the original transaction was entered in a foreign or domestic currency, "as if" currency processing allows you to review transaction amounts in an alternate currency.</p>
Gains and losses	<p>When you make or receive a payment, the system uses the current exchange rate to realize a gain or loss. It realizes a gain or loss if the exchange rate changed between the time an invoice or voucher was entered and the time a payment was made or received.</p>
Currency revaluation	<p>Use the currency gains and losses reports to revalue open transactions at the end of a period. You can also revalue monetary (currency-specific) accounts using a program that creates journal entries for unrealized gains and losses.</p>
Currency restatement	<p>Before you run financial reports at the end of a period, you can:</p> <ul style="list-style-type: none"> • Restate account balances for companies with different base currencies into one currency for consolidated reporting in one currency • Restate amounts at the transaction level • Restate foreign transactions at a new exchange rate for analyzing budgets and job costing

Multicurrency Functionality	Description
Consolidated reporting	<p>Consolidated reporting allows you to:</p> <ul style="list-style-type: none"> • Automatically calculate translation adjustments when restating your foreign subsidiaries into the currency of your parent company. • Choose the exchange rate from the average period, period end, period beginning, historical, or budgeted exchange rate. This choice gives you maximum flexibility for your currency restatement. <p>Simplify compliance with directives such as Statement of Financial Accounting Standard (SFAS) 52 and International Accounting Standards (IAS) 20 by maintaining entries that are based on both local accounting practices and the accepted accounting practices of the parent company.</p>
Highly inflationary economies	<p>You can maintain dual sets of books in highly inflationary economies: one in the local currency and one in a stable currency.</p>
Flexible reporting capabilities	<p>Reports and inquiries provide information to help you analyze your balances for many different currencies. For example, you can analyze currency exposure and detailed bank account activity by the originating currency.</p>
Account balances by currency	<p>You can control which account balances to store by currency. You specify the accounts by company and ranges of account numbers.</p>
"As if" reposting	<p>"As if" reposting eliminates rate fluctuations for budgetary analysis by restating foreign transactions as if they all had been entered using the exchange rate from the same date.</p>
Bank statement processing	<p>Some countries have banking practices that rely heavily on magnetic media processing, electronic fund transfers, and direct bank involvement in the settlement of outstanding debts. For these countries, the bank statement serves as a source document for all banking activity. To enter and reconcile the transactions that appear on your bank statement, you use bank statement processing.</p>

Example: Multicurrency Process

The following example shows a two-month accounting cycle and the various tasks involved in processing transactions in a multicurrency environment:

Multicurrency Menus

The following menus are available for the Multicurrency system:

Menu Name	Menu Number
Multi-Currency Processing	G11
Monthly Valuation	G1121
Financial Restatement	G1122
Multi-Currency Advanced Operations	G1131
External Currency Exchange Rates	G11311

Changing from a Non-Currency to a Multicurrency Environment

If you have been using PeopleSoft software without multicurrency activated and are now changing to multicurrency processing, review and complete the checklist in *Before You Begin*. Upon completing the checklist, complete the task *Updating Domestic Currency Codes* to update all existing transactions from a blank currency code to a valid currency code. Finally, after updating your domestic currency codes, you must complete three additional tasks. Then you can begin working in a multicurrency environment.

Prerequisites

- ❑ Choose a method for converting amounts from one currency to another, and specify that you allow journal entries between companies that have different base currencies.
See *Setting Up Multicurrency Constants* in the *Multicurrency Guide*.
- ❑ Specify the currency code for each currency that you want to use.
See *Setting Up Currency Codes* in the *Multicurrency Guide*.
- ❑ Decide whether you will use currency restatement and, if so, which method you will use.
See *Currency Restatement Methods* in the *Multicurrency Guide*.
- ❑ Decide whether you will maintain account balances by currency.
See *Balances by Currency Versus Summarized Balances* in the *Multicurrency Guide*.
- ❑ For each company in your organization, specify the currency code, the restatement method, and whether you will maintain account balances by currency.
See *Setting Up Companies for Multicurrency* in the *Multicurrency Guide*.
- ❑ Review the ledger types in user defined code tables 09/LT and 09/LA. Decide whether you want to set up any additional ledgers and whether the additional ledger should contain only one currency.
See *Reviewing Multicurrency Ledger Types* in the *Multicurrency Guide*.
- ❑ Specify the general ledger accounts that will accept only transactions in a specific currency and assign the currency code to the accounts.
See *Assigning Currency Codes to Monetary Accounts* in the *Multicurrency Guide*.
- ❑ Set up multicurrency automatic accounting instructions (AAIs). See the following topics in the *Multicurrency Guide*:
 - ❑ *Setting Up Multicurrency AAIs for Accounts Receivable*
 - ❑ *Setting Up Multicurrency AAIs for Accounts Payable*
 - ❑ *Setting Up Multicurrency AAIs for General Accounting*

- ❑ Enter the initial exchange rate between your company domestic currency and all other currencies that you have defined. See *Setting Up Exchange Rates for the Inverse Method* or *Setting Up Exchange Rates for the No Inverse Method* in the *Multicurrency Guide*.

To create an exchange rate that is not quoted in a financial publication, see *Creating Currency Cross-Rate Relationships* in the *Multicurrency Guide*.

- ❑ Assign currency codes to your customers and suppliers to specify the currency of their invoices and vouchers. See the following topics in the *Multicurrency Guide*:
 - ❑ *Assigning Currency Codes to a Customer Record*
 - ❑ *Assigning Currency Codes to a Supplier Record*

Updating Domestic Currency Codes

From the Multi-Currency Advanced Operations menu (G1131), choose a Load Domestic Currency Code program.

If you have been using PeopleSoft software without multicurrency activated and are now changing to multicurrency processing, you must run the Load Domestic Currency Codes programs to update all existing transactions with a valid (not blank) currency code. Prior to running these programs, all records must have a blank currency code. The program will not finish if any records have a currency code.

To update existing transactions with a currency code, you run the Load Domestic Currency Code program for each PeopleSoft system that you use. These batch programs also update the mode for each transaction and print an error report if either of the following situations exist:

- A company does not exist in the Company Constants table (F0010).
- A company does not have a domestic currency code. To assign a currency code to a company, use the Company Names & Numbers program (P0010).

Note

Do not run the Load Domestic Currency Code programs if you activated multicurrency processing when you initially set up your PeopleSoft software.

The following table lists the Load Domestic Currency Code programs and the tables that they update:

Program	Tables Updated
Load Domestic Curr Code – G/L (R11809)	Account Ledger (F0911)
Load Domestic Curr Code –A/P (R11804)	Accounts Payable Ledger (F0411) Accounts Payable - Matching Document (F0413) Accounts Payable Matching Document Detail (F0414)

Program	Tables Updated
Load Domestic Curr Code – A/R (R11803)	Customer Ledger (F03B11) Invoice Revisions (F03B112) Receipts Header (F03B13) Receipts Detail (F03B14) Credit and Cash Management (F03B15) A/R Statistical History (F03B16) A/R Statistical Summary (F03B16S) A/R Notification History (F03B20) A/R Notification History Detail (F03B21) A/R Fee Journal History (F03B22) A/R Fee Journal History Detail (F03B23) A/R Deduction Management (F03B40) A/R Deduction Activity (F03B41)
Load Domestic Curr Code – Tax (R11818)	Taxes (F0018)
Load Domestic Curr Code – Acct. Balances (R11802)	CRCX field in Account Balances (F0902)
Load Domestic Curr Code – System 48S/52 (R11848S)	Billing Detail Workfile (F4812) Billing Workfile History (F4812H) Invoice Summary Work File (F4822) Contract Master (F5201) Contract Billing Line Detail (F5202)
Load Domestic Curr Code – Real Estate Mgmt (R11815)	Tenant/Lease Billings Detail (F1511B) Recurring Billings Master (F1502B) Sales Overage Master (F15013B) Tenant E.P. Class Master (F15012B) Tenant Escalation Master (F15016B) Security Deposit Master (F1565)

After you run the Load Domestic Currency Code programs to update transactions with valid currency codes, you must do the following tasks:

- Determine whether you need to run the Update Display Decimals program.
- Repost the Account Ledger to update the currency code fields in the Account Balances table (F0902).
- Close the fiscal year to update the balance forward fields in the F0902 table.

See Also

- *Updating Display Decimals* in the *System Administration Guide*
- *Reposting the Account Ledger* in the *General Accounting Guide*
- *Closing a Fiscal Year* in the *General Accounting Guide*

Checklist: Multicurrency Setup for General Accounting

Use this checklist as a reference when you set up your General Accounting system for multicurrency processing.

Basic Multicurrency Setup

To use multicurrency processing, you must set up basic information that is used throughout the PeopleSoft system.

Task and Description	Program	√
<p>Set up constants for multicurrency.</p> <ul style="list-style-type: none"> • Enter Y or Z in the Multi-Currency Conversion field to activate multi-currency. • Turn on the Allow Multicurrency Intercompany Transactions option. • Specify method 2 (detail) or 3 (configured hub) in the Detailed Intercompany Settlements field. <p>See <i>Setting Up Multicurrency Constants</i> in the <i>Multicurrency Guide</i>.</p>	<p>General Accounting Constants (P0000)</p>	
<p>Set up the currency codes that you will use. Enter a currency code for each currency in which you will transact business.</p> <p>See <i>Setting Up Currency Codes</i> in the <i>Multicurrency Guide</i>.</p>	<p>Designate Currency Codes (P0013)</p>	

Task and Description	Program	√
<p>Set up companies for multicurrency. For each company:</p> <ul style="list-style-type: none"> • Assign a domestic currency code. See <i>Setting Up Companies for Multicurrency</i> in the <i>Multicurrency Guide</i>. • Determine whether to post account balances by currency and, if applicable, turn on the Post Account Balances by Currency option. See <i>Balances by Currency Versus Summarized Balances</i> in the <i>Multicurrency Guide</i>. • Determine whether to allow detailed currency restatement and, if applicable, enter 1 in the Detailed Currency Restatement field. See <i>Detailed Currency Restatement</i> in the <i>Multicurrency Guide</i>. • Enter a computation ID in the Restatement Computation field, if applicable. See the task <i>To assign a computation ID to a company</i> in the <i>Multicurrency Guide</i>. 	Company Names & Numbers (P0010)	
<p>Set up currency-specific accounts by assigning a currency code to each currency-specific (monetary) account.</p> <p>See <i>Assigning Currency Codes to Monetary Accounts</i> in the <i>Multicurrency Guide</i>.</p>	Revise Single Account (P0901)	

Exchange Rate Setup

After the initial exchange rate setup, you must update currency exchange rates on a regular basis to provide a default rate for transactions and for realized and unrealized gains and losses.

Task and Description	Program	√
<p>To convert amounts from one currency to another using the inverse (multiplier or divisor) method, set up “from” and “to” currency relationships and a multiplier or divisor exchange rate for each relationship.</p> <p>See <i>Setting Up Exchange Rates for the Inverse Method</i> in the <i>Multicurrency Guide</i>.</p>	Currency Exchange Rate Entry (P0015A)	
<p>To convert amounts from one currency to another using the no inverse method, set up “from” and “to” currency relationships and a no inverse rate for each relationship.</p> <p>See <i>Setting Up Exchange Rates for the No Inverse Method</i> in the <i>Multicurrency Guide</i>.</p>	Currency Exchange Rate Entry (P0015A)	

Task and Description	Program	√
<p>To convert amounts when an exchange rate is not quoted in a financial market publication, create a cross-rate relationship for two currencies based on a common currency.</p> <p>See <i>Creating Currency Cross-Rate Relationships</i> in the <i>Multicurrency Guide</i>.</p>	<p>Set Cross Rates Calculation (P111511)</p> <p>Calculate Cross Currency Rates (R11153)</p>	
<p>To convert amounts through a triangulation currency:</p> <ul style="list-style-type: none"> • Set up “from” and “to” currency relationships with a triangulation currency. • Specify a conversion method for leg 1 of the currency relationship. If you specify the multiplier or divisor (inverse) method, the system uses the reverse method for leg 2. • Set up exchange rates for leg 1 of the currency relationship. The system uses the reciprocal rate (inverse method) or the same rate (no inverse) for leg 2. <p>See <i>Setting Up Exchange Rates for the Triangulation Method</i> in the <i>Multicurrency Guide</i>.</p>	<p>Currency Exchange Rate Entry (P0015A)</p>	
<p>Upload exchange rates from a Web site as an alternative to entering exchange rates manually.</p> <p>See <i>Uploading Exchange Rates from an External Source</i> in the <i>Multicurrency Guide</i>.</p>	<p>External Exchange Rates Revisions (P0015Z1)</p> <p>External Exchange Rate Processor (R0015Z1)</p>	

AAIs for Unrealized Gains and Losses

The system uses automatic accounting instructions (AAIs) to distribute amounts to the correct G/L accounts.

Task and Description	Program	√
<p>To record unrealized gains and losses on monetary (currency-specific) accounts, set up AAI items for:</p> <ul style="list-style-type: none"> • GVxxx – unrealized gains • GWxxx – unrealized losses • GRxxx – unrealized gain/loss offset <p>See <i>AAIs for Unrealized Gains and Losses on Monetary Bank Accounts</i> in the <i>Multicurrency Guide</i>.</p>	<p>Automatic Accounting Instructions (P0012)</p>	

Post Balances by Currency

If you post balances by currency, you can review your account balance amounts by currency in the Account Balances table (F0902) instead of reviewing summarized totals, which are meaningless because of different currencies.

Task and Description	Program	√
<p>To post account balances by currency:</p> <ul style="list-style-type: none"> • Turn on the Post Balances by Currency option for each company in which you want to post balances by currency. See <i>Balances by Currency Versus Summarized Balances</i> in the <i>Multicurrency Guide</i>. • Set up AAI items PBCxx for beginning and ending account ranges to post balances by currency. See <i>AAIs for Posting Balances by Currency</i> in the <i>Multicurrency Guide</i>. 	<p>Company Names & Numbers (P0010)</p> <p>Automatic Accounting Instructions (P0012)</p>	

Multicurrency Intercompany Settlements

You must set up your system for intercompany transactions and settlements, regardless of whether you actually create transactions between companies with different base currencies. If you do create multicurrency intercompany transactions, the post will create the necessary balancing entries.

Task and Description	Program	√
<p>Set constants for multicurrency intercompany transactions and settlements:</p> <ul style="list-style-type: none"> • Specify method 2 (detail) or method 3 (configured hub) in the Detailed Interco Settlements field. • Turn on the Allow Multi-Currency Intercompany Trans option. <p>See <i>Setting Up Multicurrency Constants</i> in the <i>Multicurrency Guide</i>.</p>	<p>General Accounting Constants (P0000)</p>	
<p>Set constants to create an offset entry for each detail record. Set the A/R Offset method and A/P Offset Method to Y (one offset per document).</p> <p>See <i>Setting Up Multicurrency Constants</i> in the <i>Multicurrency Guide</i>.</p>	<p>Accounts Receivable Constants (P0000)</p> <p>Accounts Payable Constants (P0000)</p>	

Detailed Currency Restatement

This method of currency restatement allows you to maintain a second set of transactions in a stable currency for reporting purposes.

Task and Description	Program	√
<p>Specify method 2 (detail) or 3 (configured hub) in the Intercompany Settlements field.</p> <p>See the task <i>To set up constants for detailed currency restatement</i> in the <i>Multicurrency Guide</i>.</p>	Detailed Currency Setup (P11410)	
<p>Set up companies for detailed currency restatement.</p> <p>See the task <i>To set up companies for detailed currency restatement</i> in the <i>Multicurrency Guide</i>.</p>	Company Names & Numbers (P0010)	
<p>Set up ledger types and rules for the alternate ledger type (XA) and, optionally, the domestic origin (YA) and foreign origin (ZA) ledger types.</p> <p>See the task <i>To set up ledger type rules for detailed currency restatement</i> in the <i>Multicurrency Guide</i>.</p>	User Defined Codes (P0004A) Ledger Type Rules Setup (P0025)	
<p>Set up exchange rates between the domestic currency and reporting currencies.</p> <p>See the task <i>To set up exchange rates for detailed currency restatement</i> in the <i>Multicurrency Guide</i>.</p>	Currency Exchange Rate Entry (P0015A)	
<p>Set up AAI items for:</p> <ul style="list-style-type: none"> • CRxx – beginning and ending account ranges for detailed currency restatement • CR – offset for detailed currency restatement <p>See <i>AAIs for Detailed Currency Restatement</i> in the <i>Multicurrency Guide</i>.</p>	Automatic Accounting Instructions (P0012)	
<p>To restate transactions in an alternate (stable) currency, run the Detailed Currency Restatement program.</p> <p>See <i>Calculating Detailed Currency Restatement</i> in the <i>Multicurrency Guide</i>.</p>	Detailed Currency Restatement (R11411)	

Balance Restatement

This method of currency restatement restates balances into a single currency for consolidated reporting purposes.

Task and Description	Program	√
<p>Set up ledger type and rules for the consolidation (AC) ledger.</p> <p>See the task <i>To set up ledger type rules for balance restatement</i> in the <i>Multicurrency Guide</i>.</p>	<p>User Defined Codes (P0004A) Ledger Type Rules Setup (P0025)</p>	
<p>Set up exchange rates to convert amounts from the domestic to the consolidated reporting currency.</p> <p>See <i>Setting Up Restatement Rates for Balance Restatement</i> in the <i>Multicurrency Guide</i>.</p>	<p>Currency Restatement Rates (P1113)</p>	
<p>For each company, set up computations to be used by the Compute Restated Balances program.</p> <p>See <i>Setting Up Computations for Balance Restatement</i> in the <i>Multicurrency Guide</i>.</p>	<p>Revise Company Currency Conversions (P1114)</p>	
<p>Assign each company a default computation ID. Alternatively, you can assign the computation ID when you run the Compute Restated Balances program.</p> <p>See the task <i>To assign a computation ID to a company</i> in the <i>Multicurrency Guide</i>.</p>	<p>Company Names & Numbers (P0010)</p>	
<p>To restate balances to the consolidation ledger, run the Compute Restated Balances program.</p> <p>See <i>Calculating Restated Balances for Balance Restatement</i> in the <i>Multicurrency Guide</i>.</p>	<p>Compute Restated Balances (R11414)</p>	

“As If” Restatement

This method of currency restatement eliminates fluctuations in currency exchange rates over a period of time for comparison purposes.

Task and Description	Program	√
Set up ledger type and rules for the “as if” restatement (AD) ledger. See the task <i>To set up ledger type rules for “as if” restatement</i> in the <i>Multicurrency Guide</i> .	User Defined Codes (P0004A) Ledger Type Rules Setup (P0025)	
To recalculate balances on a transaction level, run the “As If” Repost program. See <i>Calculating Restated Balances for “As If” Restatement</i> in the <i>Multicurrency Guide</i> .	“As If” Repost (R11415)	

Setting Up Multicurrency Constants

Before you can use any of the multicurrency features, you must set up the following system-wide constants in the General Accounting Constants program (P0000):

- Multicurrency conversion
- Multicurrency intercompany transactions
- Intercompany settlements method

You set up these constants to specify the default conversion method for multicurrency processing as well as to allow multicurrency intercompany transactions and to specify an intercompany settlement method. The system stores this multicurrency information in the General Constants table (F0009).

Multicurrency Conversion Constant

To activate multicurrency processing for your system, you must set the constant in the Multi-Currency Conversion field to Y (multiplier) or Z (divisor) depending on the default conversion method that you want to use:

- Y – Use the multiplier rate to convert amounts from one currency to another. The system multiplies the foreign amount by the exchange rate to calculate the domestic amount.
- Z – Use the divisor rate to convert amounts from one currency to another. The system divides the foreign currency amount by the exchange rate to calculate the domestic amount.

You can override the default conversion method when you set up currency relationships.

When multicurrency is activated, the system displays currency fields in various entry and inquiry programs.

Caution

After you begin using multicurrency processing, do not change the multicurrency conversion constant or you will get unpredictable results including the following:

- Accounts receivable and accounts payable gains and losses will be incorrect.
 - Voids and reversing entries will be incorrect.
 - Monetary account valuations will be incorrect.
 - Restated amounts will be affected.
-

Multicurrency Intercompany Transactions and Settlements Constants

Typically, companies that work with different base currencies create transactions and balancing entries between their companies. These are called intercompany transactions. You must turn on an option in the General Accounting Constants program (P0000) that allows you to enter and distribute invoices, vouchers, and journal entries to multiple companies with different base currencies. You must also specify the intercompany settlement method. The methods that are valid for multicurrency processing are 2 (detail) and 3 (configured hub). Intercompany settlement methods 1, *, and N are not valid for multicurrency processing.

Note

Even if your company does not allow intercompany transactions, be aware that EnterpriseOne software was designed to allow multicurrency intercompany transactions and settlements. Regardless of whether you actually enter intercompany transactions, you must set the option to allow multicurrency intercompany transactions and specify intercompany settlement method 2 or 3 in the General Accounting Constants program. As long as you do not enter batches that contain transactions between companies, intercompany transactions and settlements will not be created.

The intercompany settlement method that you specify in the General Accounting Constants program must be compatible with the offset method specified in the Accounts Receivable Constants and the Accounts Payable Constants programs. If the methods are not compatible, the system will issue an error message when you post transactions to the general ledger.

The post program uses the offset method to determine whether to create an offset entry for each detail record by batch, transaction, or pay item. For multicurrency processing, you cannot use the batch offset method (B) because the post programs cannot post batches of invoices, vouchers, receipts, and payments that contain one or more foreign or alternate currencies.

The methods and their compatibility are shown in the following table:

Intercompany Settlement Methods for Multicurrency	A/R and A/P Offset Method B = one offset per batch Y = one offset per transaction S = one offset per pay item		
	B	Y	S
2 – detail	Incompatible	Compatible	Compatible
3 – configured hub	Incompatible	Compatible	Compatible

If you use detailed currency restatement, you must specify method Y (one offset per transaction) for the A/R and A/P offset methods.

► **To set up multicurrency constants**

Use one of the following navigations:

From the Multi-Currency Setup menu (G1141), choose Set Multi-Currency Option.

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

1. On System Setup, choose General Accounting Constants.

2. On General Accounting Constants, complete the following field:

- Multi-Currency Conversion (Y, N, Z)

A value of Y (multiplier) or Z (divisor) specifies the default conversion rate and activates multicurrency processing. When multicurrency processing is activated, the system displays currency fields on entry and inquiry forms.

Do not change this value. PeopleSoft recommends that you place security on the General Accounting Constants program so that personnel do not inadvertently change the value in this field.

3. Turn on the following option:

- Allow Multi-Currency Intercompany Trans

You must turn on this option, regardless of whether you actually allow multicurrency intercompany transactions.

4. Enter a value in the following field and click OK:

- Intercompany Settlements

You must enter 2 (detail method) or 3 (configured hub method) in this field if you use detailed currency restatement. No other methods are valid.

See Also

- *Setting Up Constants for General Accounting* in the *General Accounting Guide* for detailed, non-currency specific information

Setting Up Currency Codes

For your currency amounts to reflect the correct decimal positions, you must set up a currency code for each currency with which you work. For each currency code, you also assign a program that converts amounts to words when writing payments.

After you set up your currency codes, you assign them to:

- Companies
- Monetary accounts (usually bank accounts)
- Suppliers and customers
- Ledger types

The system stores currency code information in the Currency Codes table (F0013).

The currency codes that are provided with the PeopleSoft demo data are recognized by the International Organization for Standardization (ISO).

► To set up currency codes

From the Multi-Currency Setup menu (G1141), choose Designate Currency Codes.

1. On Work With Currency Codes and Rates, click Add.



2. On Set Up Currency Codes, complete the following fields:

- Currency Code
- Description
- Display Decimals

Caution

After you specify the number of decimal positions for a currency in the Display Decimals field, do not change it. If you change it, transactions that are already processed will be adversely affected.

3. Enter a translator program number in the following field and click OK:

- Amount to Word Translator

The translator program number that you enter in this field must exist in UDC 98/CT. Each program number is hard-coded and converts numeric values to words on payments based on the language specified for the translator program, regardless of the language specified for the user profile. The number of decimal places is also hard-coded in the translator program.

For example, translator program number X00500FR is a French program that would convert 2,454.25 EUR to DEUX MILLE QUATRE CENT CINQUANTE QUATRE ET 25/100*****.

You can override the translator program number assigned to a currency in the processing options for the print payment program (R04572 and so on). If you leave the Amount to Word Translator field blank and do not assign a translator program number in the print payment program, the system converts numeric values to English words.

How Currency Decimals Are Managed

The number of decimal positions that the system displays for an amount varies according to the currency code and the type of ledger used for the transaction. Review the following table to determine how the system manages decimals in a multicurrency environment.

Decimals	Description
Decimals for amounts that appear without a company number	Controlled by the value of the Display Decimals field (CDEC) in the Data Dictionary for the amount fields used.
Decimals for transaction amounts in ledger type AA (domestic currency)	Controlled by the base (company) currency code. The number of decimals for a currency is defined in the Currency Codes table (F0013).
Decimals for amounts in unit ledgers (ledger types ending in U)	Controlled by the value of the Display Decimals field (CDEC) in the Data Dictionary for the amount fields used.
Decimals for transaction amounts in ledger type CA (foreign currency) Post Account Balances by Currency: On	Controlled by the transaction currency code. The number of decimals for a currency is defined in the F0013 table.
Decimals for transaction amounts in ledger type CA (foreign currency) Post Account Balances by Currency: Off	<p>Controlled by a general ledger account currency code, if applicable, or the transaction currency code associated with a specific total amount.</p> <p>The system obtains the currency code from the following tables in the order listed:</p> <ul style="list-style-type: none"> • Account Balances (F0902) and Asset Account Balances File (F1202) • Account Ledger (F0911) • Customer Ledger (F03B11) and Accounts Payable Ledger (F0411)
Decimals for transaction amounts or balances that are not unit, AA, or CA ledger types	<p>Controlled by the base (company) currency code. The number of decimals for a currency is defined in the F0013 table.</p> <p>Note An exception to this rule occurs when a currency has been assigned to a ledger type in the Ledger Type Master File (F0025). In this case, the decimals are controlled by the currency assigned to the ledger, not the company.</p>

Setting Up Companies for Multicurrency

You must set up the following multicurrency information for each company in your organization:

- Domestic currency. Assign a domestic currency code to specify the base currency of a company. The system maintains amounts in the AA ledger in this currency, using the correct decimal positions as specified for the currency code.
- Restatement computation. Specify the computation method to use for balance currency restatement.
- Detailed currency restatement. Specify whether to allow detailed currency restatement.
- Balances by currency. Specify whether to post account balances to the foreign currency (CA) ledger in the Account Balances table (F0902) by currency.

You use the Company Names & Numbers program (P0010) to set up your companies for multicurrency. The system stores company currency information in the Company Constants table (F0010).

See Also

- *Currency Restatement Methods* in the *Multicurrency Guide*

Balances by Currency Versus Summarized Balances

The ability to review balance amounts in different currencies depends on whether you post amounts in the Account Balances table (F0902) by currency. For each company, you choose whether to turn on the Post Balances by Currency option in the Company Names & Numbers program (P0010). If you do not turn on this option, the system summarizes all currency amounts in one total amount. The total amount is a hash total and is meaningless because of the different currencies.

The differences between posting balances by currency and not posting them by currency (also referred to as summarized balances) are described in the following table:

Balances by Currency	<p>Separates transaction amounts for the transaction currency in both the CA (foreign currency) and AA (actual amounts) ledgers. To review balances according to the currency in which transactions occurred, set up your system to post balances by currency.</p> <p>For example, posting balances by currency allows you to review amounts that are posted to your sales accounts in Canadian dollars, U.S. dollars, and British pounds and, by extension, to review the amounts sold in each country without using subsidiary accounts.</p>
Summarized Balances	<p>Does not separate transaction amounts by currency in the CA ledger. If you do not post balances by currency, the CA ledger contains numerous currencies, the totals in the ledger are meaningless, and the ledger does not balance.</p> <p>Posting summarized balances creates fewer records in the F0902 table than posting balances by currency, and therefore requires less disk space. The system uses the transaction detail to calculate currency totals for most reports.</p>

How the System Updates Currency Fields in the F0902 Table

When you post transactions in a multicurrency environment, the system updates two currency fields in the Account Balances table (F0902) for reporting purposes:

- **CRCD.** The code in this field represents the transaction currency, the currency in which the transaction was entered.
- **CRCX.** The code in this field represents the company (denominated) currency, the currency assigned to the company entered on the transaction.

Depending on whether you have the option turned on to post account balances by currency, the system updates the CRCD and CRCX fields with different values. The following table shows which fields the system updates based on the option.

Post Account Balances by Currency Option	Ledger Type	Transaction Currency (CRCD)	Company (Denominated) Currency (CRCX)
Turned on (post balances by currency)	AA	Transaction Currency	Currency assigned to the company
Turned on	CA	Transaction Currency	Transaction currency
Turned off (do not post balances by currency)	AA	Blank	Currency assigned to the company
Turned off	CA	Blank	Currency assigned to the company
Turned off	All other ledger types	Blank	Currency of ledger type, if specified; otherwise, currency assigned to the company

► To set up companies for multicurrency

Use one of the following navigations:

From the Multi-Currency Setup menu (G1141), choose Designate Company Currency.

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

1. On Work With Companies, choose the company and click Select.
2. On Company Setup, click the Currency tab.



Designate Company Currency - Company Setup

OK Cancel Form Tools



Company

00075

Name

Cascades, Ltd

Set Up Company

52 Period Accounting

Currency

Domestic Currency

CAD

Canadian Dollar

Restatement Computation

Detailed Currency Restatement

1

Post Account Balances by Currency



3. Complete the following field:

- Domestic Currency

Caution

After you assign a currency code to a company and enter transactions, do not change the currency code. Changing the currency affects the integrity of your data.

4. Complete the following fields, if applicable:

- Restatement Computation
Enter the computation ID used for balance restatement.
- Detailed Currency Restatement
Enter the method used for detailed currency restatement.

5. To post account balances by currency, turn on the following option:

- Post Account Balances by Currency

The Confirmation - AAI Setup form appears if you have not set up the required account ranges for AAI item PBCxx for the company or for default company 00000. If this form appears, click Yes to display the Set Up Multiple AAI Items form and add the ranges for PBCxx. Then click OK to return to the Company Setup form.

If you click No and do not set up the required AAI item ranges, be aware that the G/L post program will post journal entries for the company as summarized balances with mixed currencies instead of detailed balances by currency. The post program sends a warning to the Employee Work Center that the balances were not posted by currency because AAI item PBC was not found.

6. Click OK.

See Also

See the following topics in the *Multicurrency Guide*:

- ❑ *To assign a computation ID to a company* for information about the Restatement Computation field
- ❑ *To set up companies for detailed currency restatement* for detailed information about the Detailed Currency Restatement field
- ❑ *AAIs for Posting Balances by Currency*

Changing from Summarized Balances to Balances by Currency

If you originally set up your PeopleSoft system to not post balances by currency (that is, to post summarized balances) and later decide to post balances by currency, you must complete the following steps to change your system. Complete these steps first in a test environment. Verify the accuracy of your results before completing the steps in your production environment.

1. Set up AAI items PBCxx with account ranges to track balances by currency.
2. Turn on the Post Account Balances by Currency Option on the Currency tab of the Company Setup form.
3. Run the Repost Account Ledger program (R099102) in proof mode to print only the report. Review the report to ensure that the currency code appears in the far right column.
4. Run the Repost Account Ledger program in final mode to print the report and update the Account Balances table (F0902). This creates new records in the F0902 table; you must delete the original records as described in the next step.
5. Delete the original records in the F0902 table. These records were created *before* you turned on the Post Account Balances by Currency option. Consult your database administrator.

See Also

- ❑ *AAIs for Posting Balances by Currency* in the *Multicurrency Guide* for more information about step 1
- ❑ *To set up companies for multicurrency* in the *Multicurrency Guide* for more information about step 2
- ❑ *Reposting the Account Ledger* in the *General Accounting Guide* for more information about step 3

Reviewing Multicurrency Ledger Types

When you work with multiple currencies, the system uses ledger types AA (actual amounts) and CA (foreign currency amounts) and, optionally, the following restatement ledger types:

- XA (detailed currency restatement)
- YA (detailed currency restatement)
- ZA (detailed currency restatement)
- AC (balance restatement)
- AD (“as if” restatement)

Review UDC 09/LT to ensure that these ledger types are set up. You decide whether your organization needs to maintain any other ledgers. If so, add the ledger type to UDC 09/LT. Then use the Ledger Type Rules Setup form to define the financial rules for the ledger type and, if applicable, assign a currency code.

See Also

- ❑ *To set up ledger type rules for detailed currency restatement* in the *Multicurrency Guide*
- ❑ *To set up ledger type rules for balance restatement* in the *Multicurrency Guide*
- ❑ *To set up ledger type rules for “as if” restatement* in the *Multicurrency Guide*

Assigning Currency Codes to Monetary Accounts

For most general ledger accounts, you will want the system to accept transactions in any currency. This is accomplished by not assigning a currency code to the account. For those accounts in which you want to accept only transactions in a specific currency, you must assign a currency code to the account. PeopleSoft calls these accounts monetary accounts. Monetary accounts are usually bank, or cash, accounts.

For example, a Japanese organization has a company with a currency that is Japanese yen, and that company has a bank account that is Canadian dollars (CAD). If you assign CAD as the currency of that account, it becomes a monetary account and the system accepts only transactions in that currency.

The system stores currency codes for monetary accounts in the Account Master table (F0901).

Caution

Do not change an account from monetary to non-monetary, or vice versa, if any activity has been posted to the account. Changing the currency affects the integrity of your data.

► **To assign currency codes to monetary accounts**

From the Multi-Currency Setup menu (G1141), choose Designate Monetary Accounts.

1. On Work With Accounts, complete the following field and click Find:
 - Company
2. Use the query-by-example (QBE) row to locate the monetary account to which you want to assign a currency code and click Find.
3. Choose the account and then click Select.

PeopleSoft®

Designate Monetary Accounts - Revise Single Account

Work With Accounts **Revise Single Account**

OK Cancel Form Previous Next Tools

Account Number 21.1110.EUR First Bank of Munich

Revise Single Account More Category Codes 1-10 Category Codes 11-20 Category Codes 21-23

Business Unit/Object/Subsidiary 21 1110 EUR

Description First Bank of Munich

Account Level of Detail 9

Posting Edit Allows all posting

Budget Pattern Code

Model Account/Consolidations Non-Model/Consolidation

Currency Code EUR Euro

Account ID 00155424

4. On Revise Single Account, complete the following field and click OK:
 - Currency Code

Setting Up Multicurrency AAIs for General Accounting

You set up AAIs to define accounts for multicurrency processing in the General Accounting system for the following:

- Unrealized gains and losses on monetary accounts (revaluation)
- Posting balances by currency
- Detailed currency restatement

When the system calculates unrealized gains and losses on monetary accounts, posts account balances by currency, and restates amounts in a different currency, it uses automatic accounting instructions (AAIs) to distribute the amounts to the correct G/L accounts.

Some AAI items have a suffix of *xxx* to accommodate a three-character currency code. You use the *xxx* suffix to set up multiple currency-specific AAI items for each company. If you do not specify a currency code, the system uses the currency code of the company as the default.

You can set up AAIs for company 00000, or you can set up specific AAIs for an individual company. Each AAI item in the PeopleSoft system has a hierarchical order by which the system locates an account number. The following is an example of a hierarchical order:

1. AAI item with *xxx* (currency code). If not found, then search for:
2. AAI item for a specific company. If not found, then search for:
3. AAI item for company 00000.

See Also

- *To set up AAIs* in the *General Accounting Guide* for detailed information about how to set up AAIs

AAIs for Unrealized Gains and Losses on Monetary Bank Accounts

If you work with monetary bank accounts and foreign currencies, you need to periodically revalue your bank accounts to reflect current exchange rates. The system calculates the current domestic amount of a foreign currency balance to determine an unrealized gain or loss. In this way, it shows what the gain or loss would be if you converted the balance of your foreign currency bank account to your domestic currency.

The following AAI items define the accounts that the system uses for unrealized gains and losses on monetary accounts:

- GV*xxx* – unrealized gains
- GW*xxx* – unrealized losses
- GR*xxx* – unrealized gain/loss offset

The following applies to AAI items GV, GW, and GR:

- The system uses the account number assigned to AAI items GV and GW to create unrealized gains and losses on monetary accounts.
- The system uses the account number assigned to AAI item GR to create unrealized gain/loss offsets.

If the gain/loss offset goes to the monetary account, which is usually the case, you must delete AAI item GR. If you do not do this, the system will search for AAI item GR and use it if it is set up, or issue an error message if the AAI item exists but is not set up properly.

- The business unit is optional. If the business unit is not included, the system uses the business unit of the company associated with the monetary account.
- xxx represents the currency code and is optional.

The following table shows the sequence in which the system searches for GV, GW, and GR.

AAI Item	Description	Hierarchy
GV	Unrealized Gain on Monetary Account	The system uses the following hierarchy: <ul style="list-style-type: none"> • GVxxx, where xxx is the currency of the company assigned to the monetary account • GV for the company assigned to the monetary account • GV for company 00000
GW	Unrealized Loss on Monetary Account	The system uses the following hierarchy: <ul style="list-style-type: none"> • GWxxx, where xxx is the currency of the company assigned to the monetary account • GW for the company assigned to the monetary account • GW for company 00000
GR	Unrealized Gain/Loss Offset on Monetary Account	The system uses the following hierarchy: <ul style="list-style-type: none"> • GRxxx, where xxx is the currency of the company assigned to the monetary account • GR for the company assigned to the monetary account • GR for company 00000

AAIs for Posting Balances by Currency

AAI item PBCxx defines the account ranges that the system uses to track and post balances by currency in the Account Balances table (F0902). If you post balances by currency for a company, you must set up AAI item PBCxx as well as turn on the Post Balance by Currency option in the Company Names & Numbers program (P0010).

When you set up account ranges for PBCxx, PeopleSoft recommends that you do not include the retained earnings account (AAI item GLG4) in any of the account ranges. If you include the retained earnings account, the Annual Close program (R098201) might create duplicate records for balance forward amounts in the F0902 table.

The following applies to AAI item PBCxx:

- The system uses the account number ranges assigned to AAI items PBCxx to post balances by currency.
- xx represents both the beginning and ending of a set of ranges. For example, PBC01 represents the first account in a range and PCB02 represents the last account in a range.
- Ranges cannot be skipped and must be in sequential order, as follows:
 - 01 – 02 = first range of accounts
 - 03 – 04 = second range of accounts
- Ranges must be company specific. You set up ranges for each company.

Example: PBCxx Setup

Company 00070 posts balances by currency for all accounts. The retained earnings object account is 4980.

To exclude account 4980, set up four AAI items for PBCxx and two ranges as follows:

Item Number	Description	Object Account	Subsidiary
PBC01	Post Balances by Currency – Beginning Account Range 1	1000	
PBC02	Post Balances by Currency – Ending Account Range 1	4979	99999999 or <i>ZZZZZZZZ</i>
PBC03	Post Balances by Currency – Beginning Account Range 2	4981	
PBC04	Post Balances by Currency – Ending Account Range 2	9999	99999999 or <i>ZZZZZZZZ</i>

Exchange Rates

As part of working with multiple currencies, you need to ensure that the transactions that you enter are based on the most current exchange rates as quoted in the international financial market. These exchange rates:

- Provide a default rate when you enter a transaction
- Are used to calculate realized gains and losses on foreign and alternate currency receipts and payments
- Are used to calculate unrealized gains and losses on open foreign currency invoices and vouchers
- Are used for valuation of open transactions for monetary bank accounts

The following is an example of an exchange rate from USD to EUR, as quoted by an international currency site on the Web. Notice that the inverse (reciprocal) rate from EUR to USD is also quoted.

1 US Dollar = 1.00334 Euro

1 Euro (EUR) = 0.99667 US Dollar (USD)

When you initially set up your PeopleSoft EnterpriseOne system for multicurrency processing, you set up exchange rates between the currency of a company (the “from” currency) with whom you do business and your domestic currency (the “to” currency). Throughout the Multicurrency system, the “from” currency refers to the foreign currency and the “to” currency refers to the domestic currency.

Unlike other setup tasks, setting up exchange rates is a recurring task. After your initial setup, you can continue to set up exchange rates using the Currency Exchange Rate Entry program (P0015A). Or, if you have a large volume of exchange rates to set up at one time, consider using the Currency Exchange Rates Speed Revisions program (P11154) or the External Exchange Rate Processor program (R0015Z1).

Exchange Rate Calculation Methods

When you enter exchange rates for a currency relationship, you specify one of the following calculation methods:

- Inverse method. This method multiplies or divides the foreign amount by the exchange rate to calculate the domestic amount. The exchange rate of the multiplier and divisor are the inverse (reciprocal) of each other.
- No inverse method. This method multiplies or divides the foreign amount by the exchange rate to calculate the domestic amount. The exchange rate of the multiplier and divisor are the same rate and not the inverse (reciprocal) of each other.

- Triangulation method. This method multiplies or divides the foreign amount by an exchange rate between the foreign and triangulation currencies to derive a calculated amount, then divides or multiplies the calculated amount by an exchange rate between the triangulation and domestic currencies to calculate the domestic amount. This method must be used in combination with the no inverse method. It can be used as an alternative to creating currency cross-currency relationships.

You can change calculation methods for a currency relationship at any time by specifying the date in which you want the new method and exchange rate to be effective. This flexibility allows you to change a specific currency relationship from inverse to no inverse, and vice versa, or to start or stop using triangulation for a currency relationship. If you change the calculation method for a currency relationship, you will still be able to reference historical rates and methods.

Along with the calculation method, you also specify a conversion method for each currency relationship. You set up the default conversion method in the General Accounting Constants program (P0000). You can accept or override the default conversion method when you set up a currency relationship using the Currency Exchange Rate Entry program (P0015A). The system stores the conversion method for each currency relationship in the Currency Exchange Rates table (F0015) and it uses that conversion method for currency calculations; it does not use the default conversion method specified in the General Accounting Constants program.

Inverse Method

The inverse method of exchange rate calculation uses the inverse (reciprocal) rate when converting amounts from one currency to another. With the inverse method, the multiplier and divisor rates are the reciprocal, or opposite, of each other.

When you set up currency exchange rates using the inverse method, you can specify the divisor conversion method when converting to a currency and the multiplier conversion method when converting from a currency, or vice versa. The only restriction is that you cannot use the inverse method in combination with the triangulation method.

Example: Inverse Method

The following examples show the exchange rate setup for a CAD to USD currency relationship that uses the inverse calculation method. With the inverse calculation method, you use one of the following conversion methods:

- Multiplier
- Divisor

Inverse with Multiplier Conversion Method

The following example shows the exchange rate setup for a CAD to USD currency relationship that uses the inverse calculation method and multiplier conversion method.

With the multiplier conversion method (Y), the foreign amount is multiplied by the exchange rate to calculate the domestic amount.

Currency Relationship	Multiplier Conversion Method (Y) and Rate	Divisor Conversion Method (Z) and Rate
CAD to USD	1.60420	0.62336
USD to CAD	0.62336	1.60420

The system uses the multiplier rate when calculating from CAD to USD and the inverse when calculating from USD to CAD. The USD to CAD multiplier rate ($1/1.60420 = 0.62336$) is the inverse of the CAD to USD rate (1.60420).

Inverse with Divisor Conversion Method

The following example shows the exchange rate setup for a CAD to USD currency relationship that uses the inverse calculation method and divisor conversion method.

With the divisor conversion method (Z), the foreign amount is divided by the exchange rate to calculate the domestic amount.

Currency Relationship	Multiplier Conversion Method (Y) and Rate	Divisor Conversion Method (Z) and Rate
CAD to USD	1.60420	0.62336
USD to CAD	0.62336	1.60420

The system uses the divisor rate when calculating from CAD to USD and the inverse when calculating from USD to CAD. The CAD to USD divisor rate ($1/1.60420 = 0.62336$) is the inverse of the USD to CAD divisor rate (1.60420).

No Inverse Method

The no inverse method of calculating exchanges does not use the inverse (reciprocal) rate when converting amounts from one currency to another as does the inverse method. With the no inverse method, the divisor and multiplier rates are the same rate and not the reciprocal of each other.

The no inverse method reduces the rounding differences that can occur when you work with large amounts using the inverse method and reciprocal rate. Any rounding differences that might occur with the no inverse method are usually immaterial.

When you set up currency exchange rates using the no inverse method, you can specify the divisor method when calculating to a currency and the multiplier conversion method when converting from a currency, or vice versa. The exception to this is the following: if you use the no inverse method in combination with the triangulation method. In that case, you must specify the divisor conversion method when converting to a triangulation currency and the multiplier conversion method when converting from a triangulation currency.

Example: No Inverse Method

The following example shows the exchange rate setup for a CAD to USD currency relationship that uses the no inverse calculation method.

In this example, the conversion method for CAD to USD is Z (divisor) and the method for USD to CAD is Y (multiplier).

With the no inverse calculation method, the exchange rate for the multiplier and divisor methods are the same amount, 0.62336. The opposite rate on each exchange rate record is blank because, with no inverse, that rate does not exist because it has no purpose.

Currency Relationship	Multiplier Conversion Method (Y) and No Inverse Rate	Divisor Conversion Method (Z) and No Inverse Rate
CAD to USD	blank	0.62336
USD to CAD	0.62336	blank

Note

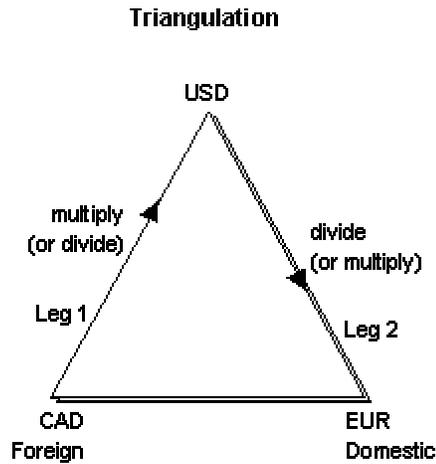
The CAD to USD relationship can use either the multiplier or divisor method, as long as the USD to CAD relationship uses the opposite method.

Triangulation Method

The triangulation method of exchange rate calculation converts amounts from one currency to another through a third (triangulation) currency. If you use the triangulation calculation method, you must also use the no inverse method. You cannot use triangulation in combination with the inverse method.

Triangulation is a composite of two exchange rates that are multiplied and divided through a third currency to produce a domestic amount. The first exchange rate is the foreign to triangulation rate and the second rate is the triangulation to domestic rate. While some companies might prefer to set up currency cross-rate relationships to produce similar results, others will choose to set up triangulation.

The following graphic is a visual representation of triangulation:



When you set up a currency relationship with the triangulation calculation method, you determine the conversion method (multiplier or divisor) for Leg 1 (the foreign to triangulation currency relationship) and the system automatically uses the opposite conversion method for Leg 2 (the triangulation to domestic currency relationship).

If you choose to set up triangulation for some currency relationships, you do not have to set it up for all currency relationships. You control whether a currency relationship uses the triangulation calculation method, just as you control whether a currency relationship uses the inverse or no inverse calculation method.

Example: Triangulation Method

The following example shows the exchange rate setup for a CAD to EUR currency relationship that uses the triangulation calculation method. The triangulation currency is USD. As the example illustrates, you must use the no inverse method in combination with the triangulation calculation method.

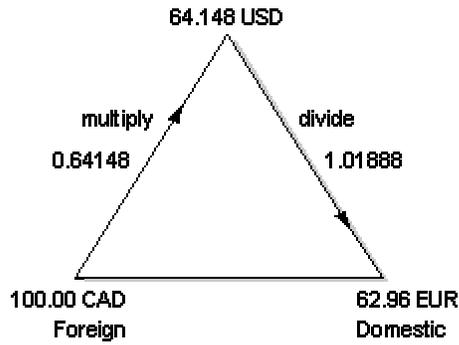
To convert amounts from CAD to EUR using USD as the triangulation currency, the system first calculates the CAD to USD amount using the multiplier conversion method (step 1), and then the USD to EUR amount using the divisor conversion method (step 2).

Currency Relationship	Multiplier Conversion Method (Y) and No Inverse Rate	Divisor Conversion Method (Z) and No Inverse Rate
CAD to USD	0.64148	blank
USD to EUR	blank	1.01888

The system uses the multiplier conversion method and no inverse rate to calculate from CAD to USD and the divisor method and no inverse rate to calculate from USD to EUR.

The triangulation calculation method is illustrated in the following graphic:

Example: Triangulation



1 CAD = 0.64148 USD
1 USD = 1.01888 EUR

FC = Foreign Currency
ER = Exchange Rate
DC = Domestic Currency

Step 1:

Multiply FC by ER to calculate USD
 $100.00 \text{ CAD} \times 0.64148 = 64.148 \text{ USD}$

Step 2:

Divide USD by ER to calculate DC
 $64.148 / 1.01888 = 62.96 \text{ EUR}$

Exchange Rate Setup and Spot Rates

When you set up exchange rates for currency relationships, you must specify whether spot rates are allowed on transactions between those currencies. To specify whether spot rates are allowed for a currency relationship, you turn on or turn off the Allow Spot Rate option on the Revise Currency Exchange Rates form.

When you enter a spot rate on an invoice or voucher, the system uses the conversion method (Y or Z) that is stored in the Currency Exchange Rates table (F0015); it does not use the default conversion method specified in the General Accounting Constants program (P0000). Specifically, the system uses the conversion method set up for a specific currency relationship with an effective date that is on or before the G/L date of the invoice or voucher.

For spot rates, the system compares the converted currency amount with the amount that would be derived using the actual exchange rate. It calculates the difference between the two amounts and validates the entry, based on the tolerance limit specified in the master business function (MBF) processing options for voucher entry (P0400047), invoice entry (P03B0011), and journal entry (P0900049). If the calculated amount is greater or less than the tolerance amount, you will receive a warning message.

For example, 5 specifies a tolerance limit of 5 percent. If you enter a spot rate that calculates an amount that is 6 percent greater or less than the amount that is derived using the actual exchange rates, you will receive a warning. In this way, the system helps to ensure that the spot rate that you enter is reasonable, thus alerting you to possible data entry errors.

Setting Up Exchange Rates for the Inverse Method

The inverse method is a method for calculating currency that uses the reciprocal (inverse) exchange rate for the multiplier and divisor rates.

When you set up exchange rates for the inverse method, you enter two rates (multiplier rate and divisor rate) and specify whether to use the multiplier or divisor conversion method when converting amounts for a particular currency relationship. The multiplier and divisor rates are the reciprocal of each other.

The difference between the inverse and no inverse methods is that the inverse method uses the reciprocal rate for the multiplier and divisor rates, whereas the no inverse method uses the same rate.

Exchange rates are stored in the Currency Exchange Rates table (F0015).

► To set up exchange rates for the inverse method

Use one of the following navigations:

From the Multi-Currency Processing menu (G11), choose Currency Exchange Rate Entry.

From the Multi-Currency Setup menu (G1141), choose Currency Exchange Rate Entry.

1. On Work with Currency Exchange Rates, click Add.



Currency Exchange Rate Entry - Revise Currency Exchange Rates

<input type="button" value="OK"/> <input type="button" value="Cancel"/> <input type="button" value="Tools"/>	
From Currency Code <input type="text" value="CAD"/> To Currency Code <input type="text" value="JPY"/> Effective Date <input type="text" value="01/01/05"/>	Contract (Addr) <input type="text"/> <input type="button" value="Search"/>
Calculation Method	
<input checked="" type="radio"/> Inverse Method <input type="radio"/> No Inverse Method <input type="radio"/> Triangulation Method <input checked="" type="checkbox"/> Allow Spot Rate	Conversion Method (Y/Z) <input type="text" value="Z"/> Divisor Method Multiplier Rate <input type="text" value="82.7335400"/> Divisor Rate <input type="text" value="0.0120870"/>

2. On Revise Currency Exchange Rates, complete the following fields:

- From Currency Code
- To Currency Code
- Effective Date

3. Complete the following optional field:

- Contract (Addr)

To set up exchange rates for payment methods used in the Expense Management system, enter the address number that was entered for the exchange rate identifier. You can use the same address number for exchange rates between different currencies. For example, you can set up an exchange rate between USD and CAD for address number 12345, and then set up another exchange rate between USD and EUR for address number 12345.

4. Turn on the following option under Calculation Method:

- Inverse Method

If you are setting up a new exchange rate for an existing currency relationship, the default calculation method is retrieved from the previous exchange rate record for that currency relationship.

5. To allow spot rates for the currency relationship, turn on the following option:

- Allow Spot Rate

6. Complete the following field:

- Conversion Method (Y/Z)

If you are setting up a new exchange rate for an existing currency relationship, the default conversion method is retrieved from the previous exchange rate record for that currency relationship.

If you are setting up an exchange rate for a new currency relationship, the default conversion method is retrieved from the General Accounting Constants program (P0000).

7. Complete one of the following fields and click OK:

- Multiplier Rate
- Divisor Rate

The system calculates the value for the field that you leave blank. That is, if you enter a multiplier rate, the system calculates the divisor rate. If you enter a divisor rate, the system calculates the multiplier rate. The rates are the inverse, or reciprocal, of each other.

Warning and Error Messages

If you enter an exchange rate that exceeds the previous exchange rate by more than the tolerance limit that is specified in the processing option, you receive a warning. To override the warning and use the new exchange rate, click OK twice.

If a rate already exists for the effective date and rate type (if applicable) that you entered, you receive an error message.

8. To review the inverse rate calculated by the system, complete the following fields in the QBE row on Work with Currency Exchange Rates and click Find:

- From Currency
- To Currency

9. Choose the row and click Select.

Setting Up Exchange Rates for the No Inverse Method

The no inverse method is a method for calculating currency that uses the same exchange rate for the multiplier and divisor rates.

When you set up exchange rates for the no inverse method, you enter one rate and specify whether to use the multiplier or divisor conversion method when converting amounts for a particular currency relationship. You can set up exchange rates for the no inverse method using the multiplier conversion method to calculate from a currency and the divisor conversion method to calculate to a currency, *or* vice versa.

The difference between the no inverse and the inverse methods is that the no inverse method uses the same exchange rate for both the multiplier and divisor rates, whereas the inverse method uses the reciprocal (inverse) rate.

When you set up an exchange rate for the no inverse method, the system automatically creates a corresponding record in the opposite direction. For example, if you set up an exchange rate record from CAD to JPY for the no inverse method and specify conversion method Z (divisor), the system automatically creates an exchange rate record from JPY to CAD with conversion method Y (multiplier). The two rates on these exchange rate records are the same: one is the divisor rate and the other is the multiplier rate. The opposite rate on each record is blank because, with no inverse, that rate has no purpose.

You can use the triangulation calculation method in combination with the no inverse method.

Exchange rates are stored in the Currency Exchange Rates table (F0015).

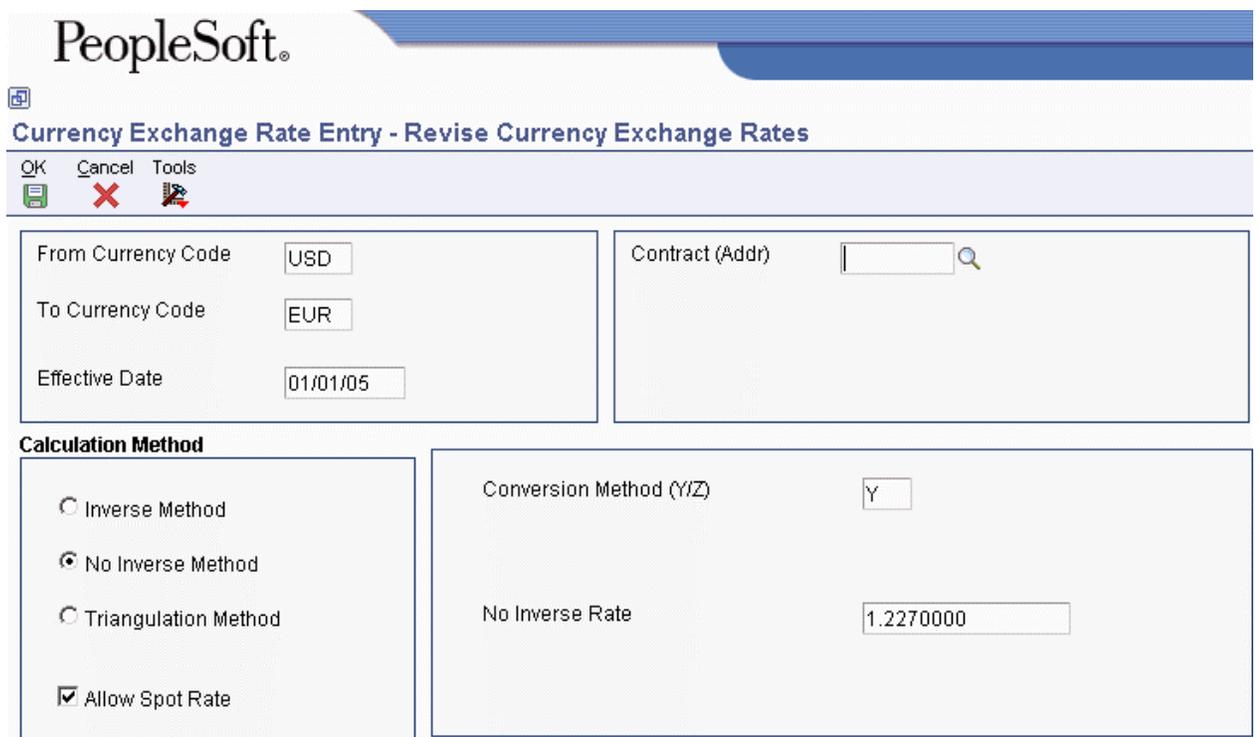
► **To set up exchange rates for the no inverse method**

Use one of the following navigations:

From the Multi-Currency Processing menu (G11), choose Currency Exchange Rate Entry.

From the Multi-Currency Setup menu (G1141), choose Currency Exchange Rate Entry.

1. On Work with Currency Exchange Rates, click Add.



PeopleSoft®

Currency Exchange Rate Entry - Revise Currency Exchange Rates

OK Cancel Tools

From Currency Code USD

To Currency Code EUR

Effective Date 01/01/05

Contract (Addr)

Calculation Method

Inverse Method

No Inverse Method

Triangulation Method

Allow Spot Rate

Conversion Method (Y/Z) Y

No Inverse Rate 1.2270000

2. On Revise Currency Exchange Rates, complete the following fields:

- From Currency Code
- To Currency Code
- Effective Date

3. Complete the following optional field:

- Contract (Addr)

To set up exchange rates for payment methods used in the Expense Management system, enter the address number that was entered for the exchange rate identifier. You can use the same address number for exchange rates between different currencies. For example, you can set up an exchange rate between USD and CAD for address number 12345, and then set up another exchange rate between USD and EUR for address number 12345.

4. Turn on the following option under Calculation Method:

- No Inverse Method

If you are setting up a new exchange rate for an existing currency relationship, the default calculation method is retrieved from the previous exchange rate record for that currency relationship.

5. To allow spot rates for the currency relationship, turn on the following option:

- Allow Spot Rate

6. Complete the following field:

- Conversion Method (Y/Z)

If you are setting up a new exchange rate for an existing currency relationship, the default conversion method is retrieved from the previous exchange rate record for that currency relationship.

If you are setting up an exchange rate for a new currency relationship, the default conversion method is retrieved from the General Accounting Constants program (P0000).

7. Enter the exchange rate in the No Inverse Rate field and click OK.

The system automatically creates a corresponding exchange rate record in the opposite direction. For example, if you set up an exchange rate record for the no inverse method from CAD to JPY with conversion method Z (divisor), the system automatically creates a record from JPY to CAD for the no inverse method with conversion method Y (multiplier). The exchange rate on both records is the same rate.

Warning and Error Messages

If you enter an exchange rate that exceeds the previous exchange rate by more than the tolerance limit that is specified in the processing option, you receive a warning. To override the warning and use the new exchange rate, click OK twice.

If a rate already exists for the effective date and rate type (if applicable) that you entered, you receive an error message.

Setting Up Exchange Rates for the Triangulation Method

The triangulation method is a method for calculating currency that converts amounts from one currency to another through a third currency, which is referred to as the triangulation currency. If you set up exchange rates for the triangulation method, you must also use the no inverse method for the currency relationship. You cannot use the inverse method in combination with the triangulation method.

To calculate amounts through a triangulation currency, you specify whether to use the multiplier (Y) or divisor (Z) method to convert amounts from the foreign to the triangulation currency (Leg 1). The system automatically uses the opposite method to convert amounts from the triangulation to the domestic currency (Leg 2).

You set up an exchange rate for the foreign to domestic currency relationship and assign a triangulation currency to the record. The system automatically creates a corresponding record in the opposite direction. For example, if you set up an exchange rate from CAD to EUR with USD as the triangulation currency, the system automatically creates a record for EUR to CAD with USD as the triangulation currency.

Because triangulation is a composite of two rates that have been multiplied and divided to produce a domestic amount, two rates are retrieved and used in the calculation. Storing both rates on the transaction record is impossible. Therefore, an exchange rate of zero is stored but not used.

► To set up exchange rates for the triangulation method

Use one of the following navigations:

From the Multi-Currency Processing menu (G11), choose Currency Exchange Rate Entry.

From the Multi-Currency Setup menu (G1141), choose Currency Exchange Rate Entry.

1. On Work with Currency Exchange Rates, click Add.



Currency Exchange Rate Entry - Revise Currency Exchange Rates

OK	Cancel	Tools
From Currency Code	<input type="text" value="CAD"/>	Contract (Addr) <input type="text"/>
To Currency Code	<input type="text" value="EUR"/>	
Effective Date	<input type="text" value="01/01/05"/>	
Calculation Method		
<input type="radio"/> Inverse Method <input type="radio"/> No Inverse Method <input checked="" type="radio"/> Triangulation Method <input checked="" type="checkbox"/> Allow Spot Rate		Leg 1 Conversion Method <input type="text" value="Z"/> Triangulation Currency <input type="text" value="USD"/> Triangulation Rate - Leg 1 <input type="text" value="1.4988010"/> Triangulation Rate - Leg 2 <input type="text" value="1.1000000"/>

2. On Revise Currency Exchange Rates, complete the following fields:
 - From Currency Code
 - To Currency Code
 - Effective Date
3. Complete the following optional field:
 - Contract (Addr)
4. Turn on the following option under Calculation Method:
 - Triangulation Method

If you are setting up a new exchange rate for an existing currency relationship, the default calculation method is retrieved from the previous exchange rate record for that currency relationship.
5. To allow spot rates between the currencies, turn on the following option:
 - Allow Spot Rate
6. Enter Y or Z in the following field:
 - Leg 1 Conversion Method

If you are setting up a new exchange rate for an existing currency relationship, the default conversion method is retrieved from the previous exchange rate record for that currency relationship.

If you are setting up an exchange rate for a new currency relationship, the default conversion method is retrieved from the General Accounting Constants program (P0000).

7. Complete the following field:
 - Triangulation Currency
8. Enter the exchange rate between the foreign and triangulation currencies in the following field:
 - Triangulation Rate Leg 1
9. Enter the exchange rate between the triangulation and domestic currencies in the following field:
 - Triangulation Rate Leg 2
10. Click OK.

Processing Options for Currency Exchange Rate Entry (P0015A)

Limits Tab

1. Tolerance Limit Percentage

Use this processing option to specify the tolerance limit for changes in exchange rates. The tolerance limit that you specify applies when you enter exchange rates on data entry forms for individual transactions such as invoices, vouchers, and journal entries.

For example, 5.0 specifies a tolerance limit of 5 percent. If you try to enter an exchange rate that is 6 percent greater or less than the previous rate entered, you will receive a warning.

Display Tab

1. Rate Type

0 or blank = Do not display

1 = Display

Use this processing option to specify whether the system displays the Rate Type field. Rate types are used by the balance restatement program and include monthly average, month end, budget, historical rates, and so on. Valid values are:

0 or blank

Do not display the Rate Type field.

1

Display the Rate Type field.

Setting Up Multiple Exchange Rates for a Single Currency

To set up multiple exchange rates for a single currency, you can use either the Currency Exchange Rate Entry program (P0015A) or the Currency Exchange Rates Speed Revisions program (P11154). The Currency Exchange Rates Speed Revisions program has several advantages including the following:

- You do not have to locate “from” currencies one at a time to enter associated exchange rates. Instead, you can enter exchange rates from multiple “from” currencies to a single “to” currency at one time on the same form.
- You use this program to enter new exchange rates for existing currency relationships only, which makes it appropriate for quick data entry and daily use.

To set up new currency relationships or to change the calculation method, conversion method, and other values for existing currency relationships, you must use the Currency Exchange Rate Entry program.

- You can view all currency rates associated with a specific currency at one time.

The Currency Exchange Rates Speed Revisions program updates exchange rates stored in the Currency Exchange Rates table (F0015).

► To set up multiple exchange rates for a single currency

From the Multi-Currency Processing menu (G11), choose Speed Transaction Rates Entry.

1. On Work with Currency Exchange Rates, choose a row that displays the “To Currency” in which you want to set up multiple exchange rates.



Speed Transaction Rates Entry - Work with Currency Exchange Rates

Select Find Add Close Row Report Tools

Records 1 - 10 Customize Grid

<input type="checkbox"/>	From Currency	From Currency Description	To Currency	To Currency Description	Contract (Addr)	Contract (Addr) Description
<input type="checkbox"/>	AUD	Australian Dollar	USD	U.S. Dollar		
<input type="checkbox"/>	BRL	Brazilian Real	USD	U.S. Dollar		
<input type="checkbox"/>	CAD	Canadian Dollar	EUR	Euro		
<input checked="" type="checkbox"/>	CAD	Canadian Dollar	JPY	Japanese Yen		
<input type="checkbox"/>	CAD	Canadian Dollar	MXP	Mexican Peso		
<input type="checkbox"/>	CAD	Canadian Dollar	USD	U.S. Dollar		
<input type="checkbox"/>	CAD	Canadian Dollar	USD	U.S. Dollar	4356	American Express Co
<input type="checkbox"/>	CHF	Swiss Franc	USD	U.S. Dollar		
<input type="checkbox"/>	COP	Colombian Peso	EUR	Euro		
<input type="checkbox"/>	COP	Colombian Peso	USD	U.S. Dollar		

- From the Row menu, choose Multiple Rates.

The system copies the “to” currency code and, if applicable, the contract (address) to the header area of the Currency Exchange Rates Speed Revisions form.

The Effective Date field in the header area initially contains the system date. The system displays the most current exchange rates that are on or before that date.



Speed Transaction Rates Entry - Currency Exchange Rates Speed Revisions

OK Find Cancel Tools

To Currency Code	<input type="text" value="JPY"/> Japanese Yen	Contract (Addr)	<input type="text"/>
Effective Date	<input type="text" value="06/01/05"/>		

Records 1 - 3 Customize Grid

<input type="checkbox"/>	From Currency	Exchange Rate Multiplier / Leg 1	Exchange Rate Divisor / Leg 2	Effective Date	Calc Meth	Conv Meth	Effective Rate Multiplier / Leg 1	Effective Rate Divisor / Leg 2	Tri Curr	Spot Rate
<input checked="" type="checkbox"/>	CAD			06/01/05	1	Z	87.8063431	0.0113887		1
<input type="checkbox"/>	EUR			06/01/05	2	Y	100.8102955	0.0099196		0
<input type="checkbox"/>	USD			06/01/05	1	Z	120.1345507	0.0083240		1

- On Currency Exchange Rates Speed Revisions, change the following field in the header area to the current date, if necessary:
 - Effective Date

Exchange Rate Multiplier/Leg 1 and Exchange Rate Divisor/Leg 2 Fields

The fields for Exchange Rate Multiplier/Leg 1 and Exchange Rate Divisor/Leg 2 are used for all calculation methods and, therefore, the names of the fields are all encompassing. Depending on the values in the Conversion Method and Calculation Method fields, one or both of these fields are input capable.

4. For each “from” currency, enter a new rate in one of the following blank fields in the detail area:

- Exchange Rate Multiplier / Leg 1
- Exchange Rate Divisor / Leg 2

If the calculation method is 1 (inverse) and the conversion method is Y (multiplier), enter the new rate in the Exchange Rate Multiplier/Leg 1 field. If the conversion method is Z (divisor), enter the new rate in the Exchange Rate Divisor/Leg 2 field. The system calculates the opposite rate for the field that you leave blank when you click OK or tab to the next row.

If the calculation method is 2 (no inverse) and the conversion method is Y, enter the new rate in the Exchange Rate Multiplier/Leg 1 field. If the conversion method is Z, enter the new rate in the Exchange Rate Divisor 2/Leg 2 field.

If the calculation method is 3 (triangulation) and the conversion method is Y or Z, enter the foreign-to-triangulation currency rate in the Exchange Rate Multiplier/Leg 1 field and the triangulation-to-domestic currency rate in the Exchange Rate Divisor/Leg 2 field.

5. After you enter all of the new rates for the currency, click OK.
The system immediately returns to the Work with Currency Exchange Rates form.
6. To review the new rates that you just set up, choose Multiple Rates from the Row menu.
7. On Currency Exchange Rates Speed Revisions, change the effective date in the header area and click Find to review the new rates.

Reviewing Exchange Rates

After you set up your exchange rates, you can review them online or in printed format. Depending on the type of information that you want to review online, you can do the following:

- Review exchange rates for a specific “to” currency using the Currency Exchange Rate Speed Revisions form
- Review exchange rates for a specific “from” and “to” currency relationship using the Review Currency Exchange Rates form

Additionally, you can review specific exchange rates or exchange rate relationships by printing the Currency Exchange Rates Report (R00151P).

► **To review exchange rates for a specific “to” currency**

Use one of the following navigations:

From the Multi-Currency Processing menu (G11), choose Currency Exchange Rate Entry.

From the Multi-Currency Setup menu (G1141), choose Currency Exchange Rate Entry.

1. On Work with Currency Exchange Rates, choose a row that displays the “to” currency for which you want to review multiple exchange rates.
2. From the Row menu, choose Multiple Rates.

	From Currency	Exchange Rate Multiplier / Leg 1	Exchange Rate Divisor / Leg 2	Effective Date	Calc Meth	Conv Meth	Effective Rate Multiplier / Leg 1	Effective Rate Divisor / Leg 2	Tri Curr	Spot Rate
<input checked="" type="radio"/>	AUD			04/01/02	1	Z	0.5305012	1.8850100		1
<input type="radio"/>	BRL			01/01/05	1	Z	0.9090909	1.1000000		1
<input type="radio"/>	CAD			01/01/05	2	Z		1.4988010		1
<input type="radio"/>	CHF			04/01/02	1	Z	0.6004563	1.6654000		1
<input type="radio"/>	COP			01/01/05	1	Z	0.0009940	1006.0362173		1
<input type="radio"/>	DKK			04/01/02	1	Z	0.1180289	8.4725000		1
<input type="radio"/>	EUR			01/01/05	2	Z		1.1000000		0
<input type="radio"/>	GBP			01/01/05	1	Z	1.5827794	0.6318000		1
<input type="radio"/>	JPY			01/01/05	1	Z	0.0087680	114.0510949		1
<input type="radio"/>	MXN			04/01/02	1	Z	0.1105278	9.0475000		1
<input type="radio"/>	NZD			04/01/02	1	Z	0.4396996	2.2742800		1

3. On Currency Exchange Rates Speed Revisions, complete the following field to review exchange rates as of a specific date and click Find.

- Effective Date

► **To review exchange rates for a specific “from” and “to” currency**

Use one of the following navigations:

From the Multi-Currency Processing menu (G11), choose Currency Exchange Rate Entry.

From the Multi-Currency Setup menu (G1141), choose Currency Exchange Rate Entry.

1. On Work with Currency Exchange Rates, complete the following fields in the QBE row to review exchange rates for a specific currency relationship:
 - From Currency
 - To Currency
2. Click Find.
3. Choose the row that contains the currency relationship and click Select.



Currency Exchange Rate Entry - Review Currency Exchange Rates

Select Find Add Delete Close Tools

From Currency Code	<input type="text" value="CAD"/>	Contract (Addr)	<input type="text"/>
To Currency Code	<input type="text" value="EUR"/>		
Skip To Effective Date	<input type="text"/>		

Records 1 - 10 Customize Grid

	Effective Date	Calc Meth	Conv Meth	Multiplier Rate	Divisor Rate	Tri Curr	Triangulation Rate - Leg 1	Triangulation Rate - Leg 2	Spot Rate
<input checked="" type="radio"/>	01/01/05	3	Z			USD	1.4988010	1.1000000	1
<input type="radio"/>	02/01/05	3	Z			USD	1.4988010	1.0676917	1
<input type="radio"/>	03/01/05	3	Z			USD	1.5363343	1.0831889	1
<input type="radio"/>	04/01/05	3	Z			USD	1.5760441	1.1389522	1
<input type="radio"/>	05/01/05	3	Z			USD	1.5368065	1.1271416	1
<input type="radio"/>	06/01/05	3	Z			USD	1.5384615	1.1820331	1
<input type="radio"/>	07/01/05	3	Z			USD	1.5146925	1.1760555	1
<input type="radio"/>	08/01/05	3	Z			USD	1.5335071	1.1420740	1
<input type="radio"/>	09/01/05	3	Z			USD	1.5506280	1.0968520	1
<input type="radio"/>	10/01/05	3	Z			USD	1.5792798	1.0970927	1

- On Review Currency Exchange Rates, complete the following field to review exchange rates as of a specific date and click Find:
 - Skip To Effective Date

Printing the Currency Exchange Rates Report

Use one of the following navigations:

From the Multi-Currency menu (G11), choose Currency Exchange Rate Entry. From Work with Currency Exchange Rates, choose Exchange Rate Rpt from the Report menu.

From the Multi-Currency Setup menu (G1141), choose Currency Exchange Rate Entry. From Work with Currency Exchange Rates, choose Exchange Rate Rpt from the Report menu.

An alternative to reviewing exchange rates online is to print the Currency Exchange Rates Report.

Use the data selection to limit the information that prints on the Currency Exchange Rates Report; otherwise, the report prints all information in the Currency Exchange Rates table (F0015). For example, you can use the data selection to print the exchange rates for a specific currency as of a certain effective date or to print all exchange rates for a certain effective date.

Creating Currency Cross-Rate Relationships

If some of the exchange rates with which you work are not quoted in a financial market publication, you must create currency relationships to link existing exchange rates from one currency to another. These are called currency cross-rate relationships.

First you locate a common currency that is quoted for the two currencies for which you need the exchange rate. Then you create a cross-rate relationship so that the system can calculate an exchange rate based on that cross-rate relationship. The system stores cross-rate relationships in the Currency Cross Rates Calculation Master table (F11151).

For example, assume there is no exchange rate quoted between the Mexican Peso (MXP) and Colombian Peso (COP) in a financial market publication. However, exchange rates exist between these two currencies and the U.S. dollar (USD). To transact business between MXP and COP, you create a currency cross-rate relationship to USD based on the following exchange rates:

MXP to USD	Quoted in the <i>London Financial Times</i>
USD to COP	Quoted in the <i>Wall Street Journal</i>

After you create the currency cross-rate relationship by identifying the “from” and “to” currencies on the Set Up Currency Exchange Rate Calculations form, you run the Calculate Cross Currency Rates program (R11153) to calculate the exchange rate. Using the previous example, the program would calculate the MXP to COP rate.

As an alternative to creating currency cross-rate relationships, consider setting up currency relationships using the triangulation calculation method.

See Also

- *Setting Up Exchange Rates for the Triangulation Method* in the *Multicurrency Guide*

► To create currency cross-rate relationships

From the *Multi-Currency Processing* menu (G11), choose *Set Cross Rates Calculation*.

1. On *Work With Currency Exchange Rate Calculations*, click *Add*.

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Set Cross Rates Calculation - Set Up Currency Exchange Rate Calculations

OK Delete Cancel Tools

From Currency Code *Mexican Peso* Contract (Addr)

To Currency Code *Colombian Peso* Sequence Number

Records 1 - 2 Customize Grid

	Effective Date	From Currency 1	To Currency 1	Contract (Addr) 1	From Currency 2	To Currency 2	Contract (Addr) 2	Status
<input type="checkbox"/>	06/15/05	MXP	USD		USD	COP		A
<input checked="" type="checkbox"/>								

2. On Set Up Currency Exchange Rate Calculations, complete the following fields in the header area:
 - From Currency Code
 - To Currency Code

 3. To set up a cross-rate relationship that applies to a contractual exchange rate, complete either or both of the following fields:
 - Contract (Addr)
 - Sequence Number

For example, if the contract is with a specific supplier, include the supplier's address book number or a unique sequence number, or both.

 4. In the detail area, complete the following field:
 - Effective Date

 5. Complete the following field with the code for the common currency:
 - To Currency 1

The system copies the value that you enter in this field to the From Currency 2 field when you tab to the next row or click OK. It also copies the currency codes from the header area to the From Currency 1 and To Currency 2 fields.

 6. To specify contractual exchange rates for the calculation, complete either or both of the following fields:
 - Contract (Addr) 1
 - Contract (Addr) 2

 7. Click OK.
- After you create and review currency cross-rate relationships, run the Calculate Cross Currency Rates program (R11153) to calculate the new exchange rate.

Related Tasks for Currency Cross-Rate Relationships

Setting up additional currency cross-rate relationships	To set up additional relationships (for example, to specify a different currency as the common currency), use a different effective date for the new relationship or use an address book number in the header area of the Set Up Currency Exchange Rate Calculations form.
Reviewing and revising currency cross-rate relationships	<p>To review and revise a cross-rate relationship, use the Work With Currency Exchange Rate Calculations and Set Up Currency Exchange Rate Calculations forms.</p> <p>For example, to inactivate a cross-rate relationship, change the Status field in the detail area from active (A) to inactive (I) on the Set Up Currency Exchange Rate Calculations form.</p>

Calculating Exchange Rates Based on Currency Cross-Rate Relationships

From the Multi-Currency Processing menu (G11), choose Calculate Cross Currency Rates.

After you create your currency cross-rate relationships and review them, you calculate new exchange rates based on the common currency. The Calculate Cross Currency Rates program (R11153) calculates the new exchange rates based on the cross-rate relationships in the Currency Cross Rates Calculation Master table (F11151) and the exchange rates in the Currency Exchange Rates table (F0015).

If a currency relationship uses the no inverse method, the program calculates cross rates regardless of whether a triangulation currency is set up for the currency relationship.

You can run the Calculate Cross Currency Rates program in proof or final mode, as described in the following table:

<p>Proof mode</p>	<p>The system prints a report that lists all currency relationships and the exchange rates that will be calculated in final mode. Possible error and warning messages that might print on the report are:</p> <ul style="list-style-type: none"> • <i>Combination Not Found.</i> The exchange rate for the currency relationship does not exist. • <i>Currency Code Invalid.</i> • <i>Address Number Invalid.</i> • <i>Warning - Rate Exceeds Tolerance Limit.</i> • <i>Warning - Exchange Rate Exists For Date.</i> • <i>Exact Month/Year Match Error.</i> This error might occur if you require that the effective date in the processing options match the effective date of the exchange rates for the currencies. <p>Use this report to correct any errors and run the Calculate Cross Currency Rates program again.</p>
<p>Final mode</p>	<p>The system prints a report that lists the new exchange rates calculated based on the currency cross-rate relationships. It updates the F0015 table with the new exchange rates and effective date.</p> <p>A tolerance warning prints on the report when a new exchange rate differs from the previous rate by a certain percentage, as specified in the processing options for the Calculate Currency Cross Rates program. The system updates exchange rates that have tolerance warnings.</p>

Processing Options for Calculate Cross Currency Rates (R11153)

Mode

1. Enter a '1' to process the currency calculation in final mode. Leave blank to process in proof mode.

Creation Date

2. Enter the date to be used to create exchange rate entries. Leave blank to default the system date.

Date

3. Enter a '1' to require an exact data match between the date entered in option 2 and the exchange rate date of the reference currencies. If left blank, no date matching is required.

Tolerance

4. Specify a tolerance limit to warn you of radical rate fluctuations. For example: 15.0 indicates 15% +/-.

Overriding the Exact Date Match Processing Option

The Calculate Currency Cross Rates program (R11153) has a processing option that you can set to require the system to locate an exact date match before it calculates exchange rates based on the currency cross-rate relationships that you entered.

If you set the processing option to require an exact date match, the system calculates an exchange rate only if the effective date for the “from” and “to” currencies matches the date in the processing option. If you have “from” and “to” currencies for which you want to make an exception, you do not have to change the processing option and run the program separately. Instead, you can override the processing option by setting up codes in which an exact date is not required in UDC 11/CS.

Example: Overriding the Exact Date Match for MXP to COP

Assume that your company policy requires an exact date match to calculate all currency cross-rates except for the MXP to COP exchange rate. To manage this exception, you must set up two concatenated codes in the UDC table:

- MXPUSD - for the MXP to USD cross-rate relationship
- USDCOP - for the USD to COP cross-rate relationship

When you run the Calculate Currency Cross Rates program, you enter 6/30/05 for the date to create rates and require an exact date match in the processing options. No exchange rates exist in the Currency Exchange Rates table (F0015) for MXP to USD and USD to COP with an effective date of 6/30/05. The most recent effective date is 6/28/05. The system uses the rates associated with that date to calculate the MXP to COP exchange rate. The system overrides the exact date match processing option because the cross-rate relationships for MXP to COP are set up in UDC 11/CS.

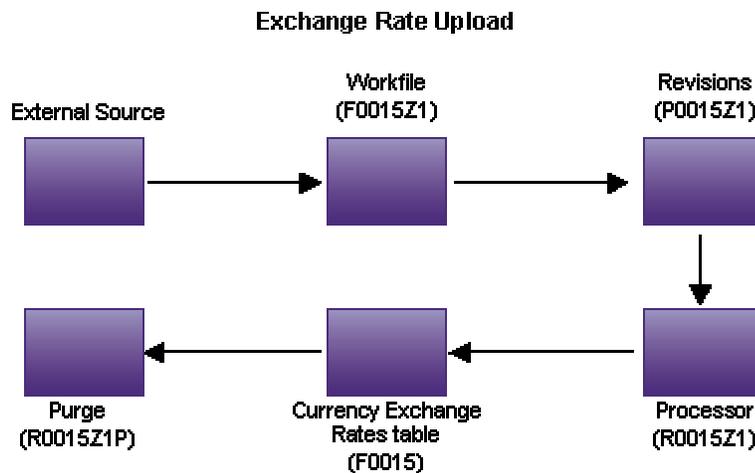
Uploading Exchange Rates from an External Source

If you transact business in multiple currencies, you deal with exchange rate fluctuations on a daily basis. As an alternative to entering current exchange rates manually, you can upload them from an external source, such as a Web site, into a PeopleSoft workfile.

You must first create a custom program to transfer the external exchange rates to the External Currency Exchange Rates workfile (F0015Z1). After uploading the exchange rates, you use the following programs:

- External Exchange Rates Revisions (P0015Z1). Revise unprocessed exchange rates in the F0015Z1 workfile, if necessary.
- External Exchange Rate Processor (R0015Z1). Process exchange rate records from the F0015Z1 workfile and store them in the Currency Exchange Rates table (F0015).
- External Exchange Rates Purge (R0015Z1P). Purge exchange rate records from the F0015Z1 workfile.

The process of uploading exchange rates from an external source and working with them in the PeopleSoft Multicurrency system is illustrated in the following graphic:



To successfully transfer external exchange rates from an external source, you must create a custom program in a format that copies the exchange rates and provides proper data to fields in the External Currency Exchange Rates workfile (F0015Z1).

Certain fields are required for the external exchange rates upload process, while others are optional or not used.

Revising External Exchange Rates

After you upload exchange rates from an external source into the External Currency Exchange Rates workfile (F0015Z1), you might need to add, change, or delete specific records before you process them.

To revise unprocessed records, you use the External Exchange Rates Revisions program (P0015Z1). This program accesses records in the F0015Z1 workfile based on the following key fields:

- User ID
- Batch Number
- Transaction Number
- Line Number

All key fields, except Line Number, appear on the Revise External Currency Exchange Rates form. The Line Number field, which is a unique number for each record, appears only in the F0015Z1 workfile.

You can also use the Revise External Currency Exchange Rates Revisions program to manually create a new batch of exchange rates in the F0015Z1 table.

The system does not validate exchange rates in the F0015Z1 workfile. Instead, it validates them when you process records from the F0015Z1 workfile and move them to the F0015 table.

Note

If you uploaded external exchange rates for the wrong effective date, upload them again using the correct effective date. Then, if necessary, use the Review External Exchange Rates Revisions form to revise any rates manually.

► To revise unprocessed exchange rates for an existing batch

From the External Currency Exchange Rates menu (G11311), choose External Exchange Rates Revisions.

1. On Work With External Currency Exchange Rates, complete the following fields to narrow your search:
 - User ID
 - Batch Number
2. To view unprocessed records for the existing batch, turn off the following option:
 - Processed (Y/N)

Although you can view processed records on this form, you cannot revise them. Instead, you must revise processed records on the Revise Currency Exchange Rates form.

3. Click Find.

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External Exchange Rates Revisions - Work With External Currency Exchange Rates

Select Find Add Delete Close Tools

User ID * From Currency Code *
 Batch Number 62 To Currency Code *
 Transaction Number *
 Processed (Y/N)

Records 1 - 3 Customize Grid

User ID	Batch Number	Transaction Number	Line Number	Address Number	S	P	From Currency	To Currency	Exchange Rate
AL5572711	62	1	1.000				USD	EUR	
AL5572711	62	1	2.000				CAD	EUR	1.8311150
AL5572711	62	1	3.000				GBP	EUR	0.6044297

- To revise an unprocessed record, choose the record and click Select. The entire batch associated with the record appears.

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External Exchange Rates Revisions - Review External Currency Exchange Rates

OK Delete Cancel Tools

User ID AL5572711 Batch Number 62 Transaction Number 1
 Address Number

Records 1 - 4 Customize Grid

	From Curr	To Curr	Effective Date	Calc Meth	Conv M... (Y/Z)	Multiplier Rate	Divisor Rate	Triangulation Rate Leg 1	Triangulation Rate Leg 2	Tri Curr	Spot Rate	S	P
<input checked="" type="radio"/>	USD	EUR	06/15/05	2	Y	1.1790121					1		
<input type="radio"/>	CAD	EUR	06/15/05	3				1.5471200	1.8311150	USD	0		
<input type="radio"/>	GBP	EUR	06/15/05	1		1.6544521	0.6044297				1		
<input type="radio"/>													

On Review External Currency Exchange Rates, you can change, delete, and add records to an existing batch.

- To change the exchange rate on a record, replace the existing value in the detail area and click OK.
- To delete an exchange rate record, choose the record and click Delete. In the Confirm Delete window, click OK.
- To add an exchange rate record to an existing batch, access the first blank row in the detail area, complete the following fields and click OK:
 - To Curr
 - From Curr

- Effective Date
- Calc Meth

If you use the no inverse method, enter 2 (no inverse) in this field. Otherwise, leave this field blank and the system will determine the calculation method based on the values that you enter in the remaining fields.

Depending on the calculation method, complete the following fields as necessary:

- Conv Meth (Y/Z)
- Multiplier Rate
- Divisor Rate
- Triangulation Rate Leg 1
- Triangulation Rate Leg 2
- Tri Curr
- Spot Rate

Do not enter a value in the SP (Successfully Processed) field. The system updates records with 1 (processed) when you run the External Exchange Rates Processor. Blank means that the record has not yet been processed.

8. To display the revisions, click Cancel.
9. On Work With External Currency Exc, click Find to refresh the form.

► **To manually create a batch of exchange rate records in the F0015Z1 table**

From the External Currency Exchange Rates menu (G11311), choose External Exchange Rates Revisions.

1. On Work With External Currency Exchange Rates, click Add.
2. For each currency relationship, complete the following fields in the detail area:

- To Curr
- From Curr
- Effective Date
- Calc Meth

If you use the no inverse method, enter 2 (no inverse) in this field. Otherwise, leave this field blank and the system will determine the calculation method based on the values you enter in the remaining fields.

3. Depending on the calculation method, complete the following fields as necessary:
 - Conv Meth (Y/Z)
 - Multiplier Rate
 - Divisor Rate
 - Triangulation Rate Leg 1
 - Triangulation Rate Leg 2
 - Tri Curr

- Spot Rate

Do not enter a value in the SP (Successfully Processed) field. The system updates records with 1 (processed) when you run the External Exchange Rates Processor. Blank means that the record has not yet been processed.

4. Repeat steps 2 and 3 for each exchange rate record.
5. Click OK.
6. To display the batch that you created, click Cancel.
7. On Work With External Currency Exchange Rates, click Find to refresh the form.

Processing External Exchange Rates

From the External Currency Exchange Rates menu (G11311), choose External Exchange Rate Processor.

After you upload exchange rates from an external source into the External Currency Exchange Rates workfile (F0015Z1) and, if necessary, revise the rates, run the External Exchange Rate Processor program (R0015Z1). This program processes information from the F0015Z1 workfile and stores it in the Currency Exchange Rates table (F0015).

Specifically, the External Exchange Rate Processor program:

- Selects only unprocessed exchange rate records, which contain 0 (zero) in the ZEEDSP field.
- Validates the currency codes, exchange rates, and effective date against the F0015 table. If an exchange rate for a currency relationship and effective date already exists, the program does not overwrite the existing record. Instead, it sends an error message, *Duplicate Keys Not Allowed*, to the Employee Work Center and prints a message on the report that the record failed.
- Validates exchange rates against the F0015 table and ensures that the rates follow the no inverse and triangulation calculation methods, if applicable. You must set up no inverse and triangulation for a currency relationship in the F0015 table before you can upload exchange rates and use the External Exchange Rate Processor program.
- Generates a report that shows the number of records that were selected and failed, as well as the total number of records added to the F0015 table.
- Writes errors to the Employee Work Center and displays the user ID, batch number, and transaction number.
- Updates successfully processed records with 1 (processed) in the ZEEDSP field in the F0015Z1 workfile.
- Purges records from the F0015Z1 workfile, if specified in the processing option.

If you need to revise exchange rates that are successfully processed, you must use the Currency Exchange Rates program (P0015A).

Processing Options for External Exchange Rate Processor (R0015Z1)

Options Tab

1. Purge completed records

Use this processing option to specify whether to purge processed records after successful completion of the External Currency Exchange Rates Processor (R0015Z1). Valid values are:

Blank

Do not purge processed records

1

Purge processed records. The system purges only those records with 1 (processed) in the ZEEDSP field in the External Currency Exchange Rates workfile (F0015Z1).

Processing Options for External Currency Exchange Rates Purge (R0015Z1P)

Options Tab

1. Purge non-processed records

Use this processing option to purge records from the External Currency Exchange Rates workfile (F0015Z1). Valid values are:

Blank

Purge processed records only. The system purges records with 1 (processed) in the ZEEDSP field in the External Currency Exchange Rates workfile (F0015Z1).

1

Purge processed and unprocessed records. The system purges records with 0 (unprocessed) and 1 (processed) in the ZEEDSP field in the External Currency Exchange Rates workfile.

Checklist: Multicurrency Setup for Accounts Receivable

Use this checklist as a reference when you set up your Accounts Receivable system for multicurrency processing.

Foreign Currency Customer Records

The customer master record specifies the currency in which to issue invoices and the currency in which to record address book amounts.

Task and Description	Program	√
<p>Specify a default currency and an address book currency for each customer.</p> <ul style="list-style-type: none"> • Set a processing option to specify a currency code for all address book amounts. You can override this currency code on the customer record. • Assign default currency and address book currency codes on the customer record. <p>See <i>Assigning Currency Codes to a Customer Record</i> in the <i>Multicurrency Guide</i>.</p>	<p>Customer Master Information (P03013)</p>	
<p>Change currency codes for multiple customers at one time. Set processing options for the following:</p> <ul style="list-style-type: none"> • Exchange rate date • Customer currency code • Address book currency code • Rounding factor <p>See <i>How the Address Book Conversion Programs Work</i> in the <i>Multicurrency Guide</i>.</p>	<p>Address Book Conversion – F03012 (R8903012E)</p>	

Foreign Currency Invoices

Foreign currency invoices are invoices that are not in the same currency as that of the company that issues them.

Task and Description	Program	√
Enter invoices in a foreign currency. See <i>Entering Invoices in a Foreign Currency</i> in the <i>Multicurrency Guide</i> .	Customer Ledger Inquiry (P03B2002)	
Print invoices in a foreign currency. Set a processing option to print currency information on invoices. See <i>Printing Invoices in a Foreign Currency</i> in the <i>Multicurrency Guide</i> .	Invoice Print (R03B505)	
Generate foreign currency statements. Set a processing option to print statements in the foreign currency or, if applicable, the domestic currency. See <i>Before You Begin for Reviewing Statements in the Invoice and Receipt Currencies</i> in the <i>Multicurrency Guide</i> .	Statement Notification Refresh (R03B500X)	

Foreign and Alternate Currency Receipts

A foreign currency receipt is a receipt that is in a currency different from the company currency. The receipt currency must be the same as the foreign currency of the invoice to which it is applied.

An alternate currency receipt is a receipt that is in a currency different from the domestic and foreign currency of an invoice.

Task and Description	Program	√
Apply a foreign currency receipt to a foreign currency invoice. You can set processing options to do the following: <ul style="list-style-type: none"> Retain the currency code after you enter a receipt Retain the exchange rate after you enter a receipt Edit the effective date See <i>Entering Manual Receipts in a Foreign Currency</i> in the <i>Multicurrency Guide</i> .	Standard Receipt Entry (P03B102)	

Task and Description	Program	√
<p>Apply an alternate currency receipt to a foreign or domestic currency invoice. Set a processing option to allow alternate currency receipts.</p> <p>See <i>Entering Manual Receipts in an Alternate Currency</i> in the <i>Multicurrency Guide</i>.</p>	Standard Receipt Entry (P03B102)	
<p>Match and apply a foreign currency receipt to an invoice. Ensure that each multicurrency field in the F03B13Z1 table contains a value.</p> <p>See <i>Multicurrency Fields Required in the F03B13Z1 Table</i> in the <i>Multicurrency Guide</i>.</p>	Apply Receipts to Invoices (R03B50)	

Foreign Currency Drafts

A draft is a type of payment instrument that requires direct communication between the bank of the payor and the bank of the payee. Foreign currency drafts are drafts that are not in the same currency as the company that issues them.

Task and Description	Program	√
<p>Process drafts in a foreign currency. You can set processing options to do the following:</p> <ul style="list-style-type: none"> • Retain the currency code after you enter a draft • Retain the exchange rate after you enter a draft • Edit the effective date <p>See <i>Processing Accounts Receivable Drafts in a Foreign Currency</i> in the <i>Multicurrency Guide</i>.</p>	Draft Entry (P03B602)	
<p>Print drafts in a foreign currency. Set a processing option to print currency information on the invoices.</p> <p>See <i>Foreign Currency Drafts and Processing Options</i> in the <i>Multicurrency Guide</i>.</p>	Invoice Print with Draft (R03B5051)	
<p>Collect drafts in a foreign currency. If the draft is remitted without contingent liability, you can set a processing option to override the exchange rate in the Currency Exchange Rates table (F0015), if applicable.</p> <p>See <i>Foreign Currency Drafts and Processing Options</i> in the <i>Multicurrency Guide</i>.</p>	A/R Draft Collection (R03B680)	
<p>Remit drafts with contingent liability in a foreign currency. You can set a processing option to override the exchange rate in the F0015 table, if applicable.</p> <p>See <i>Remitting Foreign Currency Drafts with Contingent Liability</i> in the <i>Multicurrency Guide</i>.</p>	Draft Remittance (R03B672)	

Foreign Currency Automatic Debits

Automatic debits are used to record the withdrawal of funds from a customer’s bank account. Foreign currency automatic debits are transactions that are not in the same currency as the company that issues them.

Task and Description	Program	√
Process automatic debits in a foreign currency. Set processing options for the following: <ul style="list-style-type: none"> • Bank format program and version • Invoice currency (domestic or foreign) in which to process auto debits • Override G/L bank account, if applicable See <i>Processing Automatic Debits in a Foreign Currency</i> in the <i>Multicurrency Guide</i> .	Automatic Debit Batches (P03B571)	

“As If” Currency Processing

With “as if” currency processing, you can review and print invoices as if they were entered in a currency other than the foreign or domestic currency in which they were actually entered.

Task and Description	Program	√
Review invoices in an “as if” currency. Set processing options for the following: <ul style="list-style-type: none"> • Default currency code for the “as if” currency • Exchange rate date See <i>Reviewing Invoices in an “As If” Currency</i> in the <i>Multicurrency Guide</i> .	Customer Ledger Inquiry (P03B2002)	
Print invoices in an “as if” currency. Set a processing option to print “as if” amounts in a specific currency. See <i>Printing Invoices in an “As If” Currency</i> in the <i>Multicurrency Guide</i> .	Print Invoices (R42565)	

AAIs for Foreign Currency Realized and Unrealized Gains and Losses

Automatic accounting instructions (AAIs) are used to record exchange rate fluctuations between a domestic and foreign currency on open invoices and receipts.

Task and Description	Program	√
Record unrealized gains and losses on open foreign currency invoices. Set up AAI items for the following: <ul style="list-style-type: none"> • RVxxx – unrealized gains • RWxxx – unrealized losses • RRxxx – unrealized gain/loss offset See <i>AAIs for Unrealized Gains and Losses on Foreign Currency Invoices</i> in the <i>Multicurrency Guide</i> .	Automatic Accounting Instructions (P0012)	
Record realized gains and losses on foreign currency receipts. Set up AAI items for the following: <ul style="list-style-type: none"> • RGxxx – realized gains • RLxxx – realized losses See <i>AAIs for Realized Gains and Losses on Foreign Currency Receipts</i> in the <i>Multicurrency Guide</i> .	Automatic Accounting Instructions (P0012)	
Record rounding differences on foreign currency receipts. Set up AAI item R8 (rounding account). See <i>AAIs for the Rounding Account for Foreign and Alternate Currency Receipts</i> in the <i>Multicurrency Guide</i> .	Automatic Accounting Instructions (P0012)	

AAIs for Alternate Currency Realized Gains and Losses

AAIs are used to record exchange rate fluctuations for a domestic, foreign, and alternate currency when an alternate currency receipt is involved.

Task and Description	Program	√
Record realized gains and losses on alternate currency receipts. Set up AAI items for the following: <ul style="list-style-type: none"> • RYxxx – realized gains • RZxxx – realized losses See <i>AAIs for Realized Gains and Losses on Alternate Currency Receipts</i> in the <i>Multicurrency Guide</i> .	Automatic Accounting Instructions (P0012)	

Task and Description	Program	√
Record alternate currency clearing amount on alternate currency receipts. Set up AAI item R7 (clearing account). <i>See AAI's for the Clearing Account for Alternate Currency Receipts in the Multicurrency Guide.</i>	Automatic Accounting Instructions (P0012)	
Record rounding differences on alternate currency receipts. Set up AAI item R8 (rounding account). <i>See AAI's for the Rounding Account for Foreign and Alternate Currency Receipts in the Multicurrency Guide.</i>	Automatic Accounting Instructions (P0012)	

Assigning Currency Codes to a Customer Record

Each customer record contains the following currency code fields:

- **Currency Code (CRCD).** The default currency in which you issue invoices to the customer. You can override the default currency code when you enter an invoice.

If you leave this field blank, the system uses the currency of the company assigned to the customer record as the default.

- **A/B Amount Codes (CRCA).** The currency in which you track address book amounts including credit limit, invoiced this year, invoiced prior year, and so on.

If you leave this field blank, the system uses the Amount Currency Code value if it is specified in the processing options for Customer Master (P03013). Otherwise, it uses the currency code of the company assigned to the Business Unit field on the Address Book Revision form.

You assign currency code information on the Customer Master Revisions form. Currency code information is stored in the Customer Master by Line of Business table (F03012).

► To assign currency codes to a customer record

The following steps apply specifically to the customer setup that is required for multicurrency processing. The Designate A/R Currency menu option described in these steps is the same as the Customer Master program (P03013).

From the Multi-Currency Setup menu (G1141), choose Designate A/R Currency.

1. On Work With Customer Master, complete the following field and click Find.
 - Alpha Name
2. Choose the customer and click Select.
3. On Customer Master Revision, choose the Invoices tab.

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Designate A/R Currency - Customer Master Revision

Work With Customer Master Customer Master Revision

OK Cancel Form Previous Next Tools

Customer Number 4246 Central Distributors

Long Address Number

Company 00000

Select Tab: Invoices

Payment Terms - A/R Net 30 Days Hold Invoices

Payment Instrument Default (A/R & A/P) Send Invoice to Customer Number (AN8)

Alternate Payor 4246 Central Distributors

Parent Number

Auto Receipt (Y/N) Auto Receipts Execution List

Currency Code JPY Japanese Yen

A/B Amount Codes JPY Japanese Yen

4. Complete the following fields and click OK:

- Currency Code
- A/B Amount Codes

Revisions to the Address Book Amount Code

After you assign an address book amount code to a customer, do not change the currency code in the A/B Amount Code field if any the address book amount fields in the Customer Master by Line of Business table (F03012) have values. If you do change the currency code, you will have meaningless amounts in the F03012 table because of mixed currencies.

See *Customer Currency Conversion* in the *Multicurrency Guide* for information about how to convert the amounts and currency codes in the F03012 table.

See Also

- *To enter default information for processing invoices and receipts in the Accounts Receivable Guide* for detailed, non-currency specific information about the Customer Master Revision form

Multicurrency Processing Options for Customer Master (P03013)

Defaults

2. Amount Currency Code

Use this processing option to specify the default currency code for the A/B Amount field. If you leave this processing option blank and the A/B Amount field on the Customer Master Revision form is blank, the system uses the currency code of the company assigned to the Business Unit field on the Address Book Revision form.

The A/B Amount field appears on the Customer Master Revision form only if multicurrency is activated in the General Accounting Constants program.

Setting Up the Offset Method in the Constants

The offset method constant, along with three other non-currency specific constants, controls the Accounts Receivable and Accounts Payable systems for all companies.

The system creates an offsetting entry (document type AE) in the Account Ledger table (F0911) when you post vouchers, invoices, receipts, payments, and so on. Depending on the offset method that you specify in the Accounts Receivable Constants and Accounts Payable Constants programs (P0000), the system creates one offsetting entry for each detail record by:

- Batch (method B)
- Document (method Y)
- Pay item (method S)

For multicurrency processing, you cannot use the batch offset method (B) because the post programs cannot post batches of invoices, vouchers, receipts, and payments that contain one or more foreign or alternate currencies.

If you use intercompany settlements and allow multicurrency intercompany transactions, the offset method in the Accounts Receivable Constants and Accounts Payable Constants programs must be compatible with the intercompany settlement method in the General Accounting Constants program (P0000), as indicated in the following table:

Intercompany Settlement Methods for Multicurrency	A/R and A/P Offset Methods B = one offset per batch Y = one offset per document S = one offset per pay item		
	B	Y	S
2 – detail	Incompatible	Compatible	Compatible
3 – configured hub	Incompatible	Compatible	Compatible

If the intercompany settlement and offset methods are not compatible, the system will issue an error message when you post transactions to the general ledger.

Detailed Currency Restatement

Offset method Y is required if you use detailed currency restatement.

See Also

- ❑ *Multicurrency Intercompany Settlements* in the *Multicurrency Guide*

► To set up the offset method in accounts receivable constants

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

1. On System Setup, click Accounts Receivable Constants.
2. On Work With A/R Constants, click Find.
3. Choose company 00000 and click Select.

PeopleSoft®

Accounts Receivable Constants - Accounts Receivable Constants

OK Cancel Form Tools

Company 00000 Worldwide Company

A/R Controls

Batch Control Required General Ledger Interface Offset Method Y
 Manager Approval of Input One Offset per Document

Cash Management

Delinquency Notice Print Statement
 Auto Receipt

Aging Information

Age as of Date
Aging Method 1
Date Type D

Aging Days (999 = Infinity)

Beginning	30-	thru	0	thru	30	thru	60	
	thru	90	thru	120	thru	150	thru	999

4. On Accounts Receivable Constants, complete the following field and click OK:

- Offset Method

Offset methods Y (one offset per document) and S (one offset per pay item) are valid for multicurrency processing; offset method B (one offset per batch) is not valid. If you use detailed currency restatement, only offset method Y is valid.

Setting Up Multicurrency AAIs for Accounts Receivable

You set up the following AAIs in the Accounts Receivable system for multicurrency processing:

- Unrealized gains and losses on open foreign currency invoices
- Realized gains and losses on foreign currency receipts
- Realized gains and losses on alternate currency receipts
- Rounding account for foreign and alternate currency receipts
- Clearing account for alternate currency receipts
- Receivable trade accounts in foreign currencies
- Receivable bank accounts in foreign and alternate currencies

You set up AAI items to calculate currency gains and losses. The system uses the AAIs to distribute the gain or loss amount to the correct G/L account. The potential for a currency gain or loss is due to exchange rate fluctuations that occur between one of the following:

- The time an invoice is issued and the end of a fiscal period, if the invoice is still open (unrealized gain or loss)
- The time an invoice is issued and payment is received (realized gain or loss)

For receipts and open invoices in a foreign currency, the gain or loss is calculated between the domestic and foreign currencies. For receipts in an alternate currency, the gain or loss is calculated between the domestic, foreign, and alternate currencies.

You also set up AAI items to define trade accounts for foreign currency invoices and bank accounts for foreign and alternate currency receipts.

Some AAI items have a suffix of *xxx* to accommodate a three-character currency code. You use the *xxx* suffix to set up multiple currency-specific AAI items for each company. Each AAI item in the PeopleSoft system has a hierarchical order by which the system searches for an account number.

See Also

- *To set up AAIs in the General Accounting Guide* for detailed information about how to set up AAIs

AAIs for Unrealized Gains and Losses on Foreign Currency Invoices

If you want the Accounts Receivable system to calculate unrealized gains and losses, you must set up AAIs.

The following AAI items define the accounts that the system uses for unrealized gains and losses on foreign currency invoices that are open at the end of a period:

- RVxxx – foreign currency unrealized gain
- RWxxx – foreign currency unrealized loss
- RRxxx – foreign currency unrealized gain or loss offset

To create an unrealized gain or loss amount, the system compares the amount of the original invoice to the amount of the open invoice (which is revalued based on the exchange rate at the end of the period) and creates a gain or loss for the difference.

The following applies to AAI items RV, RW, and RR:

- The system uses the account number assigned to RV and RW to create foreign currency unrealized gains and losses when you run the A/R Unrealized Gain/Loss Report (R03B426).
- The system uses the account number assigned to RR to create foreign currency unrealized gain or loss offsets when you run the A/R Unrealized Gain/Loss Report.
- xxx represents the currency code, which is optional, and xxxx represents the G/L offset.

The following table shows the sequence in which the system searches for AAI items RV, RW, and RR. The hierarchy is the same for these AAI items.

AAI Item	Description	AAI Hierarchy
RV	Foreign Currency Unrealized Gains	<ul style="list-style-type: none"> • RVxxx. The system uses RVxxx that is associated with the company entered on the invoice, where xxx is the transaction currency of the invoice. • RVxxx. The system uses RVxxx for company 00000, where xxx is the transaction currency of the invoice. • RVxxxx. The system uses RVxxxx that is associated with the company entered on the invoice, where xxxx is the G/L offset on the invoice. • RVxxxx. The system uses RVxxxx for company 00000. • RV. The system uses RV that is associated with the company entered on the invoice. • RV. The system uses RV for company 00000.

AAI Item	Description	AAI Hierarchy
RW	Foreign Currency Unrealized Losses	<ul style="list-style-type: none"> • RWxxx. The system uses RWxxx that is associated with the company entered on the invoice, where xxx is the transaction currency of the invoice. • RWxxx. The system uses RWxxx for company 00000, where xxx is the transaction currency of the invoice. • RWxxxx. The system uses RWxxxx that is associated with the company entered on the invoice, where xxxx is the G/L offset on the invoice. • RWxxxx. The system uses RWxxxx for company 00000. • RW. The system uses RW that is associated with the company entered on the invoice. • RW. The system uses RW for company 00000.
RR	Foreign Currency Unrealized Gain/Loss Offset	<ul style="list-style-type: none"> • RRxxx. The system uses RRxxx that is associated with the company entered on the invoice, where xxx is the transaction currency of the invoice. • RRxxx. The system uses RRxxx for company 00000, where xxx is the transaction currency of the invoice. • RRxxxx. The system uses RRxxxx that is associated with the company entered on the invoice, where xxxx is the G/L offset on the invoice. • RRxxxx. The system uses RRxxxx for company 00000. • RR. The system uses RR that is associated with the company entered on the invoice. • RR. The system uses RR for company 00000.

AAIs for Realized Gains and Losses on Foreign Currency Receipts

The following AAI items define the accounts that the system uses for realized gains and losses on foreign currency receipts:

- RGxxx – foreign currency realized gain
- RLxxx – foreign currency realized loss

To create a gain or loss amount, the system multiplies the invoice amount by the difference in the exchange rate between the original invoice and the foreign currency receipt.

The following applies to AAI items RG and RL:

- The system creates a gain/loss entry when the receipt is posted.
- The system uses the account number assigned to RG and RL to create foreign currency gain and loss amounts.
- xxx represents the currency code, which is optional, and xxxx represents the G/L offset code.

The following table shows the sequence in which the system searches for AAI items RG and RL.

AAI Item	Description	AAI Hierarchy
RG	Foreign Currency Realized Gain	<ul style="list-style-type: none"> • RGxxx. The system uses RGxxx that is associated with the company entered on the receipt, where xxx is the transaction currency of the receipt. • RGxxx. The system uses RGxxx for company 00000, where xxx is the transaction currency of the receipt. • RGxxxx. The system uses RGxxxx that is associated with the company entered on the receipt, where xxxx is the G/L offset on the invoice. • RGxxxx. The system uses RGxxxx for company 00000, where xxxx is the G/L offset on the invoice. • RG. The system uses RG that is associated with the company entered on the receipt. • RG. The system uses RG for company 00000.

AAI Item	Description	AAI Hierarchy
RL	Foreign Currency Realized Loss	<ul style="list-style-type: none"> • RLxxx. The system uses RLxxx that is associated with the company entered on the receipt, where xxx is the transaction currency of the receipt. • RLxxx. The system uses RLxxx for company 00000, where xxx is the transaction currency of the receipt. • RLxxxx. The system uses RLxxxx that is associated with the company entered on the receipt, where xxxx is the G/L offset on the invoice. • RLxxxx. The system uses RLxxxx for company 00000, where xxxx is the G/L offset on the invoice. • RL. The system uses RL that is associated with the company entered on the receipt. • RL. The system uses RL for company 00000.

AAIs for Realized Gains and Losses on Alternate Currency Receipts

The gains and losses for alternate currency receipts are recorded separately from standard gains and losses and are handled by using different accounts and AAIs.

The following AAI items define the accounts that the system uses for realized gains and losses on alternate currency receipts:

- RYxxx – alternate currency realized gain
- RZxxx – alternate currency realized loss

The following applies to AAI items RY and RZ:

- The system creates a gain or loss entry when the receipt is posted.
- The system uses the account number assigned to RY and RZ to create alternate currency gains and losses as follows:
 - The system creates an entry in the gain account if the amount derived by converting from an alternate currency directly to a domestic currency is greater than the amount derived by converting from an alternate currency to a foreign currency to a domestic currency.
 - The system creates an entry in the loss account if the amount derived by converting from an alternate currency directly to a domestic currency is less than the amount derived by converting from an alternate currency to a foreign currency to a domestic currency.
- xxx represents the currency code, which is optional, and xxxx represents the G/L offset.

The following table shows the sequence in which the system searches for AAI items RY and RZ.

AAI Item	Description	AAI Hierarchy
RY	Alternate Currency Realized Gain	<ul style="list-style-type: none"> • RYxxx. The system uses RYxxx that is associated with the company entered on the receipt, where xxx is the transaction currency of the receipt. • RYxxx. The system uses RYxxx for company 00000, where xxx is the transaction currency of the receipt. • RYxxxx. The system uses RYxxxx that is associated with the company entered on the receipt, where xxxx is the G/L offset on the invoice. • RYxxxx. The system uses RYxxxx for company 00000, where xxxx is the G/L offset on the invoice. • RY. The system uses RY that is associated with the company entered on the receipt. • RY. The system uses RY for company 00000.
RZ	Alternate Currency Realized Loss	<ul style="list-style-type: none"> • RZxxx. The system uses RZxxx that is associated with the company entered on the receipt, where xxx is the transaction currency of the receipt. • RZxxx. The system uses RZxxx for company 00000, where xxx is the transaction currency of the receipt. • RZxxxx. The system uses RZxxxx that is associated with the company entered on the receipt, where xxxx is the G/L offset on the invoice. • RZxxxx. The system uses RZxxxx for company 00000, where xxxx is the G/L offset on the invoice. • RZ. The system uses RZ that is associated with the company entered on the receipt. • RZ. The system uses RZ for company 00000.

AAIs for the Rounding Account for Foreign and Alternate Currency Receipts

AAI item R8 defines the foreign and alternate currency receipt account used for rounding when you post foreign and alternate currency receipts.

When you apply a foreign or alternate currency receipt to an invoice, the potential exists for a slight rounding difference. A rounding difference can occur when the system is converting amounts between a foreign and a domestic currency or between an alternate and a domestic currency. The rounding difference, which is immaterial, occurs when the domestic currency amount applied to an invoice is not the same as the domestic currency amount of the receipt.

To record rounding differences, the system creates an offset journal entry in the rounding account when you post the foreign or alternate currency receipt.

The following table shows the sequence in which the system searches for AAI item R8.

AAI Item	Description	AAI Hierarchy
R8	Foreign and Alternate Currency Rounding Account	<ul style="list-style-type: none">R8. The system uses R8 that is associated with the company entered on the receipt.R8. The system uses R8 for company 00000.

See Also

- *Slight Rounding Differences Recorded by the Receipt Post* in the *Multicurrency Guide*

AAIs for the Clearing Account for Alternate Currency Receipts

AAI item R7 defines the alternate currency clearing account used when you post alternate currency receipts. The alternate currency clearing account tracks the conversion from the receipt amount to the original invoice amount and provides an audit trail of the offset amounts for the following:

- The original foreign invoice and the domestic side of the foreign invoice
- The alternate currency receipt and the domestic side of the alternate currency receipt

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

The following applies to AAI item R7:

- The clearing account must be in the same company as the bank account from which the receipt was applied.
- It must include a business unit.
- It cannot be a monetary (currency-specific) account.

The following table shows the sequence in which the system searches for AAI item R7.

AAI Item	Description	AAI Hierarchy
R7	Alternate Currency Receipt Clearing Account	<ul style="list-style-type: none"> R7. The system uses R7 that is associated with the company entered on the receipt. R7. The system uses R7 for company 00000.

AAIs for Receivable Trade Accounts in Foreign Currencies

AAI item RC (receivables trade) specifies the trade account that serves as a holding or clearing account until invoices are paid. The system retrieves the trade account to use based on the company number entered on the invoice.

The following applies to AAI item RC:

- The system debits the A/R trade account for the invoice amount when the invoice is posted and credits the A/R trade account for the receipt amount when the receipt is posted.
- xxx represents the currency code, which is optional, and xxxx represents the G/L offset.

The following table shows the sequence in which the system searches for AAI item RC with and without a G/L offset code.

AAI Item	Description	AAI Hierarchy
RC	A/R Trade Account with G/L Offset (G/L offset = xxxx)	<ul style="list-style-type: none"> RCxxx. The system uses RCxxx that is associated with the company entered on the invoice, where xxx is the transaction currency of the invoice. RCxxx. The system uses RCxxx for company 00000, where xxx is the transaction currency of the invoice. RCxxxx. The system uses RCxxxx that is associated with the company entered on the invoice, where xxxx is the G/L offset entered on the invoice. RCxxxx. The system uses RCxxxx for company 00000. <p>If the AAI item does not exist, the system issues an error message (Account Number is Invalid). The system does not search for AAI item RC.</p>

AAI Item	Description	AAI Hierarchy
RC	A/R Trade Account without G/L Offset (G/L offset = blank)	<ul style="list-style-type: none"> • RCxxx. The system uses RCxxx that is associated with the company entered on the invoice, where xxx is the transaction currency of the invoice. • RCxxx. The system uses RCxxx for company 00000, where xxx is the transaction currency of the invoice. • RC. The system uses RC that is associated with the company entered on the invoice. • RC. The system uses RC for company 00000. <p>If the AAI item does not exist, the system issues an error message (AAI is Missing).</p>

The following examples show the search sequence and the relationships among the Currency, G/L Offset, and Company fields on an invoice.

Example: AAI Search Sequence with a G/L Offset

A U.S. company (company 00001) enters a foreign invoice in Canadian dollars (CAD) with a G/L Offset code (TRAD).

1. The system searches for AAI item RCCAD for company 00001. If the item does not exist, then:
2. The system searches for AAI item RCCAD for company 00000. If the item does not exist, then:
3. The system searches for AAI item RCTRAD for company 00001. If the item does not exist, then:
4. The system searches for AAI item RCTRAD for company 00000. If the item does not exist, the system issues the error message Account Number is Invalid.

Example: AAI Search Sequence without a G/L Offset

A U.S. company (company 00001) enters a foreign invoice in Canadian dollars (CAD) without a G/L Offset code (that is, the G/L offset code is blank).

The system searches for the A/R trade account based on the following hierarchy:

1. The system searches for AAI item RCCAD for company 00001. If the item does not exist, then:
2. The system searches for AAI item RCCAD for company 00000. If the item does not exist, then:
3. The system searches for item RC for company 00001. If the item does not exist, then:
4. The system searches for item RC for company 00000. If the item does not exist, the system issues the error message AAI is Missing.

AAIs for Receivable Bank Accounts in Foreign Currencies

AAI item RB (receivables bank) specifies the default bank account to use for receipts if one is not assigned to the receipt record. The system retrieves the bank account to use based on the company number entered on the receipt.

The bank account can be either a monetary account, which has a currency designation, or a non-monetary account, which has no currency designation. If the account associated with AAI item RB is a monetary account, the currency of the account must be the same as the transaction currency of the receipt.

The following applies to AAI item RB:

- The system debits the bank account for the amount entered on the receipt.
- It must include a business unit.
- *xxx* represents the currency code, which is optional.

The following table shows the sequence in which the system searches for AAI item RB.

AAI Item	Description	AAI Hierarchy
RB	Receivables Bank Account	<ul style="list-style-type: none"> • RBxxx. The system uses RBxxx that is associated with the company entered on the receipt, where <i>xxx</i> is the transaction currency of the receipt. • RBxxx. The system uses RBxxx for company 00000, where <i>xxx</i> is the transaction currency of the receipt. • RB. The system uses RB that is associated with the company entered on the receipt. • RB. The system uses RB for company 00000. <p>If the item does not exist, the system issues an error message (<i>Account Number is Invalid</i>). The system does not search for AAI item RB.</p>

Fields in the F0015Z1 Workfile

Review the following tables for a list of required, optional, and unused fields in the External Currency Exchange Rates workfile (F0015Z1). The field names in the workfile correspond to the field names on interactive forms.

Required Fields in the F0015Z1 Workfile

The following fields are required by the External Exchange Rate Processor program (R0015Z1).

Field name	Alias	Type	Length	Definition
EDI – User ID	ZEEDUS	Alpha	10	<p>A user-defined identification number. Enter the user ID of the person running the process or the person who is to receive messages in the Employee Work Center.</p> <p>This field, in conjunction with ZEEDBT and ZEEDTN, uniquely identifies a specific group of transactions.</p>
EDI – Batch Number	ZEEDBT	Alpha	15	<p>A number used to group transactions for processing.</p> <p>This field, in conjunction with ZEEDUS and ZEEDTN, uniquely identifies a specific group of transactions.</p>
EDI – Transaction Number	ZEEDTN	Alpha	22	<p>This field, in conjunction with ZEEDLN, uniquely identifies each transaction.</p> <p>This field, in conjunction with ZEEDUS and ZEEDBT, uniquely identifies a specific group of transactions.</p>
EDI – Line Number	ZEEDLN	Number	7	<p>This field, in conjunction with ZEEDTN, uniquely identifies each line of the transaction.</p>
EDI – Successfully Processed	ZEEDSP	Alpha	1	<p>Leave this field blank. The system completes it as follows:</p> <ul style="list-style-type: none"> • 0 (zero) – The transaction has not been processed or was processed in error. • 1 – The transaction has been successfully processed.

Field name	Alias	Type	Length	Definition
Currency Code From	ZECRCD	Alpha	3	A code that specifies the “from” currency of the transaction. This code must exist in the Currency Codes table (F0013).
Date – Effective	ZEEFT	Date	6	The effective date of the transaction.
Currency Conversion Rate – Multiplier	ZECRR	Number	15	The exchange rate (multiplier) for the transaction.
Currency Code To	ZECRDC	Alpha	3	A code that specifies the “to” currency of the transaction. This code must exist in the Currency Codes table (F0013).
Currency Conversion Rate – Divisor	ZECRRD	Number	15	The exchange rate (divisor) for the transaction.
Calculation Method	ZECLMETH	Character	1	The method used for the exchange rate calculation. Valid values are: <ul style="list-style-type: none"> • 1 – inverse • 2 – no inverse • 3 – triangulation

Optional Fields in the F0015Z1 Workfile

The following fields are optional and not required by the External Exchange Rate Processor program.

Field name	Alias	Type	Length	Definition
Address Number	ZEAN8	Number	8	<p>The address book number of a customer or supplier, used when a contractual exchange rate is applicable. This number must exist in the Address Book Master table (F0101).</p> <p>You must create a separate batch for each customer and supplier with a contractual exchange rate. This is necessary because you review and revise rates in the F0015Z1 workfile based on batch number, and not address book number.</p>
Currency Conversion Y/Z	CRCM	Character	1	<p>The multiplier (Y) or divisor (Z) method used for exchange rate calculations.</p> <p>If you leave this field blank, the program uses the conversion method set up in General Accounting Constants.</p>
Triangulation Currency Code	TRCR	String	3	<p>A third currency through which amounts between two currencies are calculated.</p>
Currency Spot Rate	CSR	Character	1	<p>An option that allows you to override the exchange rate in the F0015 table when you enter a transaction. Valid values are:</p> <ul style="list-style-type: none"> • 0 – do not allow spot rate • 1 – allow spot rate

System-Supplied Field Values in the F0015Z1 Workfile

The following audit fields contain values that are updated by the External Exchange Rate Processor program.

Field name	Alias	Type	Length	Definition
User ID	ZEUSER	String	10	A user-defined number that identifies the person running the process.
Program ID	ZEPID	String	10	The number of the program that identifies the batch application.
Date – Updated	ZEUPMJ	Date	6	A date that specifies when the F0015Z1 workfile was last updated.
Time – Last Updated	ZEUPMT	Number	6	The time that specifies when the F0015Z1 workfile was last updated.
Work Station ID	ZEJOBN	String	10	The identification number of the workstation in which the F0015Z1 workfile is being updated.

Unused Fields in the F0015Z1 Workfile

The following fields are not currently used by the External Exchange Rate Processor program and should be left blank. The program ignores values entered in these fields.

Field name	Alias	Type	Length	Leave Field Blank
EDI – Document Type	ZEEDCT	Alpha	2	
Type – Transaction	ZETYTN	Alpha	8	
EDI – Translation Format	ZEEDFT	Alpha	10	
EDI – Transmission Date	ZEEDDT	Date	6	
Direction Indicator	ZEDRIN	Alpha	1	
EDI – Detail Lines Processed	ZEEDDL	Number	5	

Field name	Alias	Type	Length	Leave Field Blank
Trading Partner ID	ZEPNID	Alpha	15	
Transaction Action	ZETNAC	Alpha	2	
Type Record	ZEEDTY	Alpha	1	
Record Sequence	ZEEDSQ	Number	2	
EDI – Transaction Set Number	ZEEDTS	Alpha	6	
EDI – Send/Receiver Indicator	ZEEDER	Alpha	1	
EDI – Transaction Action	ZEEDTC	Alpha	1	
EDI – Transaction Type	ZEEDTR	Alpha	1	
Batch File Create G/L record	ZEEDGL	Alpha	1	
Batch File Discount Handling Flag	ZEEDDH	Alpha	1	
User Address Number	ZEEDAN	Number	8	
Currency Rate Type	ZERTTYP	String	2	

Customer Currency Conversion

In the PeopleSoft Windows environment, choose Batch Versions from the System Administration Tools menu (GH9011).

You might need to convert customer currency codes or address book amounts for any number of reasons, including the following:

- Your customers want to receive invoices in a different currency
- You want to submit invoices to your customers in a different currency
- You want to view customer address book (statistical) amounts in a different currency

For example, assume you work for a U.S. company that was recently purchased by a Japanese company. The corporate office wants to view statistical amounts for all customers in the Japanese yen (JPY). You can run the Address Book Conversion – F03012 program (R8903012E) to convert the customer address book currency and amounts for all customers from USD to JPY.

The R8903012E program converts the following currency code and amount fields in the Customer Master by Line of Business table (F03012) at the same time or independently of one another:

- **Currency Code (CRCD).** To comply with multiple requests from customers who want to receive invoices in a different currency, run the R8903012E program to convert the default currency code for those customers. Alternatively, if you have just a few default currency codes to convert, you can change them manually on the Customer Master Revision form.
- **A/B Amount Codes (CRCA).** To view address book balance amounts for customers in a different currency, run the R8903012E program to convert the address book currency code and the following amounts in the F03012 table:
 - Summary balance amounts (year-to-date invoice amounts and finance charges, prior year invoice totals, amount last paid, amount due, and so on). Summary balance amounts appear on the Additional Customer Information form, which can be accessed from the Customer Master Revision form.
 - Limit amounts (credit limit and minimum and maximum sales order amounts). Limit amounts appear on the Billing Information form, which can be accessed from the Customer Master Revision form.

How the Address Book Conversion Programs Work

The following address book conversion programs convert currency codes and amounts for multiple customers and suppliers:

- Address Book Conversion – F03012 (R8903012E)
- Address Book Conversion – F0401 (R890401E)

To convert default currency codes, address book currency codes and amounts, or both, you must specify the following in the processing options for the R8903012E and R890401E programs:

- Exchange rate date to use to convert address book amounts.

- Currency code to use to convert address book currency code and amounts. Depending on which conversion program you run, the system updates the A/B Amount Code (CRCA) field in one of the following tables:
 - F03012 (Customer Master by Line of Business)
 - F0401 (Supplier Master)
- Currency code to use to convert default currency codes. Depending on which conversion program you run, the system updates one of the following fields:
 - Currency Code (CRCD) in the F03012 table
 - Currency Code (CRRP) in the F0401 table

You might set up different versions of the R8903012E and R890401E programs. For example, set up one version to convert default currency codes only, another version to convert address book currency codes and amounts only, and still another to convert both.

Use the data selection to select only those customers or suppliers that you want to convert to another currency. If you do not specify their address book numbers, the conversion program converts all customers or suppliers. To convert amounts for all customers or suppliers assigned a certain category code, specify the category code.

Exceptions Report

When you run the R8903012E and R890401E conversion programs, the system prints an exceptions report. Review the report for any of the following messages, and rerun the conversion program if necessary:

- *No processing errors.* Depending on which Address Book Conversion program you ran, the conversion program updates one of the following tables if you set the processing option to update address book balances:
 - Customer Master by Line of Business (F03012)
 - Supplier Master (F0401)
- *Currency exchange rate not found.* The currency code that you are converting to is not set up in the exchange rate table, or the exchange rate or effective date is not set up for the currency code.
- *Invalid currency entered.* The currency code that you entered in either or both of the currency processing options is not valid.
- *Update error - record locked or not found.* The customer or supplier master record is in use.

Example: Converting Customer Amounts

This example shows customer amounts before and after conversion from Canadian dollars (CAD) to the euro (EUR).

Before Converting Customer Amounts

The Currency Code and A/B Amount Codes fields on the customer master record = CAD.

You set the processing options for the Address Book Conversion – F03012 program (R8903012E) as follows:

- Address book and amounts currency = EUR
- Default currency code = blank
- Credit limit, minimum and maximum order values = 50

The exchange rate in the Currency Exchange Rates table (F0015) is 1 CAD = 0.71097 EUR.

After Converting Customer Amounts

After running the R8903012E program, the customer address book amounts are in EUR; however, their invoices remain in CAD.

F03012 Field	Description	Before Conversion	After Conversion	Rounded From
A5CRCD	Currency Code - A/R	CAD	CAD	Not applicable
A5CRCA	Currency Code - A/B	CAD	EUR	Not applicable
A5AD	Amount Due	100.00 CAD	71.10 EUR	Not applicable
A5AFCP	Prior Year Finance Charges	200.00 CAD	142.19 EUR	Not applicable
A5AFCY	YTD Finance Charges	300.00 CAD	213.29 EUR	Not applicable
A5ASTY	Invoiced This Year	400.00 CAD	284.39 EUR	Not applicable
A5SPYE	Invoiced Prior Year	500.00 CAD	355.48 EUR	Not applicable
A5AHB	High Balance	600.00 CAD	426.58 EUR	Not applicable
A5ALP	Last Paid Amount	700.00 CAD	497.68 EUR	Not applicable
A5ABAM	Address Book Amount	Not used	Not used	Not applicable
A5ABA1	Address Book Amount	Not used	Not used	Not applicable
A5APRC	Open Order Amount	1,000 CAD	710.97 EUR	Not applicable
A5MINO	Minimum Order Amount	1,000 CAD	700 EUR	710.97 EUR
A5MAXO	Maximum Order Amount	50,000 CAD	35,550 EUR	35,548.30 EUR
A5ACL	Credit Limit	10,000 CAD	7,100 EUR	7,109.66 EUR

Caution

In the F03012 table, the field A5ABAM stores a user-defined fixed amount, and the field A5ABA1 is not functional. If you use either of these fields, be aware that the R8903012E program converts the amounts, regardless of whether they are monetary amounts.

Example: Parent/Child Structure with Different Currencies

If you have a parent/child structure with different default and address book currency codes, you can use the Address Book Conversion programs (R8903012E and R890401E) to convert the parent independently from its children or vice versa. With this flexibility, you can continue to track address book amounts in the currency of the parent company while issuing invoices or submitting payments to some of its subsidiaries in another currency. This flexibility also allows you to convert address book amounts at the subsidiary level, to convert the currencies of a parent and its children at the same time, and so on.

Before Converting Currency Codes

The following example shows a parent/child relationship with different currencies before the Address Book Conversion - F03012 program (R8903012E) has been run to convert customer currency codes.

Relationship	Address Book Currency	Default Currency
Parent	JPY	JPY
Child 1	JPY	USD
Child 2	JPY	GBP
Child 3	JPY	EUR

Child 1 and Child 3 have requested that you issue their invoices in Canadian dollars (CAD). You run the R8903012E program to convert their default currency from U.S. dollars (USD) and euro (EUR), respectively, to CAD.

Note

You can convert the currency codes of a parent and its children at the same time, if applicable.

After Converting Currency Codes

The following example shows the results after running the R8903012E conversion program.

Relationship	Address Book Currency	Default Currency
Parent	JPY	JPY
Child 1	JPY	CAD
Child 2	JPY	GBP
Child 3	JPY	CAD

This example shows that you can track address book amounts in the currency of the parent company (JPY) while issuing invoices to its subsidiaries in different currencies (CAD and GBP).

Processing Options for Address Book Conversion – F03012 (R8903012E)

Update

1. Enter a '1' to update Customer Master balances. If left blank, Customer Master balances will not be updated.
2. Enter a date to be used as the exchange rate date. If left blank, the current date is used as the default.

Currency

3. Enter a currency here to update the address book currency code and amounts in the Customer Master table. If left blank, the address book currency code and amounts will not be updated.
4. Enter a currency here to be updated to the Currency Code in the Customer Master file. If left blank, the Currency Code will not be updated.

Rounding

5. Enter the desired rounding factor for the following limit fields.

Amount - Credit Limit

Minimum Order Value

Maximum Order Value

For example, a value of 100 will round the converted amount to the nearest hundred, 50 to the nearest 50 etc. If left blank, limit values will not be rounded.

Multicurrency Invoices

The relationship between the base currency of a company and the transaction currency of an invoice determines whether the invoice is a domestic currency transaction or a foreign currency transaction.

When you enter an invoice, the currency of the company determines the *base (domestic) currency* of an invoice, whereas the currency in which you issue an invoice determines the *transaction currency*.

To process invoices in multiple currencies, you must assign a currency code to every company in the Companies program (P0010). The currency code of a company determines the base currency of the invoice during invoice entry.

Domestic Versus Foreign Currency Transactions

The following describes the difference between a domestic currency transaction and a foreign currency transaction, as it applies to both invoices and vouchers.

Domestic Currency Transaction

An invoice or voucher is considered a domestic currency transaction when the transaction currency that you assign to the invoice or voucher is the same as the base currency of the company that you enter on the invoice or voucher record. When you enter a domestic currency transaction, the system does not update or display foreign amount fields as there are no foreign amounts involved in the transaction.

For example, assume that the base currency of a company is U.S. dollars (USD). You enter an invoice for that company and assign a transaction currency of USD. The base currency of the company is the same as the transaction currency of the invoice; therefore, the invoice is domestic.

Foreign Currency Transaction

An invoice or voucher is considered a foreign currency transaction when the transaction currency that you assign to the invoice or voucher is different from the base currency of the company that you enter on the invoice or voucher record. The invoice or voucher has a foreign amount (based on the currency of the transaction) and a domestic amount (based on the base currency of the company). The system calculates the domestic amount of a transaction using the exchange rate from the Currency Exchange Rates table (F0015) or the exchange rate that you enter on the invoice or voucher record.

For example, assume that the base currency of a company is USD. You enter a voucher for that company and assign a transaction currency of Japanese yen (JPY). The base currency of the company is not the same as the transaction currency of the invoice; therefore, the voucher is foreign.

How Domestic Amounts Are Calculated on Foreign Transactions without Taxes

When you enter a foreign transaction without taxes, the system simply multiplies the foreign gross amount by the exchange rate to derive the domestic gross amount. If the transaction has a payment term that splits the amount entered into multiple pay items, the system performs soft rounding on both the foreign and domestic gross amounts. It does this so that the sum of the foreign pay items equals the original foreign amount entered and the sum of the domestic pay items equals the original foreign amount entered multiplied by the exchange rate.

The following examples illustrate the differences between a foreign transaction that the system splits into multiple pay items and one that is entered with multiple pay items. For these examples, the following information applies:

- A voucher is entered in Canadian dollars (CAD) for a U.S. company.
- The foreign currency amount entered is 100.00 CAD.
- The system uses the multiplier conversion method to calculate amounts.
- The exchange rate is 1.4 (CAD to USD).
- The domestic amount calculated by the system equals 140.00 (100.00 x 1.4).

Example: Foreign Transaction Split into Multiple Pay Items

For this example, you assign a payment term to the transaction. The system splits the total amount into three pay items and calculates a 1% discount.

Pay Item	Foreign Gross	Foreign Discount	Domestic Gross	Domestic Discount
001	33.33	0.33	46.67	0.47
002	33.34	0.34	46.66	0.46
003	33.33	0.33	46.67	0.47
Total	100.00	1.00	140.00	1.40

When you enter a foreign transaction with a split payment term, the system uses the foreign gross amount to calculate the domestic gross amount *before* it performs the split. The system actually performs two sets of splits—one for the foreign side and one for the domestic side.

In this example, the system started with 140.00 USD and divided it by 3 (46.666666). Because the system performs soft rounding, it calculates the domestic pay items according to the amounts shown in the table. Note that the foreign gross amount for pay item 001 (33.33) multiplied by the exchange rate (1.4) does not equal the domestic gross amount (46.67); instead, it equals 46.66. Soft rounding ensures that the total of the split amounts (46.67 + 46.66 + 46.67) equals the amount with which you started (140.00).

Example: Foreign Transaction Entered with Multiple Pay Items (No Split Payment Terms)

For this example, you enter the pay items separately instead of having the system split the total amount into multiple pay items.

When you enter the pay items, the domestic amounts for each pay item are different because the system multiplies the amount that you enter by the exchange rate. It does this when you accept the pay item entry.

Pay Item	Foreign Gross	Foreign Discount	Domestic Gross	Domestic Discount
001	33.33	0.33	46.66	0.46
002	33.34	0.34	46.68	0.48
003	33.33	0.33	46.66	0.46
Total	100.00	1.00	140.00	1.40

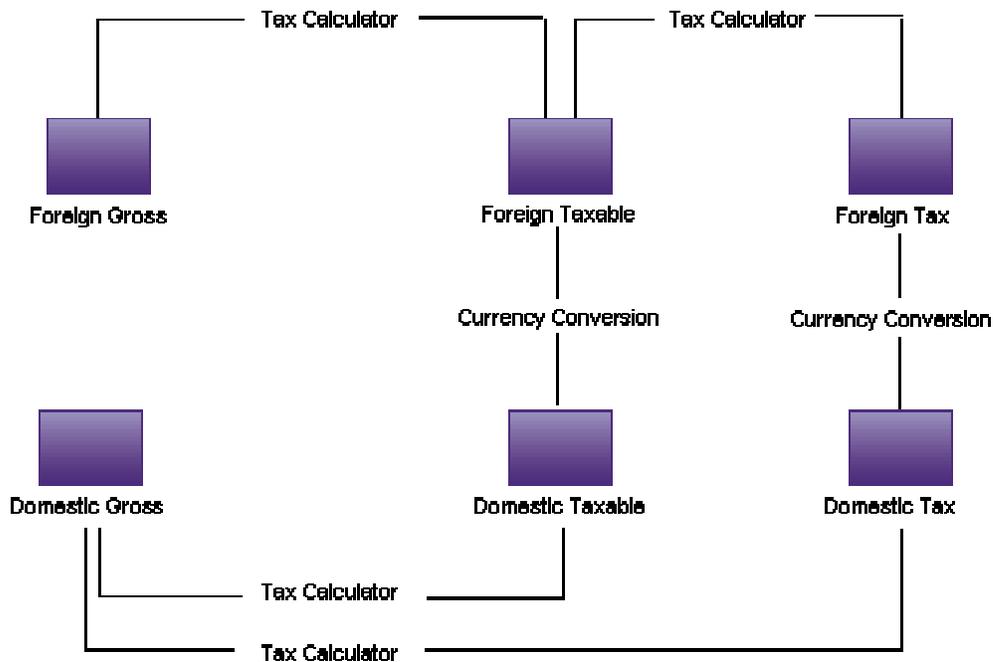
The system performs the soft rounding for each pay item and the total domestic gross amount equals 140.00 USD, but the pay item amounts are different because the exchange rate is applied to each pay item instead of the total pay amount.

How Domestic Amounts Are Calculated on Foreign Transactions with Taxes

When you enter a foreign transaction with taxes, the system calculates the tax and discount amounts on the foreign side of the transaction. Using those tax and discount amounts, the system retrieves the exchange rate and calculates the tax and discount amounts for the domestic side of the transaction. If the invoice or voucher has multiple pay items, the system performs soft rounding after it calculates the amounts for each side of the transaction.

The following graphic shows how the system calculates the tax and gross amounts for a transaction that is entered in a foreign currency. The foreign taxable amount was entered.

Foreign Currency Transactions with Taxes



To calculate the tax and gross amounts, the system performs the following calculations:

- Multiplies the foreign taxable amount by the tax rate to determine the foreign tax amount
- Adds the foreign taxable and tax amounts to derive the foreign gross amount
- Multiplies the foreign taxable and tax amounts by the exchange rate, which is determined by the currency code and exchange rate date, to derive the domestic taxable and tax amounts
- Adds the domestic taxable and tax amounts to derive the domestic gross amount

Note

The system does not multiply the foreign gross amount by the exchange rate to derive the domestic gross amount.

Example: Foreign Transaction with Taxes

For this example, the following information applies:

- An invoice is entered in the euro for a U.S. company
- The system uses the divisor conversion method to calculate amounts
- The EUR to USD exchange rate is 0.8900757
- The tax rate is 5%
- The tax type is for sales tax

Transaction	Gross	Taxable	Tax
Foreign	1,527.75	1,455.00	72.75
Domestic	1,716.42	1,634.69	81.73

The system does the following:

- Calculates the gross amount by adding 1,455.00 (taxable) to 72.75 (tax), which equals 1,527.75
- Calculates the domestic taxable amount by dividing 1,455.00 by 0.8900757, which equals 1,634.6924 and rounds to 1,634.69
- Calculates the domestic tax amount by dividing 72.75 by 0.8900757, which equals 81.73462 and rounds to 81.73
- Calculates the domestic gross amount by adding 1,634.69 (taxable) to 81.73 (tax), which equals 1,716.42

Note

If the system were to derive the domestic amount by dividing the gross foreign amount (1,527.75) by the exchange rate (0.8900757), the result would be 1,716.43 and not 1,716.42. And the domestic taxable (1,634.69) and tax (81.73) amounts would not equal the gross domestic amount.

Rounding versus Soft Rounding

If you process a significant number of invoices and vouchers that have discounts, or taxes, or both, rounding differences can add up quickly. Rounding occurs on any component of a transaction that involves a calculation. The system uses rounding on transactions with a single pay item and soft rounding on transactions with multiple pay items.

Rounding

Rounding automatically occurs when the system performs a calculation and the result does not exactly equal the lowest currency unit, such as the penny for the U.S. dollar. In this situation, the following occurs:

- If the least significant digit is 5 or greater, the system rounds up.
- If the least significant digit is less than 5, the system rounds down.

For example, if the result of a calculation is 0.55672 and the currency is Canadian dollars (CAD), which has two decimal places, the system uses the third number to the right of the decimal to determine the rounding. In this example, it rounds the amount up to 0.56. Conversely, if the amount were 0.55472, the system would use 4 and round the amount down to 0.55. The system ignores all numbers after the third decimal for a two-decimal currency.

Soft Rounding

When the total of two or more amounts must equal a specific amount, the system uses soft rounding to force the total. For example, if you split a voucher for 100 CAD into three payments, the system calculates the first pay item at 33, the second at 34, and the third at 33 so that the total of the three pay items equals 100. If the system did not use soft rounding, you would have to enter an amount that could be divided equally among pay items or submit pay items that did not equal the total amount due, which would not be acceptable.

To minimize the negative effects of rounding, the system uses soft rounding on transactions with multiple pay items. The system stores the amount that it adds or subtracts to a calculated amount (as a result of rounding) in a cache (memory), and then adds or subtracts that amount from the next pay item as follows:

- If the system rounds up the amount for a pay item, it subtracts that amount from the next pay item before rounding that pay item.
- If the system rounds down the amount for a pay item, it adds that amount to the next pay item before rounding that pay item.

If the system did not perform soft rounding, you might overpay or underpay a supplier as well as overcharge or undercharge a customer. While soft rounding does not control overpayments or underpayments and overcharges or undercharges between transactions, it does minimize the impact of rounding within a single transaction. The system does not carry soft rounding amounts from one transaction to another.

Multicurrency Batch Totals

For flexibility in data entry, you can enter transactions with different currencies in the same batch. If you set up your Accounts Receivable, Accounts Payable, and General Accounting Constants to require batch control, the debit amounts of the entries are added to obtain the batch total. Batch amounts are not currency sensitive.

If you enter invoices, vouchers, or journal entries with different currencies in the same batch, the system does not adjust for the decimal places of the different currencies. As a result, the totals for the batch are meaningless. For this reason, many users prefer to enter transactions with different currencies in separate batches.

To determine the expected total for a batch with currencies that have different decimal places, add the amounts without using a decimal point and enter the amount in the Total Expected field on the Batch Control form (P0011).

For example, you enter transactions for 10,535.00 EUR and 16,433,500 JPY in the same batch. The system disregards the decimal point in the euro amount and calculates a hash total. The total amount entered, which appears in the Total Entered field on the Batch Control form, is 17,487,000 (1053500 plus 16433500).

The system displays decimals in the Total Entered field on the Batch Control form based on data dictionary item AICU (Input Total). Using the amounts in the example, if you set the Display Decimals field for item AICU to 0 (zero), the system displays 17,487,000. If you set the field to 2, the system displays 174,870.00.

Entering Invoices in a Foreign Currency

You use the Standard Invoice Entry program (P03B11) to enter invoices in a foreign currency. You can assign a currency code at the time you enter an invoice, or let the system assign the default currency code from the customer record.

When you enter an invoice, the system multiplies the foreign gross amount by the exchange rate to derive the domestic gross amount. The default exchange rate is from the Currency Exchange Rates table (F0015). You can override this rate when you enter the invoice.

For foreign currency invoices, the currency of the company for the A/R trade account must be the same as the base (domestic) currency of the invoice. For example, a U.S. company enters a foreign invoice in Canadian dollars. The domestic currency of the invoice is USD; therefore, the currency of the company for the A/R trade account must also be USD. If the currency of the company for the account assigned to AAI item RC is different from the domestic currency of the invoice, you receive an error message (*Trade Account Currency Incorrect*) and cannot continue entering the invoice.

Speed Invoice Entry

You can use the Speed Invoice Entry (P03B11SI) program to enter an invoice in a foreign currency. However, unlike the Standard Invoice Entry program, you cannot use the Speed Invoice Entry program to enter the domestic side of a foreign currency invoice. This is because the Speed Invoice Entry program does not allow you to deselect the Foreign option, which would indicate that you are entering the domestic side of the invoice.

For detailed, non-currency specific information, see *Entering Speed Invoices* in the *Accounts Receivable Guide*.

Prerequisites

- ❑ To enter foreign invoices with distributions to multiple companies, activate the Allow Multi-Currency Intercompany Transaction option in the General Accounting Constants program (P0000). See *Setting Up Multicurrency Constants* in the *Multicurrency Guide*.
- ❑ Ensure that AAI item RCxxx is set up for each company. See *AAIs for Receivable Trade Accounts in Foreign Currencies* in the *Multicurrency Guide*.
- ❑ Ensure that the processing option is set to display domestic and foreign fields for the Standard Invoice Entry program (P03B11). To access these processing options, choose Interactive Versions from the System Administration Tools menu (GH9011) in the Windows environment.

► To enter invoices in a foreign currency

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

1. On Work with Customer Ledger Inquiry, click Add.

PeopleSoft® Sign Out

Standard Invoice Entry - Standard Invoice Entry i ? ?

OK Delete Cancel Form Row Tools

Document No/Type/Co 00001 Batch No 28285

Customer 3006 Editions de l'Odeon
Company 00001 Financia/Distribution Company Discount %
Invoice Date 06/15/05 G/L Date 06/30/05 Payment Terms
Currency EUR Exchange Rate 1.1820331 Base USD Foreign

Pay Rem	Gross Amount	Remark	Pymt Terms	Disc Percent	Discount Available	Taxable Amount	Tax	Open Amount	Tax Area
001	15,000.00							15,000.00	
002	25,000.00							25,000.00	
003	45,000.00							45,000.00	
004	10,500.00								
005									

Gross 85,000.00 Disc Tax Taxable

2. On Standard Invoice Entry, enter basic invoice information in the header area as usual.
3. Complete the following currency fields:

- Currency

If you leave this field blank, the system assigns the default currency code of the customer.

Domestic Side of a Foreign Currency Invoice

To enter the domestic amount of a foreign currency invoice, you must enter the domestic currency code in the Currency field.

The system updates the Foreign option based on the currency code that you enter and its relationship to the base currency of the company.

- Exchange Rate

If applicable, enter a spot rate in this field. Otherwise, leave the field blank to retrieve the exchange rate from the Currency Exchange Rates table (F0015).

The Base Currency field contains the currency of the company entered in the Company field.

4. In the detail area, enter the foreign amount for each pay item in the following field:

- Gross Amount

Domestic Side of a Foreign Currency Invoice

To enter the domestic amount of a foreign currency invoice, the Foreign option must be turned off before you enter the gross amount. To turn off the Foreign option, you must first click in the detail area of the form.

5. Click OK.

PeopleSoft® Sign Out

Standard Invoice Entry - G/L Distribution ?

OK Delete Cancel Form Row Tools

Document No/Type/Co 11642 RI 00001 Batch Number 28285

Customer 3006 Explanation Editions de l'Odeon

G/L Date 06/30/05 Amt To Distribute 95,500.00- Percent

Currency EUR Exchange Rate 1.1820331 Base USD Foreign

Records 1 - 2 Customize Grid									
	Account Number	Account Description	Amount	Explanation -Remark-	Track Taxes	Tax Rate Area	Tx Ex	Tax Item No	Per No
	3.8700	Miscellaneous Expenses	95,500.00-		0				6
					0				

Amount 95,500.00- Remaining

6. On G/L Distribution, enter general ledger information in the detail area as usual and click OK.

AID Field Updated During Invoice Entry

When you enter a foreign currency invoice, the system searches for AAI item RC and locates the short account ID that corresponds to the account assigned to RC. It then updates the short account ID in the AID field of the invoice record in the Customer Ledger table (F03B11). Later, when you enter the receipt, the system uses the short account ID in the AID field on the F03B11 record to update the AID field in the Receipts Detail table (F03B14).

Related Tasks for Foreign Currency Invoices

Revising unposted foreign currency invoices	You can use the Speed Status Change program (P03B114) to revise unposted foreign currency invoices as long as the information you want to revise does not affect the general ledger. This includes due dates, remarks, and so on.
Deleting unposted foreign currency invoices	If you delete a foreign currency invoice, the system also deletes the domestic side of the invoice. Similarly, if you delete a domestic currency invoice, the system also deletes the foreign side.
Revising the domestic side of unposted foreign currency invoices	The system displays a warning message if you attempt to change a multicurrency transaction in domestic mode.
Changing the currency code on a foreign currency invoice	You cannot change the currency code after you enter a foreign currency invoice, regardless of whether it is posted. To change the currency, you must enter a new invoice with the correct currency code and delete (if unposted) or void (if posted) the incorrect invoice.
Foreign currency recurring invoices	<p>When you recycle a foreign currency recurring invoice, be aware that the Recycle Recurring Invoices program (R03B8101) uses the exchange rate of the original invoice to create the new recurring invoice and not the exchange rate from the Currency Exchange Rates table (F0015).</p> <p>Depending on exchange rate fluctuations, the foreign currency amount of the recurring invoice might be overstated or understated, which could produce a misstated gain or loss.</p>

Reviewing Invoices in a Foreign Currency

You can use the Customer Ledger Inquiry program (P03B2002) to review invoices in a foreign currency. Like other PeopleSoft inquiry forms and reports, the grand total amounts that appear on the Work with Customer Ledger Inquiry form are meaningless if you display more than one currency at a time.

Dates That Affect the Transaction Amounts You View

Before you review foreign currency invoices and vouchers, you need to understand the different dates that affect the amounts displayed on the Work with Customer Ledger Inquiry and the Supplier Ledger Inquiry forms. By understanding these dates and how the inquiry programs use them, you help to ensure that you specify the correct date when reviewing your invoices and vouchers. The dates that affect the transaction amounts that you view are:

- The effective date on the Revise Currency Exchange Rates form. The inquiry program searches for the most recent effective date for a currency and uses the corresponding exchange rate.
- The “from” and “thru” dates on the Work with Customer Ledger Inquiry or the Supplier Ledger Inquiry form. This date range determines which transactions appear on the form.
- The “as of” date in the processing options. If the “as of” date is blank, the system uses the “thru” date that you enter on the inquiry form. The “thru” date does not override the “as of” date in the processing options.

“As If” Currency Processing

The As Of Date field on the inquiry form works in conjunction with the As If Currency field. The system calculates open amounts for the “as if” currency based on the “as of” date.

If a receipt or payment has been applied, the system compares the “as of” date with the G/L date of the receipt or payment to determine the invoice or voucher amount that was open as of that date.

See *Reviewing Invoices in an “As If” Currency* and *Reviewing Vouchers in an “As If” Currency* in the *Multicurrency Guide* for information about “as if” currency processing.

► To review invoices in a foreign currency

From the Customer Invoice Entry menu (G03B11), choose Customer Ledger Inquiry.

1. On Work with Customer Ledger Inquiry, complete any of the fields in the header area of the form to limit your search and click Find.

PeopleSoft

Customer Ledger Inquiry - Work with Customer Ledger Inquiry

Select Find Add Delete Close Form Row Report Tools

Customer *
Parent * Batch Number *

Invoice No From * Thru * All Paid Open

Date From 06/15/05 Thru 06/15/05 Invoice Date Due Date
 G/L Date Statement Date

As Of Date Recurring Invoice Summarize

Records 1 - 10

Pay Item	Doc Type	Gross Amount	Base Curr	Foreign Amount	Trans Curr	Invoice Date	Document Number	Doc Co	Open Amount	Foreign Amount Open	Exchange Rate
001	RI	3,500.00	USD		USD	06/15/05	1132	00001	3,500.00		
001	RN	1,500.00	USD		USD	06/15/05	3084	00150	1,500.00		
002	RN	57.00	USD		USD	06/15/05	3084	00150	57.00		
001	RI	2,871.00	USD		USD	06/15/05	2228	00001	2,871.00		
001	RI	2,876.40	USD	3,400.00	EUR	06/15/05	3095	00001	2,876.40	3,400.00	1.1820
001	RI	5,128.50	USD	7,890.00	CAD	06/15/05	3062	00001	5,128.50	7,890.00	1.5384

- Review the totals for the gross and foreign amounts and note the following:
 - The system displays foreign amount totals only if you limit your search to invoices with the same transaction currency. It does not display foreign amount totals if the transaction currencies are not the same.
 - The system displays gross amount totals only if you limit your search to invoices with the same base currency. It does not display gross amount totals if the base currencies are not the same.
- To further limit your search, enter a value in any field in the QBE row and click Find.

PeopleSoft

Customer Ledger Inquiry - Work with Customer Ledger Inquiry

Select Find Add Delete Close Form Row Report Tools

Customer *
Parent * Batch Number *

Invoice No From * Thru * All Paid Open

Date From 06/15/05 Thru 06/15/05 Invoice Date Due Date
 G/L Date Statement Date

As Of Date Recurring Invoice Summarize

Records 1 - 2

Pay Item	Doc Type	Gross Amount	Base Curr	Foreign Amount	Trans Curr	Invoice Date	Document Number	Doc Co	Open Amount	Foreign Amount Open	Exchange Rate
001	RI	1,461.44	USD	175,000	JPY	06/15/05	3043	00001	1,461.44	175,000	119.7447043
		1,461.44		175,000					1,461.44	175,000	

For example, to review invoices entered in a specific foreign currency, enter the currency code in the Trans Curr (Transaction Currency) field or to review invoices for companies with a specific base currency, enter the currency code in the Base Curr (Base Currency) field.

- To review detailed information for an invoice, choose the invoice and click Select.

PeopleSoft
Customer Ledger Inquiry - Standard Invoice Entry

Document No/Type/Co: 3043 RI 00001 Batch No: 5746

Customer: 4246 Central Distributors
Company: 00001 Financial/Distribution Company Discount %
Invoice Date: 06/15/05 G/L Date: 06/15/05 Payment Terms:
Currency: JPY Exchange Rate: 119.7447043 Base: USD Foreign

Pay Item	Gross Amount	Remark	Pymt Terms	Disc Percent	Discount Available	Taxable Amount	Tax	Open Amount	Discount Taken
001	175,000							175,000	
002									

Gross: 175,000 Disc: Tax: Taxable:

- On Standard Invoice Entry, click the Foreign option to toggle between the foreign and domestic currency amounts and review the amount in the following field:

- Gross Amount

PeopleSoft
Customer Ledger Inquiry - Standard Invoice Entry

Document No/Type/Co: 3043 RI 00001 Batch No: 5746

Customer: 4246 Central Distributors
Company: 00001 Financial/Distribution Company Discount %
Invoice Date: 06/15/05 G/L Date: 06/15/05 Payment Terms:
Currency: JPY Exchange Rate: 119.7447043 Base: USD Foreign

Pay Item	Gross Amount	Remark	Pymt Terms	Disc Percent	Discount Available	Taxable Amount	Tax	Open Amount	Discount Taken
001	1,461.44							1,461.44	
002									

Gross: 1,461.44 Disc: Tax: Taxable:

Multicurrency Processing Options for Invoice Entry MBF (P03B0011)

Taxes Tab

1. VAT on Foreign Transactions

Blank = Do not allow VAT on foreign transactions

1 = Allow VAT on foreign transactions

Use this processing option to specify whether to allow value-added tax (tax explanation code V) on invoices that are entered in a foreign currency. Valid values are:

Blank

Do not allow value-added tax

1

Allow value-added tax

Currency Tab

1. Exchange Rate Date

Blank = Use the invoice date

1 = Use the G/L date

Use this processing option to choose the date that you want the system to use to retrieve the exchange rate. Valid values are:

Blank

Use the invoice date.

1

Use the G/L date.

2. Effective Date Edit

Blank = No edit

1 = Edit against the transaction's G/L period

Use this processing option to specify whether the system validates the effective date that it uses to retrieve the exchange rate against the general ledger date that you enter on the receipt. Valid values are:

Blank

Do not validate the effective date.

1

Validate the effective date. The system issues a warning when the effective date of the exchange rate retrieved from the Currency Exchange Rates table (F0015) is not in the same period as the general ledger date of the invoice.

3. Exchange Rate Tolerance Limit

Blank = No tolerance limit

Use this processing option to specify the tolerance limit for changes in exchange rates during invoice entry. If the calculated amount is greater or less than the tolerance amount that you specify, you will receive a warning message during invoice entry.

For example, 5 specifies a tolerance limit of 5 percent. If you try to enter an exchange rate that is 6 percent greater or less than the previous rate entered, you will receive a warning message. In this way, the system helps to ensure that the exchange rate that you enter is reasonable, thus alerting you to possible data entry errors.

Printing Invoices in a Foreign Currency

From the Statement Reminder Processing menu (G03B22), choose Invoice Print.

You can print invoices in a foreign currency showing either the foreign or the domestic amount as follows:

- The foreign amount of the invoice with currency code
- The domestic amount of the invoice with no currency code

Use the XJDE0001 demo version of the Invoice Print program (R03B505) called *Invoice Print - Foreign*.

See Also

- *Printing Accounts Receivable Invoices* in the *Accounts Receivable Guide* for detailed, non-currency specific information about the Invoice Print program (R03B505)

Processing Multicurrency Batch Invoices

To successfully upload batch invoice entries from an external source and process them in your PeopleSoft system, you must first create a custom program that provides proper data to fields in the following tables:

- Batch Invoice (F03B11Z1)
- Journal Entry Transactions – Batch File (F0911Z1)

To successfully process batch invoices, you should be aware of the types of information the Batch Invoice Processor - C Function program (R03B11Z1A) requires from the F03B11Z1 and F0911Z1 tables. You should also understand the relationship between the Currency Mode, Currency Amount, and Exchange Rate fields in the F03B11Z1 table, the fields required by the R03B11Z1A program, and the way in which amounts are calculated.

Guidelines for Amount, Exchange Rate, and Currency Mode Fields for Batch Invoices

Observe the following guidelines to determine how to enter amounts, exchange rates, and currency modes for domestic and foreign transactions when processing batch invoices in a multicurrency environment.

Type of Transaction	Description of Values for Multicurrency Fields
Domestic	<p>If the currency code of the transaction (identified by the value in the Currency Code field, VJCRCD) is equal to the currency code of the company, the transaction is a domestic transaction.</p> <p>Enter the transaction amount in the Gross Amount field (VJAG) and enter D in the Currency Code field (VJCRRM). Do not enter an exchange rate.</p> <p>If you are entering discount information, complete the Discount Available field (VJADSC). If you leave the Discount Available field blank, and you entered a payment term (VJPTC), the system calculates the discount based on the payment term. If you leave both the Discount Available and the Payment Term fields blank, the system calculates the discount based on the payment term in the Customer Master by Line of Business table (F03012).</p> <p>If you are entering tax information, complete the Taxable Amount (VLATXA), Non-Taxable Amount (VLATXN), and Tax Amount (VLSTAM) fields. If you leave these fields blank, the system calculates the amounts based on the tax rate area (VJTXA) and tax explanation code (VJEXR1) that you entered for the record. If you also leave the Tax Rate/Area and Tax Explanation Code fields blank, the system calculates the tax amounts based on the Tax Rate/Area and Tax Explanation Code fields in F03012 table.</p>
Foreign	<p>If the currency code of the transaction (identified by the value in the Currency Code field, VJCRCD) is different from the currency code of the company, the transaction is a foreign transaction.</p> <p>Enter the transaction amount in the Currency Amount field (VJACR) and enter F in the Currency Mode field (VJCRRM). The system calculates the domestic amount based on the Exchange Rate field (VJCRR).</p> <p>If you are entering discount information, complete the Foreign Discount Available field (VJCDS).</p> <p>If you are entering tax information, complete the Foreign Taxable Amount (VJCTXA), Foreign Non-Taxable Amount (BJCTXN), and Foreign Tax Amount (VJCTAM) fields.</p>

Type of Transaction	Description of Values for Multicurrency Fields
Domestic side of a foreign transaction	<p>If the currency code of the transaction (identified by the value in the Currency Code field, VJCRCDD) is different from the currency code of the company, enter the domestic amount in the Gross Amount field (VJAG).</p> <p>Unlike a foreign transaction, you do not enter an amount in the Currency Amount field.</p> <p>Enter D in the Currency Mode field (VJCRRM). The system calculates the foreign amount based on the exchange rate (VJCRR).</p> <p>If you are entering discount information, complete the Foreign Discount Available field (VJCDS).</p> <p>If you are entering tax information, complete the Foreign Taxable Amount (VJCTXA), Foreign Non-Taxable Amount (BJCTXN), and Foreign Tax Amount (VJCTAM) fields.</p>

See Also

- ❑ *Batch Invoice Processing* in the *Accounts Receivable Guide* for complete information about processing batch invoices, including all other fields required in the F03B11Z1 table
- ❑ *Required Fields for Processing Batch Invoices with Discounts* in the *Accounts Receivable Guide*
- ❑ *Invoice and Voucher Batch Processing with Taxes* in the *Tax Reference Guide*

Multicurrency Fields Required in the F03B11Z1 and F0911Z1 Tables

Before you process batch invoices, review the following tables for a list of the multicurrency fields required in the Batch Invoices (F03B11Z1) and the Journal Entry Transactions – Batch File (F0911Z1) tables.

Multicurrency Fields Required in the F03B11Z1 Table

For some fields, blank is a valid value.

Field Name	Alias	Type	Length	Description
Currency Mode	VJCRRM	Alpha	1	<p>A code that indicates whether the invoice is domestic or foreign. This field is used in conjunction with the Currency Code (VJCRCD), Gross Amount (VJAG), Currency Amount (VJACR), and Exchange Rate (VJCRR) fields to calculate required amounts for the transaction.</p> <p>Enter D or F, depending on other information provided in the transaction.</p> <p>If you leave this field blank, the system determines this value based on other information provided in the transaction. The system updates this field when the invoice is processed.</p>
Currency Code	VJCRCD	Alpha	3	<p>A code that identifies the currency of the invoice. The value that you enter in this field must exist in the Currency Codes table (F0013).</p>
Currency Amount	VJACR	Number	15	<p>A foreign currency amount. Enter the transaction amount only if the value in the Currency Code field (VJCRCD) is different from the currency code of the company, as defined in the Company Constants table (F0010).</p>
Exchange Rate	VJCRR	Number	15	<p>An amount that specifies the exchange rate for calculating the domestic or foreign amount of the invoice.</p> <p>If you leave this field blank, the system retrieves the exchange rate from the Currency Exchange Rates table (F0015).</p> <p>Enter an exchange rate if you want to override the exchange rate in the F0015 table or if an exchange rate does not exist. If you set the processing option in the Invoice Entry MBF Processing Options (P03B0011) to activate tolerance checking, the system validates the exchange rate that you enter. If you do not have tolerance checking activated, no validation is performed.</p>
Foreign Discount Available	VJCDS	Number	15	<p>Enter an amount, or leave this field blank if you want the system to calculate the discount based on the Payment Terms Code field (VJPTC). If the VJPTC field is blank, the system calculates the discount based on the payment term in the Customer Master by Line of Business table (F03012).</p>

Field Name	Alias	Type	Length	Description
Foreign Taxable Amount	VJCTXA	Number	15	<p>The system updates this field based on information in the Tax Rate/Area (VJTXA1), Tax Explanation Code (VJEXR1), and Currency Amount (VJACR) fields. The system calculates the amount that is not provided in the record. For example, if you enter an amount in the Foreign Taxable Amount field (VJCTXA) and you leave the Currency Amount field (VJACR) blank, the system calculates the currency amount.</p> <p>Do not complete both the Currency Amount (VJACR) and Foreign Taxable Amount (VJCTXA) fields.</p> <p>If the Currency Mode field (VJCRRM) is D, do not complete the Foreign Taxable Amount, Foreign Non-Taxable Amount, and Foreign Tax Amount fields. Instead, use the Taxable Amount (VJATXA), Non-Taxable Amount (VJATXN), and Tax Amount (VJSTAM) fields.</p>
Foreign Non-Taxable Amount	VJCTXN	Number	15	<p>The system updates this field based on information in the Tax Rate/Area (VJTXA1), Tax Explanation Code (VJEXR1), and Currency Amount (VJACR) fields. The system calculates the amount that is not provided in the record. For example, if you enter the amount in the Foreign Taxable Amount field (VJCTXA) and you leave the Currency Amount field (VJACR) blank, the system calculates the currency amount.</p> <p>Do not complete both the Currency Amount (VJACR) and Foreign Taxable Amount (VJCTXA) fields.</p> <p>If the Currency Mode field (VJCRRM) is D, do not complete the Foreign Taxable Amount, Foreign Non-Taxable Amount, and Foreign Tax Amount fields. Instead, use the Taxable Amount (VJATXA), Non-Taxable Amount (VJATXN), and Tax Amount (VJSTAM) fields.</p>

Field Name	Alias	Type	Length	Description
Foreign Tax Amount	VJCTAM	Number	15	<p>The system updates this field based on information in the Tax Rate/Area (VJTXA1), Tax Explanation Code (VJEXR1), and Currency Amount (VJACR) fields. The system calculates the amount that is not provided in the record. For example, if you enter the amount in the Foreign Taxable Amount field (VJCTXA) and you leave the Currency Amount field (VJACR) blank, the system calculates the currency amount.</p> <p>Do not complete both the Currency Amount (VJACR) and Foreign Taxable Amount (VJCTXA) fields.</p> <p>If the Currency Mode field (VJCRRM) is D, do not complete the Foreign Taxable Amount, Foreign Non-Taxable Amount, and Foreign Tax Amount fields. Instead, use the Taxable Amount (VJATXA), Non-Taxable Amount (VJATXN), and Tax Amount (VJSTAM) fields.</p>
Domestic Entry w/Mult Currency Distr	VJDMCD	Alpha	1	<p>If the distribution accounts in the F0911Z1 table are for a company that has a different currency than the company in the F03B11Z1 table, enter 1 in this field and activate the Allow Multi-Currency Intercompany Transaction option in the General Accounting Constants program (P0000).</p> <p>If you do not allow multicurrency intercompany transactions, leave this field blank.</p>
Foreign Open Amount	VJACR	Number	15	Leave this field blank. The system updates this field when the transaction is processed.
Foreign Discount Taken	VJDSA	Number	15	Leave this field blank. The system updates this field when a receipt is applied against an invoice that contains an amount in the Foreign Discount Available field (VJCDS).
Foreign Open Amount	VJACR	Number	15	Leave this field blank. The system updates this field when the transaction is processed.
Foreign Discount Taken	VJDSA	Number	15	Leave this field blank. The system updates this field when a receipt is applied against an invoice that contains an amount in the Foreign Discount Available field (VJCDS).

Multicurrency Fields Required in the F0911Z1 Table

Field Name	Alias	Type	Length	Description
Amount	VNAA	Number	15	For domestic only transactions. If you are entering a domestic currency transaction, enter the amount in this field.
Currency Amount	VNACR	Number	15	For foreign currency transactions. If you are entering a foreign currency transaction, enter the amount in this field.
Ledger Type	VNLT	Alpha	2	Enter AA in this field or leave it blank. Do not enter CA as a ledger type.
Currency Code	VNCRCD	Alpha	3	The system updates this field based on the value in the corresponding field in the F03B11Z1 table.
Currency Mode	VNCRRM	Alpha	1	The system updates this field based on the value in the corresponding field in the F03B11Z1 table.
Exchange Rate	VNCRR	Number	15	The system updates this field based on the value in the corresponding field in the F03B11Z1 table.

Reviewing Invoices in an “As If” Currency

Regardless of whether you enter an invoice in a domestic or foreign currency, you can review amounts as if they were entered in a different currency.

To review amounts in an “as if” currency, you must enter a default currency code and an exchange rate date in the processing options for the Customer Ledger Inquiry program (P03B2002). This activates the As If Currency Code field on the Work with Customer Ledger Inquiry form.

The system retrieves the corresponding exchange rate from the Currency Exchange Rates table (F0015) and calculates the “as if” currency amounts based on the base (domestic) currency of the invoice. For example, assume that you enter foreign currency invoices for a customer in Canadian dollars (CAD) and the company base currency is euro (EUR). You want to review the invoice amounts as if they were entered in the Japanese yen (JPY). The system retrieves the EUR to JPY exchange rate from the F0015 table to calculate the “as if” amounts in JPY.

► To review invoices in an “as if” currency

From the Customer Invoice Entry menu (G03B11), choose Customer Ledger Inquiry.

1. On Work with Customer Ledger Inquiry, complete any of the fields in the header area of the form to limit your search and click Find.

PeopleSoft

Customer Ledger Inquiry - Work with Customer Ledger Inquiry

Select Find Add Delete Close Form Row Report Tools

Customer *
Parent * Batch Number *

Invoice No From * Thru * All Paid Open

Date From 06/15/05 Thru 06/15/05 Invoice Date Due Date
 G/L Date Statement Date

As Of Date Recurring Invoice Summarize As If Curr Code GBP

Records 1 - 10

Pay Item	Doc Type	Gross Amount	Base Curr	Foreign Amount	As If Amount	Trans Curr	As If Open Amount	Invoice Date	As If Disc Avail	Document Number	Doc Co
001	RI	3,500.00	USD		5,519.63	USD	5,519.63	06/15/05	55.20	1132	00001
001	RN	1,500.00	USD		2,365.56	USD	2,365.56	06/15/05		3084	00150
002	RN	57.00	USD		89.89	USD	89.89	06/15/05		3084	00150
001	RI	2,871.00	USD		4,527.68	USD	4,527.68	06/15/05	43.62	2228	00001
001	RI	2,876.40	USD	3,400.00	4,536.19	EUR	4,536.19	06/15/05		3095	00001
001	RI	5,128.50	USD	7,890.00	8,087.84	CAD	8,087.84	06/15/05		3062	00001
002	RI	780.00	USD	1,200.00	1,230.09	CAD	1,230.09	06/15/05		3062	00001
001	R5	500.00	USD		788.52	USD	788.52	06/15/05		1015	00001
001	RI	1,073.00	USD		1,692.16	USD	1,692.16	06/15/05		1028	00001
001	RI	1,073.00	USD		1,692.16	USD	1,692.16	06/15/05		3002	00001

The default currency code in the As If Curr Code field is specified in a processing option.

2. Review the total for the “as if” amounts.

The system calculates the “as if” amounts based on the base (domestic) currency of the invoice.

3. To further limit your search, enter values in any fields in the QBE row and click Find.

PeopleSoft

Customer Ledger Inquiry - Work with Customer Ledger Inquiry

Select Find Add Delete Close Form Row Report Tools

Customer *
Parent * Batch Number *

Invoice No From * Thru * All Paid Open

Date From 06/15/05 Thru 06/15/05 Invoice Date Due Date
 G/L Date Statement Date

As Of Date Recurring Invoice Summarize As If Curr Code GBP

Records 1 - 3

Pay Item	Doc Type	Gross Amount	Base Curr	Foreign Amount	As If Amount	Trans Curr	As If Open Amount	Invoice Date	As If Disc Avail	Document Number	Doc Co
001	RI	5,128.50	USD	7,890.00	8,087.84	CAD	8,087.84	06/15/05		3062	00001
002	RI	780.00	USD	1,200.00	1,230.09	CAD	1,230.09	06/15/05		3062	00001
		5,908.50		9,090.00	9,317.93		9,317.93				

4. Scroll to the right in the detail area, if necessary, to review the following fields for the “as if” currency:
 - As If Amount
 - As If Open Amount
 - As If Disc Avail

Note

The Exchange Rate field, which appears in the detail area of the form, does not display the exchange rate used to calculate “as if” amounts. Instead, it displays the exchange rate used to calculate the foreign to domestic amount.

5. To display “as if” amounts in a different currency, change the currency code in the following field and click Find:
 - As If Curr Code

Multicurrency Processing Options for Customer Ledger Inquiry (P03B2002)

Currency Tab

1. "As If" Currency

Use this processing option to specify the "as if" currency and to display the As If Curr Code field on the Work With Customer Ledger Inquiry form. The system recalculates domestic amounts based on the "as if" currency and the date in the Exchange Rate processing option, and displays them in the "as if" columns in the detail area on the form.

If you leave this processing option blank, the system does not display the As If Curr Code field or "as if" currency columns.

2. Exchange Rate Date

Blank = Thru date

Use this processing option to specify the date to use to retrieve the exchange rate between the "as if" currency and the domestic currency. If you leave this processing option blank, the system uses the value that you specify in the Thru Date on the Work With Customer Ledger Inquiry form. If you leave this processing option blank and do not specify a value in the Thru Date, the system uses the most recent exchange rate entered. If an exchange rate does not exist, the system returns an error.

Posting Foreign Currency Invoices

Use one of the following navigations:

From the Customer Invoice Entry menu (G03B11), choose Post Invoices to G/L.

From the Customer Invoice Entry menu (G03B11), choose Invoice Journal Review and post invoices using the Batches program (P0011).

After you enter, review, and approve foreign currency invoices, you must post them.

When you post foreign currency invoices, the pre-post for the Invoice Post program retrieves the A/R offset method from the Accounts Receivable Constants program (P0000). If the offset method is B (batch), the system verifies that there are no foreign currency invoices in the batch. If there is at least one foreign currency invoice, the pre-post changes the A/P offset method for the batch to S (pay item) and continues processing. The pre-post does this because you cannot post using offset method B if one or more invoices in a batch are in a foreign currency.

The General Ledger Post Report program (R09801) performs the tasks described in the following table, regardless of whether you use multicurrency processing. For information specific to posting invoices in a multicurrency environment, review the information under Multicurrency Considerations.

Task Performed by Invoice Post	Multicurrency Considerations
Selects unposted invoices from the Customer Ledger table (F03B11).	
Verifies that a corresponding F0911 record exists and the amount balances to the invoice amount.	
Verifies that the batch has an approved status.	
Creates automatic offset entries to debit the A/R trade account in the Account Ledger table (F0911).	Creates automatic offset entries to debit the A/R trade account for the AA (domestic) and CA (foreign) ledgers in the F0911 table.
Detailed currency restatement does not apply to non-multicurrency environments.	Updates the alternate currency ledger (XA) and, if applicable, the YA and ZA ledgers and produces a separate post report if you enter a version of the Detailed Currency Restatement program (R11411) in the processing options.
Updates balances in the Account Balances table (F0902).	
Updates invoices to a posted (D) status in the F03B11 table.	
Updates corresponding records to a posted status (P) in the F0911 table.	
Updates the batch control record to a posted (D) status in the Batch Control Records table (F0011).	

Multicurrency Receipts

You can process receipts in a domestic, foreign, or alternate currency. Specifically, you can process a receipt in any currency and apply it to invoices in any currency as long as the company base currency on the receipt *is the same* as the domestic currency of the invoices.

For example, assume your company base currency is Canadian dollars (CAD) and you want to apply a receipt in CAD. The domestic currency of the invoices to which you want to apply the receipt is U.S. dollars (USD). The company base currency of the receipt (CAD) is not the same as the domestic currency of the invoices (USD); therefore the system will not accept the receipt entry.

Invoice Number	Domestic Currency Invoice	Foreign Currency Invoice
221	USD	
223	USD	CAD

In this example, the following applies:

- You cannot apply a USD receipt to the domestic amount of invoice 221 (USD).
- You cannot apply a CAD receipt in CAD to pay the foreign amount of invoice 223 (CAD).

In both cases, the company base currency on the receipt (CAD) is not the same as the domestic currency of the invoices.

To complete the receipt entry, you must change the company number on the receipt to a company with a base currency of USD.

Review the following examples to understand how the system determines whether a receipt is a domestic, foreign, or an alternate currency receipt. For the examples, the company base currency on the receipt is the same as the domestic currency of the invoices.

Example: Domestic Currency Receipts

A domestic currency receipt is a receipt that is in the same currency as the base currency of the invoice.

Invoice Number	Domestic Currency Invoice	Foreign Currency Invoice	Domestic Currency Receipt
221	USD		USD
222	USD	EUR	USD

In this example, the company base currency is USD. The following applies:

- You can apply a USD receipt to the domestic amount of invoice 221 (USD).
- You can apply a USD receipt to the domestic amount (USD) of invoice 222 (EUR).

The receipts, which are in the base currency of the company (USD), pay the domestic amount of the invoices, even though one of the invoices has a foreign amount (EUR).

The system does not calculate a realized gain or loss on domestic currency receipts.

Example: Foreign Currency Receipts

A foreign currency receipt is a receipt that is in the same currency as the foreign currency of the invoice.

Invoice Number	Domestic Currency Invoice	Foreign Currency Invoice	Foreign Currency Receipt
223	USD	EUR	EUR
224	USD	CAD	CAD

In this example, the company base currency is USD. The following applies:

- You can apply a EUR receipt to the foreign amount of invoice 223 (EUR).
- You can apply a CAD receipt to the foreign amount of invoice 224 (CAD).

In both cases, the company base currency on the receipt is the same as the domestic currency of the invoices; therefore, the system allows you to apply receipts in the foreign currency.

The receipts, which are in the foreign currency of the invoices (EUR and CAD, respectively), pay the foreign amounts of the invoices. A realized gain or loss might be calculated if the exchange rate changes between the time the invoice was entered and the receipt is applied.

Example: Alternate Currency Receipts

An alternate currency receipt is a receipt that is in a currency different from the foreign or domestic currency of an invoice.

Invoice Number	Domestic Currency Invoice	Foreign Currency Invoice	Alternate Currency Receipt
225	USD		EUR
226	USD	CAD	JPY

In this example, the company base currency is USD. The following applies:

- You can apply a EUR receipt to the domestic amount of invoice 225 (USD).

Note

If an invoice is domestic-only and the receipt is not domestic, the receipt is considered an alternate currency receipt, not a foreign currency receipt.

- You can apply a JPY receipt to the foreign amount of invoice 226 (CAD).

In both cases the company base currency on the receipt is the same as the domestic currency of the invoices; therefore, the system allows you to apply receipts in an alternate currency.

The receipts, which are not in the foreign or domestic currency of the invoices, pay the domestic (USD) and foreign (CAD) currency amounts of the respective invoices.

A realized gain or loss might be calculated if the exchange rate changes between the time that the invoice was entered and the receipt is applied.

General Ledger Receipts

A general ledger receipt, sometimes referred to as a G-type receipt, is a miscellaneous receipt that is not applied to a customer invoice. A miscellaneous receipt could be a rebate or any other type of payment that does not affect your accounts receivable trade account.

To enter a miscellaneous receipt using the Customer Ledger Inquiry (P03B2002) or Speed Invoice Entry (P03B11SI) program, the base currency of the company associated with the G/L account number must be the same as the base currency of the receipt. If the G/L account is a monetary account, the currency code of the account must be the same as the transaction currency code of the receipt. If they are different, the system issues a *Bank Account Currency Invalid* error message when you enter the miscellaneous receipt.

Programs for Foreign and Alternate Currency Receipts

The following table lists the programs you can use to process receipts in multiple currencies, and indicates whether the program can be used for foreign currency receipts only or both foreign and alternate currency receipts.

Program Name (Program Number)	Menu	Foreign Currency	Alternate Currency
Standard Receipts Entry (P03B102)	G03B12	x	x
Speed Receipts Entry (P03B0001)	G03B12	x	
Apply Receipts to Invoices (R03B50)	G03B13	x	
Process Auto Debits (R03B571)	G03B131	x	
Enter Our Drafts (P03B602)	G03B161	x	
Enter Customer Drafts (P03B602)			

Receipt Programs and Multicurrency Intercompany Settlements

The receipt programs in the Account Receivable system do not support multicurrency intercompany settlements. If you enter a multicurrency intercompany receipt, the system issues an error message. You cannot post the entry.

See Also

- ❑ *Cash Forecasting* in the *General Accounting Guide* for detailed, non-currency specific information about the cash forecast setup and programs

Entering Manual Receipts in a Foreign Currency

A foreign currency receipt is a receipt that is in the foreign (transaction) currency of the invoice. You specify the foreign currency of the receipt at the time you enter the receipt. When you enter a foreign currency receipt, the following criteria must be met for the system to process the receipt:

- The foreign currency of a receipt must be the same as the transaction currency of the invoice.
- The base currency of the receipt must be the same as the domestic (base) currency of the invoice.

For example, assume the domestic currency of an invoice is U.S. dollars (USD). The foreign currency receipt you apply must be for a company with a base currency code of USD and the receipt and the transaction currency of the invoice must be the same. If the bank account is a monetary account, the company currency for the bank account must also be USD. If the company currency for the bank account is different from the base currency of the receipt, the system issues an error message and you cannot continue entering the receipt.

When you enter a manual receipt in a foreign currency, the system converts the foreign currency amount to the domestic currency amount based on the exchange rate in the Currency Exchange Rates table (F0015) or, if applicable, a spot rate entered on the receipt record.

To enter a manual receipt in a foreign currency, you typically match the receipt to an invoice or group of invoices using the Standard Receipt Entry program (P03B102). This is the most common method of applying receipts, regardless of whether a foreign currency is involved.

Prerequisites

- ❑ Ensure that the following AAIs are set up:
 - ❑ RBxxx – receivables bank accounts. See *AAIs for Receivable Bank Accounts in Foreign Currencies* in the *Multicurrency Guide*.
 - ❑ RGxxx – realized gains on foreign currency receipts. See *AAIs for Realized Gains and Losses on Foreign Currency Receipts* in the *Multicurrency Guide*.
 - ❑ RLxxx – realized losses on foreign currency receipts. See *AAIs for Realized Gains and Losses on Foreign Currency Receipts* in the *Multicurrency Guide*.
 - ❑ R8 – rounding account for foreign currency receipts. See *AAIs for the Rounding Account for Foreign and Alternate Currency Receipts* in the *Multicurrency Guide*.
- ❑ See *AAIs for Accounts Receivable* in the *Accounts Receivable Guide* for detailed, non-currency specific information about the AAIs required for receipts.

► **To enter manual receipts in a foreign currency**

From the Manual Receipts Processing menu (G03B12), choose Standard Receipts Entry.

1. On Work with Customer Receipts Inquiry, click Add.

PeopleSoft

Standard Receipts Entry - Receipt Entry

OK Delete Cancel Form Row Tools

Company: 00001 Bank Account: 1.1110.FIB G/L Date: 06/30/05

Payor: 3007 Schwartz Warenhous Germeinscha Receipt Date: 06/28/05

Customer: 3007 Schwartz Warenhous Germeinscha Batch: 28630

Receipt Number: E7832478 Previous: []

Receipt Amount: 46,550.00 Remark: []

Currency: EUR Exchange Rate: 1.1820331 Base: USD Foreign

No records fetched.

	Payment Amount	Discount Taken	DS CD	Write-Off Amount	WO CD	Chargeback Amount	CB CD
No records fetched.							

Amount Applied: [] Amount Pending: [] Amount Unapplied: 46,550.00

G/L Receipt

2. On Receipt Entry, complete the fields in the header area as usual.
3. Enter the currency code of the foreign currency receipt in the following field:

- Currency

If you leave this field blank, the system uses the currency code (CRCD) that is assigned to the address book number in the Payor field. If no currency code is assigned to the payor, the system uses the currency code assigned to the company in the Company field.

4. Complete the following field:

- Exchange Rate

The default exchange rate, which is retrieved from the Currency Exchange Rates table (F0015), is the exchange rate between the receipt currency (Currency field) and the base company currency (Base field).

To override the exchange rate in the F0015 table or if no exchange rate exists, enter a value in this field.

Note

To see the default currency code and exchange rate now, place your cursor in the detail area of the form. Otherwise, the system will display the default values after you select open invoices and return to this form.

5. Do one of the following:
 - To select specific open invoices and apply them to a receipt, complete steps 6–14.
 - To display all open invoices and select specific ones to apply to a receipt, complete steps 15–19.

To Select Specific Open Invoices and Apply Them to a Receipt

6. On Receipt Entry, choose Select from the Form menu.
7. On Select Invoices, accept the default values in the following fields or change them, if applicable:
 - Address Number
The default value is the payor number that is entered in the receipt header.
 - Company
The default value is the company number entered in the receipt header.
8. Click one of the following options to specify the type of address book number entered:
 - Payor
 - Customer
9. Accept the default value in the following field or change it, if necessary:
 - Currency
The default value is the currency code of the receipt that is entered in the receipt header. The system displays invoices only in the currency specified in this field. To display all invoices for the customer regardless of currency, enter *.
10. Click Find to display all open items that meet the search criteria in the header area of the Select Invoices form.
11. Choose the invoices to apply to the receipt and click Select.
The Select button acts like a toggle, allowing you to select or deselect invoices. Alternatively, you can choose Select/Deselect from the Row menu.

The system marks the invoices that you select. It keeps track of the number of invoices and the total amount of the invoices and displays that information at the bottom of the Select Invoices form.

Standard Receipts Entry - Select Invoices

Select Find Close Row Tools

Type
Company
 Payor
 Currency
 Customer
 Amount Unapplied

Records 1 - 10

<input type="checkbox"/>	<input type="checkbox"/>	Document Number	Do Ty	Doc Co	Pay Itm	Trans Curr	Transaction Open Amount	Transaction Disc Avail	Transaction Gross Amt	Base Curr	Open Amount
<input type="checkbox"/>	<input checked="" type="checkbox"/>	3057	RR	00001	001	EUR	42,000.00		42,000.00	USD	35,532.00
<input type="checkbox"/>	<input type="checkbox"/>	3078	RI	00001	001	EUR	1,886.52		1,886.52	USD	1,596.00
<input type="checkbox"/>	<input type="checkbox"/>	3078	RI	00001	002	EUR	28.37		28.37	USD	24.00
<input type="checkbox"/>	<input type="checkbox"/>	3079	RI	00001	001	EUR	2,829.79		2,829.79	USD	2,394.00
<input type="checkbox"/>	<input type="checkbox"/>	3079	RI	00001	002	EUR	768.32		768.32	USD	650.00
<input type="checkbox"/>	<input checked="" type="checkbox"/>	3058	RI	00001	001	EUR	1,800.00		1,800.00	USD	1,522.80
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	3094	RI	00001	001	EUR	2,750.00		2,750.00	USD	2,326.50
<input type="checkbox"/>	<input type="checkbox"/>	3095	RI	00001	001	EUR	3,400.00		3,400.00	USD	2,876.40
<input type="checkbox"/>	<input type="checkbox"/>	3096	RI	00001	001	EUR	200.00		200.00	USD	169.20
<input type="checkbox"/>	<input type="checkbox"/>	3097	RI	00001	001	EUR	750.00		750.00	USD	634.50

Number Selected Amount Selected

12. Click Close to display the selected invoices in the detail area of the Receipt Entry form.

Standard Receipts Entry - Receipt Entry

OK Delete Cancel Form Row Tools

Company Bank Account G/L Date
 Payor Schwartz Warenhous Gemeinscha Receipt Date
 Customer Schwartz Warenhous Gemeinscha Batch
 Receipt Number Previous
 Receipt Amount Remark
 Currency Exchange Rate Base Foreign

Records 1 - 3

<input type="checkbox"/>	<input type="checkbox"/>	T I	Payment Amount	Discount Taken	DS CD	Write-Off Amount	WO CD	Chargeback Amount	CB CD
<input type="checkbox"/>	<input type="checkbox"/>	10	42,000.00						
<input type="checkbox"/>	<input type="checkbox"/>	10	1,800.00						
<input type="checkbox"/>	<input checked="" type="checkbox"/>	10	2,750.00						

G/L Receipt
 Amount Applied
Amount Pending
Amount Unapplied

The system displays open invoices in the order in which they were selected.

13. On Receipt Entry, verify or, if necessary, complete the following fields:

- T I
- Payment Amount

14. Click OK to accept the receipt entry.

To Display All Open Invoices and Select Specific Ones to Apply to a Receipt

15. On Receipt Entry, choose Load from the Form menu.

The screenshot shows the 'Standard Receipts Entry - Load Invoices' dialog box in PeopleSoft. The dialog has a title bar with 'PeopleSoft' and a standard Windows-style menu bar with 'OK', 'Cancel', and 'Tools'. Below the menu bar are icons for OK (a green checkmark), Cancel (a red X), and Tools (a wrench). The main area of the dialog contains four rows of fields:

Company	<input type="text" value="00001"/>	<input type="button" value="Search"/>	Financial/Distribution Company
Payor	<input type="text" value="3007"/>		Schwartz Warehous Gemeinscha
Currency	<input type="text" value="EUR"/>		Euro
Base	<input type="text" value="USD"/>		U.S. Dollar

16. On Load Invoices, accept the default values in the following fields or change them, if applicable:

- Company
The default value is the company number that is entered on the receipt header.
- Payor
The default value is the payor number that is entered on the receipt header.
- Currency
The default value is the currency code of the receipt that is entered in the receipt header. The system displays invoices only in the currency specified in this field. To display all invoices for the customer regardless of currency, enter *.

17. Click OK to load the invoices in the detail area of the Receipt Entry form.

The system displays open invoices in order by due date.

18. On Receipt Entry, verify or, if necessary, complete the following fields:

- T I
- Payment Amount



Standard Receipts Entry - Receipt Entry

OK Delete Cancel Form Row Tools

Company	00001	Bank Account	1.1110.FIB	G/L Date	06/30/05
Payor	3007	Schwartz Warenhous Gemeinscha		Receipt Date	06/28/05
Customer	3007	Schwartz Warenhous Gemeinscha		Batch	28630
Receipt Number	E7832478	Previous			
Receipt Amount.	46,550.00	Remark			
Currency	EUR	Exchange Rate	1.1820331	Base	USD <input checked="" type="checkbox"/> Foreign

Records 1 - 10

<input type="checkbox"/>	<input type="checkbox"/>	T I	Payment Amount	Discount Taken	Transaction Open Amount	DS CD	Write-Off Amount	WO CD	Chargeback Amount
<input type="checkbox"/>	<input type="checkbox"/>	10	42,000.00						
<input type="checkbox"/>	<input type="checkbox"/>	10	1,886.52						
<input type="checkbox"/>	<input type="checkbox"/>	10	28.37						
<input type="checkbox"/>	<input type="checkbox"/>	10	2,635.11		194.68				
<input type="checkbox"/>	<input type="checkbox"/>				768.32				
<input type="checkbox"/>	<input type="checkbox"/>				1,800.00				
<input type="checkbox"/>	<input type="checkbox"/>				2,750.00				
<input type="checkbox"/>	<input type="checkbox"/>				3,400.00				
<input type="checkbox"/>	<input type="checkbox"/>				200.00				
<input type="checkbox"/>	<input type="checkbox"/>				750.00				

G/L Receipt

Amount Applied	Amount Pending	Amount Unapplied
	46,550.00	

19. Click OK to accept the receipt entry.

Related Topics for Foreign Currency Receipts

<p>Chargebacks</p>	<p>When you apply a receipt to an invoice, you can create a chargeback invoice for a disputed amount. The system creates chargebacks for a specific invoice in the invoice currency.</p> <p>To create a chargeback that applies to a specific invoice, you must specify the original invoice. The system uses this information to calculate the chargeback amount.</p> <p>The system creates stand-alone chargebacks for multiple invoices in the receipt currency. To create a stand-alone chargeback, do not specify the original document.</p> <p>To locate the A/R trade account for chargebacks, the system searches for AAI item RCxxx, where xxx is the currency code. If not found, it searches for AAI item RCxxxx, where xxxx is the G/L offset code.</p>
<p>Rounding Records</p>	<p>The system assigns document type RR to a receipt record in the Receipts Detail table (F03B14) when the receipt is either fully applied on the foreign side but not fully applied on the domestic side, or fully unapplied on the foreign side but not fully unapplied on the domestic side. This rounding record is at the receipt level and is not associated with any particular invoice line.</p>
<p>Speed Receipts</p>	<p>You can use the Speed Receipts Entry program (P03B0001) to enter receipts in a foreign currency.</p>
<p>Balance Forward Receipts</p>	<p>When entering balance forward receipts in a foreign currency using the Speed Receipts Entry program (P03B0001), you can apply a receipt across companies as long as the base currency of the receipt company is the same as the base currency of the invoice company.</p> <p>For example, company 70 (a CAD company) enters a foreign currency invoice in EUR. Company 75 (also a CAD company) receives payment and applies it to the invoice for company 70. In this example, the base currency of the receipt company is the same as the base currency of the invoice company.</p>

Multicurrency Processing Options for Standard Receipt Entry (P03B102)

Display Tab

8. Currency

Blank = Do not retain the currency

1 = Retain the currency

Use this processing option to retain the currency code entered on the Receipt Entry form after you enter the receipt. Valid values are:

Blank

Do not the retain the currency.

1

Retain the currency.

9. Exchange Rate

Blank = Do not retain the exchange rate

1 = Retain the exchange rate

Use this processing option to specify whether to retain the exchange rate entered on the Receipt Entry form after you enter the receipt. Valid values are:

Do not retain the exchange rate.

1

Retain the exchange rate.

Currency Tab

1. Edit Effective Date

Blank = Do not edit effective date

1 = Edit effective date

Use this processing option to specify whether the system validates the effective date that it uses to retrieve the exchange rate against the G/L date that you enter on the receipt. Valid values are:

Blank

Do not validate the effective date.

1

Validate the effective date. The system issues a warning when the effective date of the exchange rate retrieved from the Currency Exchange Rates table (F0015) is not in the same period as the G/L Date of the receipt.

2. Alternate Currency Receipts

Blank = Do not allow

1 = Allow

Use this processing option to specify whether to allow the payment of an invoice in an alternate currency (a currency other than the base or transaction currency of the invoice). Valid values are:

Blank

Do not allow payment in alternate currency.

1

Allow payment in alternate currency.

Entering Manual Receipts in an Alternate Currency

An alternate currency receipt is a receipt that is in a currency different from the domestic or foreign currency of the invoice to which it applies.

With alternate currency receipt processing, you can enter an invoice for a customer in one currency and receive payment in a currency that is different from the transaction currency of the invoice and the domestic currency of your company. This prevents you from having to void the original invoice and enter a new invoice that is in the same currency as the receipt.

For example, assume you work for a U.S. company and you enter invoices in the currency of your customer's company. Your customer's company forwards invoices to their parent company for payment. The parent company uses a different currency than your customer's company and your company. With alternate currency receipt processing, you can apply the receipt in whatever currency it is submitted.

When you enter an alternate currency receipt, the currency of the company for the bank account must be the same as the base (domestic) currency of the company on the receipt. For example, a U.S. company enters an alternate currency receipt in Canadian dollars and applies it to a foreign currency invoice in Japanese yen. The base currency of the company on the receipt is USD; therefore, the currency of the company for the bank account must also be USD. If the currency of the company for the bank account is different from the base currency of the company on the receipt, you receive an error message and cannot continue entering the receipt.

Entering receipts in an alternate currency is similar to entering domestic and foreign currency receipts. Most of the processing for alternate currency receipts is based on the setup that you do before you actually enter the receipts. You activate alternate currency receipt processing in a processing option in the Standard Receipt Entry program (P03B102) and specify the currency code of the alternate currency receipt when you enter the receipt.

The Standard Receipt Entry program converts the selected invoices to the alternate currency amount so that you can apply the alternate currency receipt. To convert the invoice amount, the program uses the exchange rate between the invoice currency and the alternate currency in the Currency Exchange Rates table (F0015) based on the general ledger date or, if applicable, a spot rate entered on the receipt record.

Note

You can enter alternate currency receipts through Standard Receipt Entry only. Automatic receipt processing (including EDI), draft receipt processing, and the Speed Receipts Entry program do not support alternate currencies.

Example: T-Accounts for Alternate Currency Receipts

The following T-accounts show how transactions move in and out of accounts when an alternate currency receipt is involved. The T-account entries are for a foreign currency invoice (500.00 CAD), the domestic side of the invoice (313.44 USD), and an alternate currency receipt (347.33 EUR).

The following exchange rates apply:

- Exchange rate (invoice date):
1 CAD = 0.62688 USD
- Exchange rates (receipt date):
1 CAD = 0.69466 EUR
1 EUR = 0.9024271 USD

Revenue		Trade	
	313.44 USD	313.44 USD	
	500.00 CAD	500.00 CAD	
			313.44 USD
			500.00 CAD

Cash		Clearing	
313.44 USD		313.44 USD	
347.33 EUR		500.00 CAD	
			313.44 USD
			347.33
			EUR

The alternate currency entries are bold type.

Prerequisites

- Ensure that the following AAIs are set up:
 - RYxxx – alternate currency realized gains
 - RZxxx – alternate currency realized losses

See *AAIs for Realized Gains and Losses on Alternate Currency Receipts* in the *Multicurrency Guide*.

- R7 – clearing account for alternate currency receipts

See *AAIs for the Clearing Account for Alternate Currency Receipts* in the *Multicurrency Guide*.

- ❑ R8 – rounding account for alternate currency receipts

See *AAIs for the Rounding Account for Foreign and Alternate Currency Receipts* in the *Multicurrency Guide*.

- ❑ Activate the processing option that allows you to enter alternate currency receipts in the Standard Receipt Entry program (P03B102).

► **To enter manual receipts in an alternate currency**

From the Manual Receipts Processing menu (G03B12), choose Standard Receipts Entry.

1. On Work with Customer Receipts Inquiry, click Add.

PeopleSoft

Standard Receipts Entry - Receipt Entry

OK Delete Cancel Form Row Tools

Company: 00001 Bank Account: 1.1110.BEAR G/L Date: 06/30/05
 Payor: 3007 Schwartz Warenhous Germeinscha Receipt Date: 06/28/05
 Customer: 3007 Schwartz Warenhous Germeinscha Batch: 28848
 Receipt Number: C78923782 Previous:
 Receipt Amount: 5,920.84 Remark:
 Currency: CAD Exchange Rate: 1.5381615 Base: USD Foreign

No records fetched.

	T	Payment Amount	Discount Taken	Transaction Open Amount	DS CD	Write-Off Amount	WO CD	Ch Am
No records fetched.								

Amount Applied Amount Pending Amount Unapplied

G/L Receipt

2. On Receipt Entry, complete the fields in the header area as usual.
3. Enter the currency code of the alternate currency receipt in the following field:
 - Currency

The system converts open invoice amounts to the alternate currency entered in this field.
4. Complete the following field:
 - Exchange Rate

The default exchange rate is retrieved from the Currency Exchange Rates table (F0015). The system converts amounts using the domestic to alternate currency exchange rate in the F0015 table, regardless of whether an alternate currency receipt applies to a domestic or a foreign currency invoice.

To override the exchange rate in the F0015 table or if no exchange rate exists, enter a value in this field.

5. Do one of the following:
 - To select specific open invoices and apply them to a receipt, complete steps 6–14.
 - To display all open invoices and select specific ones to apply to a receipt, complete steps 15–20.

To Select Specific Open Invoices and Apply Them to a Receipt

6. On Receipt Entry, choose Select from the Form menu.
7. On Select Invoices, accept the default values in the following fields or change them, if applicable:
 - Address Number
The default value is the payor number entered in the receipt header.
 - Company
The default value is the company number entered in the receipt header.
8. Click one of the following options to indicate the type of address book number entered:
 - Payor
 - Customer
9. Change the default value in the Currency field from the receipt currency to one of the following:
 - The transaction currency of the invoice. The system displays invoices only in the currency specified for the customer (or payor).
 - *. The system displays all invoices for the customer (or payor) regardless of currency.
10. Click Find to display all open items that meet the search criteria in the header area of the Select Invoices form.
11. Choose the invoices to apply to the receipt and click Select.
The Select button acts like a toggle, allowing you to select or deselect invoices. Alternatively, you can choose Select/Deselect from the Row menu.

The system marks the invoices that you select and it keeps track of the number and total amount of the invoices and displays that information at the bottom of the Select Invoices form.
12. Click Close to display the selected invoices in the detail area of the Receipt Entry form.
The system displays open invoices in the order in which they were selected.
13. On Receipt Entry, verify or, if necessary, complete the following fields:
 - T I
 - Payment Amount

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Standard Receipts Entry - Receipt Entry

OK Delete Cancel Form Row Tools

Company 00001 Bank Account 1.1110.BEAR G/L Date 06/30/05
 Payor 3007 Schwartz Warehous Gemeinscha Receipt Date 06/28/05
 Customer 3007 Schwartz Warehous Gemeinscha Batch 28848
 Receipt Number C78923782 Previous
 Receipt Amount 5,920.84 Remark
 Currency CAD Exchange Rate 1.5381615 Base USD Foreign

Records 1 - 2

<input type="checkbox"/>	<input type="checkbox"/>	T I	Payment Amount	Discount Taken	Transaction Open Amount	DS CD	Write-Off Amount	WO CD	Chargeback Amount
<input checked="" type="checkbox"/>		10	2,342.77						
<input checked="" type="checkbox"/>		10	3,578.07		1.16				

Amount Applied Amount Pending Amount Unapplied

G/L Receipt

14. Click OK to accept the receipt entry.

To Display All Open Invoices and Select Specific Ones to Apply to a Receipt

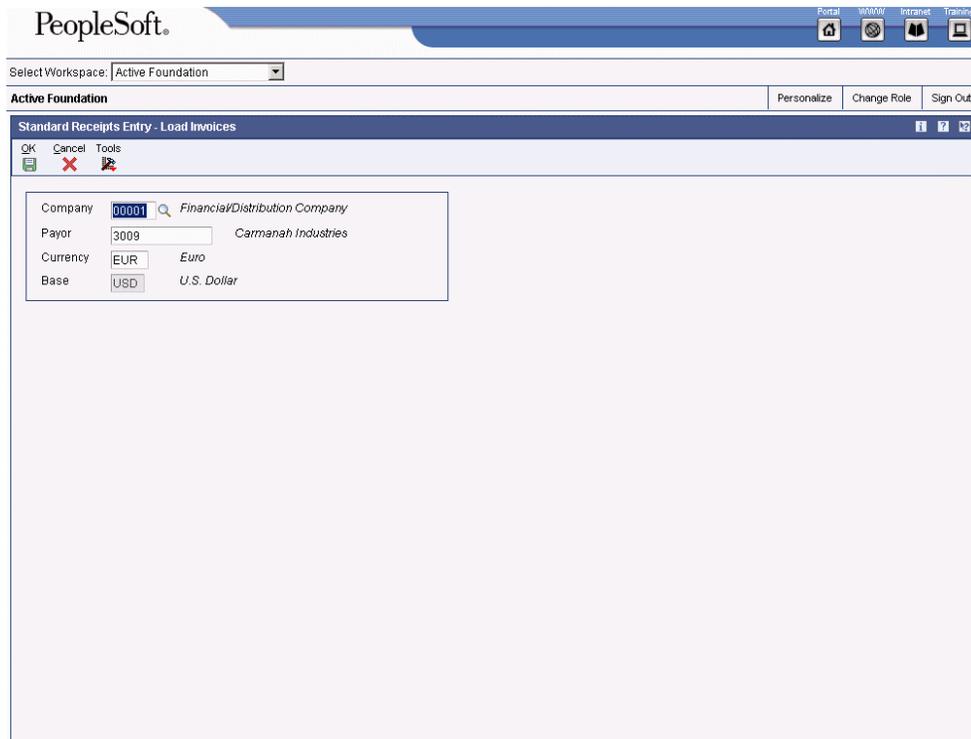
15. On Receipt Entry, choose Load from the Form menu.

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Standard Receipts Entry - Load Invoices

OK Cancel Tools

Company 00001 Financial/Distribution Company
 Payor 3007 Schwartz Warehous Gemeinscha
 Currency CAD Canadian Dollar
 Base USD U.S. Dollar



16. On Load Invoices, accept the default values in the following fields or change them, if applicable:
 - Company
The default value is the company number entered on the receipt header.
 - Payor
The default value is the payor number entered on the receipt header.
17. Change the default value in the Currency field from the receipt currency to one of the following:
 - The transaction currency of the invoice. The system displays invoices only in the currency specified for the customer (or payor).
 - *. The system displays all invoices for the customer (or payor) regardless of currency.
18. Click OK to load the invoices in the detail area of the Receipt Entry form.
The system displays open invoices in order by due date.
19. On Receipt Entry, verify or, if necessary, complete the following fields:
 - T I
 - Payment Amount
20. Click OK to accept the receipt entry.

Multicurrency Fields Updated During Receipt and Draft Entry

When you enter a foreign currency receipt or draft or an alternate currency receipt, the system populates a specific field and table with the short account ID of the account associated with an AAI item. The system uses this account ID to create automatic entries when you post receipts and drafts.

The fields populated during receipt and draft entry are the same with two exceptions. For draft entry, the system does not populate the following:

- The G/L bank account. The field for this account does not display during draft entry
- The alternate currency realized gain/loss accounts and amounts and clearing accounts and amounts. Drafts are not processed in alternate currencies; they are processed only in domestic and foreign currencies.

GLBA – G/L Bank Account

When you enter a foreign or alternate currency receipt and do not specify a bank account, the system populates the G/L Bank Account field (GLBA) in the Receipts Header table (F03B13) with the short account ID of the account associated with the AAI item for the default G/L bank account, as described in the following table.

Account	Field Updated	Table Updated	AAI Used and Hierarchy
G/L Bank Account	GLBA	F03B13	<ul style="list-style-type: none"> • RBxxx. The system uses RBxxx for the company entered on the receipt, where xxx is the transaction currency of the receipt. • RBxxx. The system uses RBxxx for company 00000, where xxx is the transaction currency of the receipt. • RB. The system uses RB for the company entered on the receipt. • RB. The system uses RB for company 00000. <p>Note If the account associated with RBxxx is a monetary account, the currency of the account must be the same as the transaction currency of the receipt.</p>

AIDT and AIDA – Realized Gains and Losses

When you enter a foreign currency receipt or draft or an alternate currency receipt, the system populates the Foreign Currency Receipts field (AIDT) or the Alternate Currency Receipts field (AIDA) in the Receipts Detail table (F03B14) with the short account ID of the account associated with the AAI item for foreign or alternate currency realized gains and losses, as described in the following table:

Account	Field Updated	Table Updated	AAI Used and Hierarchy
Foreign Currency Gain	AIDT	F03B14	<ul style="list-style-type: none"> • RGxxx. The system uses RGxxx for the company entered on the receipt, where xxx is the transaction currency of the receipt. • RGxxx. The system uses RGxxx for company 00000, where xxx is the transaction currency of the receipt. • RG. The system uses RG for the company entered on the receipt. • RG. The system uses RG for company 00000.
Foreign Currency Loss	AIDT	F03B14	<ul style="list-style-type: none"> • RLxxx. The system uses RLxxx for the company entered on the receipt, where xxx is the transaction currency of the receipt. • RLxxx. The system uses RLxxx for company 00000, where xxx is the transaction currency of the receipt. • RL. The system uses RL for the company entered on the receipt. • RL. The system uses RL for company 00000.
Alternate Currency Gain	AIDA	F03B14	<ul style="list-style-type: none"> • RYxxx. The system uses RYxxx for the company entered on the receipt, where xxx is the transaction currency of the receipt. • RYxxx. The system uses RYxxx for company 00000, where xxx is the transaction currency of the receipt. • RY. The system uses RY for the company entered on the receipt. • RY. The system uses RY for company 00000.
Alternate Currency Loss	AIDA	F03B14	<ul style="list-style-type: none"> • RZxxx. The system uses RZxxx for the company entered on the receipt, where xxx is the transaction currency of the receipt. • RZxxx. The system uses RZxxx for company 00000, where xxx is the transaction currency of the receipt. • RZ. The system uses RZ for the company entered on the receipt. • RZ. The system uses RZ for company 00000.

AID and AIDC – Chargebacks

When you enter a foreign currency receipt or draft or an alternate currency receipt, the system populates the Account ID field (AID) in the Account Ledger table (F03B11) and the AIDC Chargeback Account ID field (AIDC) in the F03B14 with the short account ID of the account associated with the AAI item for chargebacks, as described in the following table:

Accounts	Fields Updated	Tables Updated	AAI Used and Hierarchy
A/R Trade - Chargebacks and A/R Trade – Standalone Chargebacks	AID AIDC	F03B11 F03B14	<ul style="list-style-type: none"> • RCxxx. The system uses RCxxx for the company entered on the receipt, where xxx is the transaction currency of the receipt. • RCxxx. The system uses RCxxx for company 00000, where xxx is the transaction currency of the receipt. • RCxxxx. The system uses RCxxxx, where xxxx is the chargeback G/L offset of the company entered on the receipt. • RCxxxx. The system uses RCxxxx, where xxxx is the chargeback G/L offset of company 00000. • RC. The system uses RC for the company entered on the receipt. • RC. The system uses RC for company 00000.

AID and DAID – Deductions

When you enter a foreign currency receipt or draft or an alternate currency receipt, the system populates the Account ID field (AID) in the Customer Ledger table (F03B11) and the Deduction Account ID field (DAID) in the F03B14 table with the short account ID of the account associated with the AAI item for deductions, as described in the following table:

Accounts	Fields Updated	Tables Updated	AAI Used and Hierarchy
Deduction Suspense and Standalone Deduction Suspense	AID DAID	F03B11 F03B14	<ul style="list-style-type: none"> • RNxxx. The system uses RNxxx for the company entered on the receipt, where xxx is the transaction currency of the receipt. • RNxxx. The system uses RNxxx for company 00000, where xxx is the transaction currency of the receipt. • RN. The system uses RN for the company entered on the receipt. • RN. The system uses RN for company 00000.

RASI – Rounding Differences

When you enter a foreign currency receipt or draft or an alternate currency receipt, the system may populate the Rounding field (RASI) in the F03B14 table with the short account ID of the account associated with the AAI item for the rounding account, as described in the following table:

Account	Field Updated	Table Updated	AAI Used and Hierarchy
Rounding Differences	RASI	F03B14	<ul style="list-style-type: none">• R8. The system uses R8 for the company entered on the receipt.• R8. The system uses R8 for company 00000.

Processing Automatic Receipts in a Foreign Currency

You can process automatic receipts in either the domestic or the foreign currency of an invoice. To process automatic receipts in multiple currencies, you must enter the currency code, exchange rate, and currency mode in the Electronic Receipts Input table (F03B13Z1). The currency code of the receipt must reflect either the domestic or foreign currency of the invoices being paid. You cannot process automatic receipts in an alternate currency. Instead, you must enter them manually through the Standard Receipt Entry program (P03B102).

Automatic Receipts Processing works in conjunction with the following tables:

- Electronic Receipts Input (F03B13Z1). This table contains information that was loaded from a bank tape, and therefore contains information that was entered at the bank.
- Receipts Header (F03B13). The system creates records in this table when you run the Update Receipts Header program (R03B551).
- Receipts Detail (F03B14). The system creates unapplied cash (RU) records in this table when you run the Update Receipts Header program.

To successfully upload automatic receipt entries from an external source and process them in your PeopleSoft system, you must first create a custom program that provides proper data to fields in the F03B13Z1 table.

To successfully match and apply foreign currency receipts to invoices, you need to define processing options for the algorithms that you use and understand what information is required by the F03B13Z1 table. You can define algorithms for Invoice Selection Match (R03B50A), Balance Forward Match (R03B50B), Known Invoice Match With Amount (R03B50D), Known Invoice Match Without Amount (R03B50E), and Combination Invoice Match (R03B50F).

Write-Off Tolerance Amounts

The write-off tolerance amounts for underpaid and overpaid invoices are based on the currency code of the receipt, and not the currency code of the invoice or company. You specify tolerance amounts in the processing options for algorithms R03B50A, R03B50D, and R03B50E. Set up a different version of the algorithm for each receipt currency, and then specify the currency code in the data selection when you process your automatic receipts using the Apply Receipts to Invoices program (R03B50). By doing this, the write-off tolerance amounts will be meaningful for each currency.

See Also

- *Automatic Receipts Processing* in the *Accounts Receivable Guide* for complete information about the Apply Receipts to Invoices program (R03B50), including all other fields required in the F03B13Z1 table

Multicurrency Fields Required in the F03B13Z1 Table

Review the following table for a list of the multicurrency fields in the Electronic Receipts Input table (F03B13Z1).

Field Name	Alias	Type	Length	Description
Currency Code	RUCRCD	Alpha	3	A code that identifies the currency of the receipt. The value entered in this field must exist in the Currency Codes table (F0013).
Exchange Rate	RUCRR	Number	15	The rate that is used to calculate any gain or loss for the invoice that is paid. If the exchange rate is the same for the receipt and invoice, no gain or loss is calculated. If you leave this field blank, the exchange rate is retrieved from the Currency Exchange Rates table (F0015). Enter an exchange rate if you want to override the exchange rate in the F0015 table, or if one is not set up.
Currency Mode	RUCRRM	Alpha	1	A code that indicates whether the receipt is domestic or foreign. If the receipt is in a currency that is different from the base currency of the invoice it pays, it is considered foreign and a value of F should be entered in this field. This information must be entered on the bank tape when you are entering transactions in an environment in which multicurrency is activated, regardless of whether the transaction is domestic or foreign.
Foreign Open Amount	RUFAP	Number	15	Do not complete this field. Enter the receipt amount in the Check Amount field (RUCKAM) and, if using Known Invoice Match With Amount (R03B50D), enter the amount of the receipt in the Gross Amount (RUAG) field, regardless of its currency.

Reviewing Receipts in a Foreign or Alternate Currency

You can use the following forms to review foreign and alternate currency receipts:

Work with Customer Receipts Inquiry	<p>From the Manual Receipts Processing menu (G03B12), choose Standard Receipts Entry.</p> <p>Use the search criteria in the header of the Work with Customer Receipts Inquiry form to review receipts by receipt date or G/L date, bank account, receipt type, and so on. Additionally, you can use the QBE row in the detail area to inquire on a specific receipt amount, batch number, and so on.</p>
Work With Batches	<p>From the Manual Receipts Processing menu (G03B12), choose Receipts Journal Review. The Work with Batches form appears with the default batch type of RB (receipts and adjustments).</p> <p>Use the search criteria in the header of the Work with Batches form to review a specific batch, unposted or posted batches only, and so on. Additionally, you can use the QBE row in the detail area to inquire on batches for a specific date, with an approved status, and so on.</p>

Reviewing Statements in a Domestic or Foreign Currency

From the Statement Reminder Processing menu (G03B22), choose Review Statements.

To review statements online, you must first run the Statement Notification Refresh program (R03B500X) and specify whether to generate statements in the domestic or foreign currency by setting the Multicurrency processing option on the Aging tab as follows:

- Blank – domestic currency. Display the transactions on the statement in the domestic currency of the remit to company. The system displays all transactions and total amounts in the domestic currency.

For example, assume the currency of the remit to company is Canadian dollars (CAD) and the transaction currency of the invoices is euro (EUR). You run the Statement Notification Refresh program to generate statements in the domestic currency. On the Statement Review form, the transactions display in CAD.

- 1 – foreign currency. Display the transactions on the statement in the currency of the transaction. The system displays transactions and a total amount for each currency.

For example, assume the currency of the remit to company is CAD and the transaction currencies of the invoices and receipts are EUR and CAD. You run the Statement Notification Refresh program to generate statements in the foreign currency. On the Work With Notifications form, the transactions display in the transaction currency of the invoices, EUR and CAD.

Generating Statements in a Domestic or Foreign Currency

From the Statement Reminder Processing menu (G03B22), choose Statement Notification Refresh.

To generate statements, you run the Statement Notification Refresh program (R03B500X) and specify whether to generate statements in the domestic or foreign currency by setting the Multicurrency processing option on the Aging tab as follows:

- Blank – domestic currency. Print the transactions on the statement in the domestic currency of the remit to company. The system prints all transactions and total amounts in the domestic currency.

For example, if the currency of the remit to company is Canadian dollars (CAD), the statement prints all foreign currency invoices and receipts (as well as domestic currency invoices and receipts) in CAD.

- 1 – foreign currency. Print the transactions on the statement in the currency of the transaction. The system prints transactions and total amounts for each currency.

For example, if the currency of the remit to company is CAD, the statement prints all invoices and receipts in the transaction currency of the invoice.

The Statement Notification Refresh program updates amounts in the A/R Notification History (F03B20) and A/R Notification History Detail (F03B21) tables.

Processing Automatic Debits in a Foreign Currency

You process automatic debits to record the withdrawal of funds from a customer's bank account. To create a batch of automatic debits in a foreign currency, specify foreign currency in the Currency Mode processing option and the currency code in the data selection of the Create Automatic Debit Batch program (R03B571). An automatic debit batch can contain only one currency.

The currency of the invoices you process must be the same as the currency of the bank account if the G/L bank account is a monetary account. For example, if you process automatic debits in a foreign currency of Canadian dollars (CAD), the currency of the G/L bank account must also be CAD.

► To process automatic debits in a foreign currency

From the Automatic Debiting menu (G03B131), choose Process Auto Debits.

1. On Work With Auto Debit Batches, click Add.
2. On Work With Batch Versions – Available Versions, click Add.
3. On Add Version, enter the identifier information for the version and click OK.
4. On Work With Batch Versions – Available Versions, choose the version you added and do the following:
 - Set the Currency Mode processing option on the Processing tab to 1 to use the foreign currency of the invoice to process automatic debits.

- Verify that the G/L Bank Account processing option on the Bank Account tab contains the correct bank account. If the bank account is a monetary account, the currency of the account must be the same as the currency of the invoices.
- Select only one currency in the data selection. If you do not do this, the program uses the currency of the first invoice as the default foreign currency.

See Also

- *Automatic Debits* in the *Accounts Receivable Guide* for detailed information about the automatic debit process, including information about country-specific bank requirements

Posting Foreign and Alternate Currency Receipts

Depending on whether you are posting manual receipts, automatic receipts, or automatic debits, use one of the following navigations:

From the Manual Receipts Processing menu (G03B12) or the Automated Receipts Processing menu (G03B13), choose Post Receipts to G/L.

From the Automatic Debiting menu (G03B131), choose Post Auto Debits to G/L.

You can also post receipts and automatic debits using the Receipts Journal Review or Auto Debits Journal Review program.

After you process foreign and alternate currency receipts, you must post them.

When you post foreign and alternate currency receipts, the pre-post for the Receipt Post program retrieves the A/R offset method from the Accounts Receivable Constants program (P0000). If the offset method is B (batch), the system verifies that there are no foreign or alternate currency receipts in the batch. If there is at least one foreign or alternate currency receipt, the pre-post changes the A/R offset method for the batch to S (pay item) and continues processing. The pre-post does this because you cannot post using offset method B if one or more receipts in a batch are in a foreign or alternate currency.

The Receipt Post program performs the tasks described in the following table, regardless of whether you use multicurrency processing. For information specific to posting receipts in a multicurrency environment, review the information under Multicurrency Considerations.

Task Performed by Receipt Post	Multicurrency Considerations
Selects unposted receipt transactions from the Receipts Header (F03B13) and Receipts Detail (F03B14) tables.	
Verifies that the batch has an approved status.	
Creates entries to debit the appropriate bank account for the receipt amount in the Account Ledger table (F0911).	Creates entries in the foreign currency (CA) ledger to debit the appropriate bank account for the foreign currency receipt amount in the F0911 table.

Task Performed by Receipt Post	Multicurrency Considerations
Creates automatic offset entries to credit the A/R trade account for the receipt amount in the F0911 table.	Creates automatic offset entries to credit the A/R trade account for the AA (domestic) and CA ledgers in the F0911 table.
Creates automatic entries for discounts, write-offs, chargebacks, and deduction accounts.	Creates automatic entries for discounts, write-off, chargebacks, and deduction accounts in the CA ledger for the foreign currency amount.
Currency gains and losses do not apply to non-multicurrency environments.	Creates automatic entries for foreign currency and alternate currency gains and losses.
Slight rounding differences do not apply to non-multicurrency environments.	Creates journal entries for slight rounding differences, if applicable.
Detailed currency restatement does not apply to non-multicurrency environments.	Updates the alternate currency ledger (XA) and, if applicable, the YA and ZA ledgers and produces a separate post report if you enter a version of the Detailed Currency Restatement program (R11411) in the processing options.
Updates balances in the Account Balances table (F0902).	
Marks records as posted (P) in the Account Ledger table (F0911).	
Marks records as posted (D) in the F03B13 and F03B14 tables.	
Changes records to D (posted) in the Batch Control Records table (F0011).	

Posting Receipts to Monetary Bank Accounts

To post multicurrency receipts to monetary bank accounts, the system requires that certain criteria are met. Monetary bank accounts are accounts that are assigned a specific currency code. To successfully post receipts to a monetary bank account, the transaction currency of the receipt must be the same as the currency of the bank account.

If the G/L bank account of a receipt is a monetary account, the system will post a receipt if the following criteria are met:

- The currency of the receipt is the same as the transaction currency of the invoice.

The system will not post a receipt if the receipt is applied to the domestic side of a foreign currency invoice. For example, the transaction currency of an invoice is U.S. dollars (USD) and the domestic currency is EUR. You receive a payment in the domestic currency of the invoice (EUR) and enter the receipt for a monetary bank account (EUR). When you post the receipt, you will receive an error message because the currency of the invoice (USD) and the currency of the bank account (EUR) are not the same.

- The currency of the receipt is the same as the currency of the G/L bank account.
The system will not post a receipt if the receipt and bank account currencies are not the same. For example, the transaction currency of an invoice is Canadian dollars (CAD). You receive a payment in the transaction currency of the invoice (CAD) and enter the receipt for a monetary bank account (USD). When you post the receipt, you will receive an error message because the currency of the receipt (CAD) and the currency of the bank account (USD) are not the same.

If the post fails, the system sends an error message *Account Currency Code Invalid* to the Employee Work Center form. To correct the error, you must change the bank account of the receipt to a non-monetary account and run the post again.

Prerequisites

- Verify the offset method in the Accounts Receivable Constants program (P0000). See *Setting Up the Offset Method in the Constants* in the *Multicurrency Guide*.
- Before posting foreign currency receipts, ensure that the following AAI items are set up:
 - RGxxx– foreign currency realized gains
 - RLxxx – foreign currency realized losses
See *AAIs for Realized Gains and Losses on Foreign Currency Receipts* in the *Multicurrency Guide*.
 - R8 – foreign currency rounding account
See *AAIs for the Rounding Account for Foreign and Alternate Currency Receipts* in the *Multicurrency Guide*.
- Before posting alternate currency receipts, ensure that the following AAI items are set up:
 - RYxxx – alternate currency realized gains
 - RZxxx – alternate currency realized losses
See *AAIs for Realized Gains and Losses on Alternate Currency Receipts* in the *Multicurrency Guide*.
 - R7 – alternate currency clearing account
See *AAIs for the Clearing Account for Alternate Currency Receipts* in the *Multicurrency Guide*.
 - R8 – alternate currency rounding account
See *AAIs for the Rounding Account for Foreign and Alternate Currency Receipts* in the *Multicurrency Guide*.

Multicurrency Automatic Entries Created by the Receipt and Draft Post

When you post foreign currency receipts and drafts and alternate currency receipts, the system creates automatic entries (document type AE) in the Account Ledger table (F0911).

Unlike other PeopleSoft post programs outside of the Accounts Receivable system, the receipt and draft post programs create automatic entries based on the account associated with an account ID at the time the receipt or draft is entered instead of the account associated with an AAI item at the time the receipt or draft is posted. The exception to this is automatic entries created for the alternate currency clearing account during the receipt post.

The automatic entries created by the receipt and draft post are the same with one exception. The draft post does not create alternate currency realized gains, losses, and clearing account amounts because drafts can be processed only in domestic and foreign currencies.

The receipt and draft post creates automatic entries in the F0911 table for the following:

Account	Description
G/L Bank Account	The post program locates the short account ID in the G/L Bank Account field (GLBA) on the receipt or draft record and creates an automatic entry for the corresponding bank account.
Realized Gains and Losses	<p>The post program locates the short account ID in the following:</p> <ul style="list-style-type: none"> • Foreign Currency Receipts field (AIDT) on foreign currency receipt and draft records • Alternate Currency Receipts field (AIDA) on alternate currency receipt records <p>The post then creates an automatic entry for the corresponding gain or loss account.</p> <p>For foreign currency receipts, the post program creates an additional record with an amount in the Gain/Loss Amount field (AGL) in the F03B14 table. You can review this record in the Universal Table Browser (UTB).</p> <p>For alternate currency receipts, the post program creates an additional record with an amount in the Alternate Currency Gain/Loss Amount field (AGLA) in the F03B14 table. You can review this record in the UTB.</p> <p>The post program does not create automatic entries for gains and losses on write-off amounts.</p>

Account	Description
Clearing Account	<p>For alternate currency receipts only. The receipt post program uses AAI item R7 to create automatic entries for the alternate currency clearing account, if applicable.</p> <p>The system locates the account using the following hierarchy:</p> <ul style="list-style-type: none"> • R7 for the company entered on the receipt • R7 for company 00000
Chargebacks	The post program locates the short account ID in the Chargeback Account ID field (AIDC) on the receipt record and creates an automatic entry for the corresponding chargeback account.
Deduction Suspense	The post program locates the short account ID in the Deduction Account ID field (DAID) on the receipt record and creates an automatic entry for the corresponding deductions account.
Rounding Differences	<p>The post program locates the short account ID in the Rounding field (RASI) on the receipt record and creates an automatic entry for the corresponding rounding account.</p> <p>The post program also creates an additional record (document type RR) with an amount in the Rounding Amount field (RAMT) in the F03B14 table. You can review this record in UTB.</p>

See Also

- ❑ *Automatic Entries Created by the Receipt Post* in the *Accounts Receivable Guide* for detailed, non-currency specific information

Slight Rounding Differences Recorded by the Receipt Post

When you post foreign or alternate currency receipts, the system might create automatic entries for slight rounding differences. These slight rounding differences are created when a foreign or alternate currency receipt is applied to an invoice and the domestic amount of the invoice is not the same as the domestic amount of the receipt. The rounding difference, which is immaterial, is recorded in a rounding account as directed by AAI item R8.

Typically, rounding differences occur on transactions that involve multiple invoices and one receipt, or multiple receipts and one invoice. For these transactions, a rounding difference might occur when the system converts amounts between a foreign and a domestic currency, or an alternate and domestic currency.

To record the rounding differences, the system creates an automatic entry in the rounding account when you post the receipt. The rounding difference is associated with the receipt, not the invoice. If you adjust a receipt and the adjustment affects an existing rounding amount, the system creates a new rounding record. It does not change the original record.

Example: Slight Rounding Differences Recorded by the Receipt Post

In the following example, a slight rounding difference is recorded on a foreign currency receipt. The exchange rate is 1 CAD = 0.73429 EUR

A French company enters three foreign currency invoices for 1,250.00 CAD each (917.86 EUR each). The company receives payment for 3,750.00 CAD (2,753.59 EUR). When the company applies the domestic receipt amount (2,753.59) to the domestic invoices ($917.86 \times 3 = 2,753.58$ EUR), the system records a slight rounding difference of + 0.01 EUR.

Multicurrency Journal Entries Created by the Receipt and Draft Post

When you post non-currency specific receipts, the system creates detailed or summarized journal entries in the Account Ledger table (F0911) based on the journal entry creation method specified in a processing option for the Standard Receipt Entry program (P03B102).

However, when you post foreign and alternate currency receipts, the post program creates detailed journal entries regardless of the journal entry creation method specified in the Standard Receipts Entry program. The post does not create summarized amounts if multicurrency processing is activated in the General Account Constants program (P0000).

The journal entries created by the receipt post are the same as those created by the draft post.

See Also

- *Journal Entries Created by the Receipt Post* in the *Accounts Receivable Guide* for detailed, non-currency specific information

Generating Credit Reimbursements in a Foreign Currency

From the Period End Processing menu (G03B21), choose Generate Reimbursements.

Credit reimbursements are used to reclassify credits in the Accounts Receivable system to open vouchers in the Accounts Payable system. When you generate credit reimbursements, the system pays open credit memos and generates vouchers to reimburse the customer.

You use the data selection to specify the records in which to create reimbursements. The system creates reimbursements only if the amount is a credit (negative). Credit reimbursements are generated based on groupings by customer, company, and currency.

Example: Data Selection for Credit Reimbursements

Assume you have the following records in the Customer Ledger table (F03B11):

Customer	Company	Currency Code	Amount	Document Type
4272	00001	USD	200.00	RI
4272	00001	USD	- 100.00	RM
4272	00001	EUR	50.00	RI
4272	00001	EUR	100.00	RI
4272	00001	EUR	- 200.00	RM
4272	00010	USD	80.00	RI
4272	00010	EUR	- 150.00	RM
4272	00010	EUR	180.00	RI

You generate credit reimbursements using the following data selection: customer number 4272, company 00001, and currency code EUR. The system generates one reimbursement for 50.00 EUR based on customer number 4272, company 00001, and currency EUR. The system generates a reimbursement because the overall balance of the customer's account is negative. If, however, the overall balance had been positive, the system would not generate a reimbursement.

You generate credit reimbursements using the following data selection: customer number 4272 and document type RM. The system generates three reimbursements for customer 4272:

- One for 100.00 USD based on customer number 4272, company 00001, and currency USD
- One for 200.00 EUR based on customer number 4272, company 00001, and currency EUR
- One for 150.00 EUR based on customer number 4272, company 00010, and currency EUR

The system does not consider the overall balance of the customer's account because you specified document type RM.

See Also

- *Generating Credit Reimbursements* in the *Accounts Receivable Guide* for detailed, non-currency specific information

Processing Accounts Receivable Drafts in a Foreign Currency

In most countries, a draft is a promise to pay a debt. Many areas of the world use draft processing, although it might be referred to as something other than draft processing. For example, in Asia Pacific, the draft process is commonly used for post-dated checks. In the United States, it is used for credit card payments.

You can process drafts in a foreign currency as long as the transaction currency of the invoice is the same currency as the draft. The transaction currency of an invoice determines the currency that is used throughout the draft process. If the transaction currency of an invoice is foreign, you must print, remit, and collect it as a draft in a foreign currency. For this reason, you cannot process drafts in an alternate currency.

Depending on whether a foreign currency draft must be accepted by your customer, you can process drafts either manually or automatically.

Manual Receipt Drafts in a Foreign Currency

From the Draft Daily Operations menu (G03B161), choose Enter Our Drafts or Enter Customer Drafts.

PeopleSoft

Enter Our Drafts - Draft Entry

OK Delete Cancel Form Row Tools

Payor 3434 Emperador Hotels Batch 28853

Draft Number 526 526 Previous

Draft Date 06/01/05 Company 00001 G/L Date 07/01/05

Draft Due Date 07/01/05 Bank Name Bank of Madrid

Foreign Draft Amount 846.00 Customer Bank Acct No 54797789877

Payment Instrument D Draft by Invoice (AVR & A... Bank Transit 8908809889

Currency Code EUR Exchange Rate 1.1760555 Base USD Foreign

Records 1 - 1							
	T	Payment Amount	Discount Taken	Transaction Gross Amount	Gross Amount	Foreign Open Amount	
	10	846.00		1,000.00	846.00	154.00	

Draft Gain/Loss 3.63

Amount Applied 846.00

Amount Pending

Amount Unapplied

Manual drafts are also called customer acceptance drafts because the customer must accept them before they can be remitted to the bank.

When you enter a manual draft on the Draft Entry form, the currency must match the transaction currency of the invoice. If the transaction currency is foreign, the system activates the Foreign option on the Draft Entry form. The Draft Entry form is similar to the Receipt Entry form.

Automatic Receipt Drafts in a Foreign Currency

From the Draft Daily Operations menu (G03B161), choose Pre-Authorized Drafts.

Automatic drafts are also called preauthorized drafts because they do not require customer acceptance. You and your customer agree in advance that the customer will pay with a draft.

You create automatic drafts by running the A/R Batch Draft Creation program (R03B671). When you create automatic drafts, the system processes them in the transaction currency of the invoice. If the transaction currency is foreign, the system processes the draft in the foreign currency.

See Also

- ❑ See the following in the *Multicurrency Guide*:
 - ❑ *Multicurrency Automatic Entries Created by the Receipt and Draft Post*
 - ❑ *Multicurrency Journal Entries Created by the Receipt and Draft Post*
- ❑ *Accounts Receivable Draft Processing* in the *Accounts Receivable Guide* for detailed, non-currency specific information

Remitting Foreign Currency Drafts with Contingent Liability

From the Draft Remittance and Collection menu (G03B162), choose Draft Remittance.

You remit drafts to your bank so that it can collect funds from your customer's bank. If you request an advance from a bank before the actual due date of the draft, some countries require that you recognize a contingent liability.

Before you remit a foreign currency draft with contingent liability, run the Draft Remittance program (R03B672). Set the processing options under the G/L Remittance tab as follows:

- AAI for Draft G/L Account – Set to 2 (contingent) to create journal entries for a contingent liability.
- Exchange Rate Override – Enter an override exchange rate, if applicable. If you leave this field blank, the system retrieves the exchange rate from the Currency Exchange Rates table (F0015).

If you remit drafts in more than one currency, the system prints a report with an * in the Due Date Total and Customer Total columns. When you approve and post the remittance batch, the system creates journal entries for foreign currency gains and losses.

Unlike domestic currency drafts with contingent liability, the system records gains and losses during the draft remittance process for foreign currency drafts with contingent liability. (For foreign currency drafts *without* contingent liability, the system records gains and losses during the collection process.)

Foreign Currency Drafts and Processing Options

Review the following table for information about processing options specific to foreign currency draft processing:

A/R Draft Processing Program	Multicurrency Processing Options
<p>Enter Our Drafts (P03B602) Enter Customer Drafts (P03B602)</p>	<p>On the Display tab, set the Currency Code processing option to retain the currency code entered on the Draft Entry form after you accept a draft.</p> <p>On the Display tab, set the Exchange Rate processing option to retain the exchange rate entered on the Draft Entry form after you accept a draft.</p> <p>On the Currency tab, set the Edit Effective Date processing option to validate the effective date used to retrieve the exchange rate against the G/L date entered on the draft.</p>
<p>Invoice Print with Draft (R03B5051)</p>	<p>On the Currency tab, set the Print Currency processing option to print invoices with foreign currency amounts and currency codes.</p>
<p>Draft Collection with Status Update (R03B680)</p>	<p>On the Exchange Rate tab, specify a spot rate in the Exchange Rate Override processing option or leave the field blank to retrieve the rate from the Currency Exchange Rates table (F0015).</p> <p>This exchange rate is used for drafts that pay foreign invoices, regardless of the invoice currency, and applies only to drafts remitted without contingent liability.</p>
<p>Draft Remittance (R03B672)</p>	<p>On the G/L Remittance tab, specify a spot rate in the Exchange Rate Override processing option or leave the field blank to retrieve the rate from the F0015 table.</p> <p>This exchange rate is used to create journal entries for a contingent liability and applies only to drafts remitted with contingent liability.</p>

Multicurrency Credit and Collections Management

To effectively manage your credit and collections in multiple currencies, you must set up credit information by currency code if you specify a minimum amount or flat rate fee in your policies. This is necessary because minimum amounts and flat rate fees vary by currency.

To manage credit and collections in a multicurrency environment, you must set up the following information for your policies:

- Fee instructions by currency code. The system uses fee instructions to calculate delinquency fees for overdue invoices.
- Notification instructions with a currency code. The system uses notification instructions to generate delinquency notices for customers with overdue invoices.
- Credit insurance policies with a currency code. When you purchase insurance policies to cover open liabilities, you record the policies so that you can monitor customers' insured credit limits.

After setting up information for specific currencies, amounts, and flat fees, you can print delinquency notices and generate delinquency fees and update and review customer accounts in as part of your collections process.

See Also

- *Credit and Collections Management* in the *Accounts Receivable Guide* for detailed, non-currency specific information

► To set up fee instructions by currency code

From the Credit & Collections Setup menu (G03B411), choose Define Delinquency Policies.

1. On Work With Delinquency Policies, click Find to locate all policies or enter a value in the query-by-example (QBE) row to limit your search and click Find.
2. Choose the policy for which you want to set up rules.
3. From the Row menu, choose Fees.
4. On Work with Fee Instructions, click Add to define the fee instruction.



Define Delinquency Policies - Fee Instructions

OK Cancel Tools



Delinquent Policy Identification

Policy Name	PREMIER	Premier Policy
Company	00000	Worldwide Company

Delinquency Fee Conditions

Start Effective Date	06/30/05	Ending Effective Date	06/30/05
Aging Begin Days	31	Aging End Days	60
Grace Period Days	15	<input type="checkbox"/> Retroactive Fee	
Currency Code	EUR	Minimum Amount	10.00

Delinquency Fee Actions

Annual Percentage Rate	3.000000	Flat Rate Fee	0.00
Days Between Fees	30		
<input type="checkbox"/> Compounded Fee		<input type="checkbox"/> Notify Collection Manager	
<input checked="" type="checkbox"/> Calculate On Open Amounts		<input type="checkbox"/> Collection Manager Approval Required	
<input type="checkbox"/> Calculate On Paid Late Amounts			

5. On Fee Instructions, complete the fields and options on the form as usual.
6. Specify the currency of the minimum amount and flat rate fee in the following field:
 - Currency Code

This is the currency of the minimum amount and flat rate fee. It is *not* the currency in which the delinquency fee will be generated. The delinquency fee is generated in the base or transaction currency of the invoice.
7. Specify the smallest open amount for an invoice pay item to be eligible for a delinquency fee (or finance charge) in the following field:
 - Minimum Amount

If the fee for an invoice pay item is calculated to be less than the amount in this field, the system does not generate a fee for the pay item.
8. Specify the amount (fee) to charge, or specify an additional amount to charge in combination with the annual percentage rate in the following field:
 - Flat Rate Fee
9. Click OK.

See Also

- ❑ To set up fee instructions in the *Accounts Receivable Guide* for detailed, non-currency specific information about the fields on the Fee Instructions form

► To set up notification instructions with a currency code

From the *Credit & Collections Setup* menu (G03B411), choose *Define Delinquency Policies*.

1. On *Work With Delinquency Policies*, click *Find* to locate all policies or enter a value in the query-by-example (QBE) row to limit your search and click *Find*.
2. Choose the policy for which you want to set up rules.
3. From the *Row* menu, choose *Notification*.
4. On *Work with Notification Instructions*, click *Add* to create the instructions.

PeopleSoft

Define Delinquency Policies - Notification Instructions

OK Cancel Tools

Delinquent Policy Identification

Policy Name HIGH RISK High Risk Policy

Company 00000 Worldwide Company

Notification Conditions

Aging Category/Severity 3 Threshold Percent 15 Grace Period Days

Currency Code EUR Minimum Amount 100.00 Pay By Days

Days Between Notifications 30 Activity Item Priority 5 Priority 5

Notification Actions

Letter Name/Type LETTER1

Collection Manager Approval Required

Notify Collection Manager

Hold Invoices Collection Manager Review Required

External Collections Recommended

Temporary Credit Message

5. On *Notification Instructions*, complete the fields and options as usual.
6. Specify the currency of the minimum amount in the following field:
 - Currency Code
7. Specify the smallest open amount for an invoice pay item to be eligible for a delinquency notice in the following field:

- Minimum Amount

The system does not include invoice pay items that have open amounts less than the amount specified in this field.

8. Click OK.

See Also

- To set up notification instructions in the *Accounts Receivable Guide* for detailed, non-currency specific information about the fields on the Notification Instructions form

► To set up credit insurance policies with a currency code

From the *Credit & Collections Setup* menu (G03B411), choose *Work With Credit Insurance*.

1. On *Work with Credit Insurance*, click *Add*.

The screenshot shows the PeopleSoft interface for 'Work With Credit Insurance - Credit Insurance Definition'. The form includes the following fields and values:

Insurance Company	4445	Credit Insurance, Inc.	Policy Number	4448-7845612
Policy Type	2	Single Policy		
Customer Number	3002	Atlantic Corporation	Company	00000
Effective Date	01/01/05		Ending Date	01/31/05
Insured Amount	1,500.00	Currency Code	EUR	Euro
Insurance Premium	12,500.00	Unit Cost		
Currency Code	EUR	Euro	Units Purchased	
Percentage Coverage	80.00			

2. On *Credit Insurance Definition*, complete the fields as usual.

3. Specify the currency of the insured amount in the following field:

- Currency Code

This field is located to the right of the *Insured Amount* field.

4. Specify the currency of the insurance premium and unit cost in the following field:

- Currency Code

This field is located under the *Insurance Premium* field. If you leave this field blank, the system uses the currency code associated with the insured amount.

5. Click OK.

See Also

- ❑ For detailed, non-currency specific information about the fields on the Credit Insurance Definition form, see one of the following tasks in the *Accounts Receivable Guide*:
 - ❑ *To set up a single credit insurance policy*
 - ❑ *To set up a general credit insurance policy*

Printing Delinquency Notices in Multiple Currencies

From the Credit/Collections Management menu (G03B15), choose Credit Analysis Refresh.

You use a version of the Credit Analysis Refresh program (R03B525) to print delinquency notices.

If the invoices on a delinquency notice are in the same currency, the system prints a total amount past due for all the invoices. If the invoices are in different currencies, the system does not print a total as the amount would be meaningless.

See Also

- ❑ *Generating Delinquency Notices* in the *Accounts Receivable Guide* for detailed, non-currency specific information

Generating Delinquency Fees in Multiple Currencies

From the Credit/Collections Management menu (G03B15), choose Credit Analysis Refresh.

You use a version of the Credit Analysis Refresh program (R03B22) to generate delinquency fees. To designate the currency in which to generate the fee, you must choose one of the following in the Currency of Fees processing option on the Fees tab:

- **Company currency.** This is the base currency of the company assigned to the invoice. If you have invoices for multiple companies with different base currencies, the system generates a separate fee for each currency.
- **Customer currency.** This is the currency assigned to the customer record. The system generates all fees in the currency specified in the A/B Amount Code field (CRCA) in the customer master record.
- **Invoice currency.** This is the transaction currency of the invoice. If you have invoices with multiple currencies, the system generates a separate fee for each currency.

See Also

- ❑ *Generating Delinquency Fees* in the *Accounts Receivable Guide* for detailed, non-currency specific information

Running the Credit Analysis Refresh

From the Credit/Collections Management menu (G03B15) choose Credit Analysis Refresh.

Run the Credit Analysis Refresh program (R03B525) daily to update customer account balances in the Credit and Cash Management table (F03B15). The program recalculates amounts based on the exchange rate associated with the aging date that you specify in the processing options.

The Credit Analysis Refresh program summarizes all open invoices by customer account and company at both the parent and child levels and, if a processing option is set, writes the information to the F03B15 table. The Credit Analysis Refresh program summarizes all open invoice amounts in the base currency of the company on the customer record or, if company 00000, it summarizes amounts in the currency specified in the A/B Amounts Code field on the customer record.

After you run the Credit Analysis Refresh program, you can review currency information about your customer account balances on the Account Balance Inquiry, Account Status Summary, and Parent/Child Browse forms.

Reviewing Customer Accounts in Multiple Currencies

When managing customer accounts for collection purposes, you can quickly access and review various types of accounts receivable information to facilitate your customer analysis and decision-making process. Depending on the information that you require, you can use either of the following forms:

- Account Balance Inquiry
- Parent/Child Browse

You must run the Credit Analysis Refresh program (R03B525) to update the account information that appears on the Account Balance Inquiry, Account Status Summary (which is a form exit from Account Balance Inquiry), and Parent/Child Browse forms.

Account Balance Inquiry

From the Credit/Collections Management menu (G03B15), choose Account Balance Inquiry.

PeopleSoft®

Account Balance Inquiry - Account Balance Inquiry

Select Find Close Row Tools

Collection Manager Jane Meade Parent

Credit Manager

Company

Customer Number

View Accounts

Worked

Unworked

All

Records 1 - 10

	Customer Number	Alpha Name	Company	Amount Past Due	Open Amount
<input checked="" type="radio"/>	3007	Schwartz Warenhous Gemeinschaft	00000		56,413.00
<input type="radio"/>	3009	Carmanah Industries	00000	19,673.64	33,974.14
<input type="radio"/>	1001	AB Common	00000	5,807.00	23,336.80
<input type="radio"/>	3003	CSC Corporation	00000	6.85	381.85
<input type="radio"/>	3008	Namiki Machinery	00000		45.48
<input type="radio"/>	3007	Schwartz Warenhous Gemeinschaft	00001		47,725.40
<input type="radio"/>	3009	Carmanah Industries	00001	19,673.64	33,974.14
<input type="radio"/>	1001	AB Common	00001	5,807.00	23,336.80
<input type="radio"/>	3003	CSC Corporation	00001		375.00
<input type="radio"/>	3008	Namiki Machinery	00001		45.48

Use the Account Balance Inquiry program (P03B218) to review all past due accounts assigned to a specific collection manager, the open balance of a customer's account as of a certain date, and so on. The system displays customer amounts on the Account Balance Inquiry form based on one of the following:

- For non-zero companies, the system displays amounts in the currency of the company.
- For company 00000, the system displays amounts in the currency in the A/B Amounts Codes field of the customer record.

To review statistical information about an account, choose Account Status from the Row menu.

Parent/Child Balance Inquiry

From the Credit/Collections Management menu (G03B15), choose Parent/Child Balance Inquiry.

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Parent/Child Balance Inquiry - Parent/Child Browse

Select Find Close Row Tools

Parent Number *

Company 00075 Cascades, Ltd

Records 1 - 8

	Address Number	Alpha Name	Company	Amount Past Due	Open Amount
<input checked="" type="radio"/>	<input type="checkbox"/> 3001	Global Enterprises	00075	19,521.21	19,521.21
<input type="radio"/>	<input type="checkbox"/> 3004	Pacific Company, The	00075	19,521.21	19,521.21
<input type="radio"/>	<input type="checkbox"/> 3004	Pacific Company, The	00075	6,896.42	6,896.42
<input type="radio"/>	<input type="checkbox"/> 3333	Continental Incorporated	00075	12,624.79	12,624.79
<input type="radio"/>	<input type="checkbox"/> 3333	Continental Incorporated	00075	2,858.59	2,858.59
<input type="radio"/>	<input type="checkbox"/> 3334	Lewis Enterprises	00075	9,766.20	9,766.20
<input type="radio"/>	<input checked="" type="checkbox"/> 3004	Pacific Company, The	00075	19,521.21	19,521.21
<input type="radio"/>	<input checked="" type="checkbox"/> 3333	Continental Incorporated	00075	12,624.79	12,624.79

Use the Parent/Child Browse program (P03B151) to review account balance information for a parent account and its associated children, including the total open amount of a child account or whether a child account has exceeded its assigned credit limit. The system displays customer amounts on the Parent/Child Browse form based on one of the following:

- For non-zero companies, the system restates and displays amounts in the currency of the company.
- For company 00000, the system displays amounts in the currency in the A/B Amounts Codes field of the customer record.

Updating Customer Statistical Information in Multiple Currencies

From the Credit/Collections Management menu (G03B15), choose Statistics History Update.

To effectively analyze and manage account activity for a customer, you must run the A/R Statistical History Refresh program (R03B16).

The A/R Statistical History Refresh program updates customer statistical information in the A/R Statistical History (F03B16) and A/R Statistical Summary (F03B16S) tables. This program also updates the following fields in the Customer Master by Line of Business table (F03012):

- Invoices This Year (ASTY)
- Invoiced – Prior Year (SPYE)
- YTD Finance Charges (AFCY)
- Last Applied Amount (ALP)
- Date of First Invoice (DFIJ)
- Last Invoice Date (DLIJ)
- Date Last Paid (DLP)

The A/R Statistical History Refresh program updates amounts in the base currency of the company on the customer record or, if company 00000, it updates amounts in the currency specified in the A/B Amounts Code field on the customer record.

After you run the A/R Statistical History Refresh program, you can review current statistical information for your customer on the Account Statistical Summary and Account Status Summary forms.

Currency Gains and Losses for Accounts Receivable

Currency gains and losses are based on exchange rate fluctuations that occur on transactions that involve more than one currency. Two types of gains and losses exist:

- Unrealized gains and losses
- Realized gains and losses

Unrealized gains and losses are calculated on unpaid invoices as well as the open portion of partially paid invoices at the end of a fiscal period, whereas realized gains and losses are calculated at the time of receipt.

Calculating Unrealized Gains and Losses

To record unrealized gains and losses on open foreign currency invoices and vouchers, you can enter the gain and loss amounts manually in a journal entry or have the system create the gain and loss entries automatically.

Unrealized gains and losses apply to unpaid invoices and vouchers or the open portion of a partially paid invoice or voucher. If you work with multiple currencies, you record unrealized gains and losses at the end of each fiscal period to revalue your open foreign transactions. This gives you an accurate picture of your cash position so that you can forecast and manage your cash flow.

To have the system create your gain and loss entries automatically, you run the A/R Unrealized Gain/Loss Report (R03B426) or A/P Unrealized Gain/Loss Report (R04425), which does the following:

- Revalues your open foreign invoices or vouchers
- Analyzes your unrealized gains and losses in detail
- Records your unrealized gains and losses

Prerequisites

- ❑ Enter new exchange rates on the Revise Currency Exchange Rates form. See the task *To set up exchange rates for the inverse method* or *To set up exchange rates for the no inverse method* in the *Multicurrency Guide*.
- ❑ Set up a different version of the A/R Unrealized Gain/Loss Report for each company that has a different base currency.
- ❑ Ensure that the following AAIs are set up:
 - ❑ RVxxx – unrealized foreign currency gains
 - ❑ RWxxx – unrealized foreign currency losses
 - ❑ RRxxxx – unrealized foreign currency gain/loss offsets

See *AAIs for Unrealized Gains and Losses on Foreign Currency Invoices* in the *Multicurrency Guide*.

Running the A/R Unrealized Gain/Loss Report

From the Monthly Valuation menu (G1121), choose A/R Unrealized Gain/Loss Report.

You run the A/R Unrealized Gain/Loss Report (R03B426) to calculate unrealized gains and losses. The system produces a report that shows the following:

- Base company currency and the transaction currency for each invoice
- Invoice number and due date
- Original and current domestic amount calculated for each invoice
- Foreign amount of each invoice
- Unrealized gain or loss for each open invoice

To produce the report, the system uses information from the following tables:

- Customer Ledger (F03B11)
- Receipts Detail (F03B14)

You specify whether you want to create journal entries for unrealized gains, losses, or both in a processing option. The system assigns these journal entries the document type JX. This is the only document type that can be used to adjust the domestic side of a monetary (currency-specific) account. The system creates only one journal entry per company.

You can also specify whether you want to create journal entries for unrealized gains or losses as of a specific date. The system selects invoices that are open as of the date that you specify in a processing option and uses the F03B14 As Of Aging Server (B03B136) to recalculate the domestic and foreign invoice amounts. Then, if specified in a processing option, the system creates journal entries for the unrealized gains or losses. With “as of” reporting, you can produce period-end reports to handle financial audit requirements such as balancing open invoices to accounts receivable trade accounts. If you run the A/R Unrealized Gain/Loss Report as of a specific date, be aware that the report takes longer to process. This is because the system first recalculates the open amounts as of the date that you specify and then it calculates the unrealized gains or losses.

If you mix multiple currencies when you run the A/R Unrealized Gain/Loss Report, the foreign currency grand total and any other subtotals appear as ****NA**** (not applicable) because totals for more than one currency are meaningless. To prevent this, set up a different version of the report for each company with a different base currency. Setting up a separate version for each company has the added advantage of reducing the size of the report.

Run the A/R Unrealized Gain/Loss Report first without creating journal entries. Review the report and correct any exchange rates, if necessary. Continue to run the program without creating journal entries until you have corrected all exchange rates, and then run the program to create journal entries for your unrealized gains and losses.

Caution

To avoid duplicate journal entries, do not set the processing option to create journal entries more than one time per fiscal period.

Example: Unrealized Gain/Loss on a Foreign Currency Invoice

In the following example, a French company calculates an unrealized gain/loss on an open foreign currency invoice in U.S. dollars (USD).

Because of the exchange rate risk, the potential exists for an unrealized gain or loss at the end of the fiscal period when the open invoice (USD) is revalued against the euro (EUR).

Description	Currency	Amount	Exchange Rate 1 January 2005	Exchange Rate 31 January 2005
Invoice (domestic)	EUR	1,135.45	1 USD = 1.13545 EUR	
Invoice (foreign)	USD	1,000.00		
Open invoice (domestic)	EUR	1,132.25		1 USD = 1.13225 EUR
Unrealized gain/loss	EUR	- 3.20		

The foreign invoice on 1 January 2005 is 1,000.00 USD, or 1,135.45 EUR in the domestic currency.

Calculation: 1,000.00 USD x 1.13545 = 1,135.45 EUR

The foreign invoice remains open on 31 January 2005 and is revalued against the euro.

Calculation: 1,000.00 USD x 1.13225 = 1,132.25 EUR

Unrealized Gain/Loss

The unrealized gain/loss is - 3.20 EUR. This amount is based on exchange rate fluctuations between the time that the invoice was created and the end of the fiscal period, when the invoice remained open.

Transaction Amount (CA Ledger)	Original Exchange Rate	Current Exchange Rate	Domestic Amount (AA Ledger)	Gain (+) / Loss (-)
1,000.00 USD	1.13545		1,135.45 EUR	
1,000.00 USD		1.13225	1,132.25 EUR	- 3.20

1,000.00 USD x 1.13225 (exchange rate at end of fiscal period) = 1,132.25 EUR

1,000.00 USD x 1.13545 (exchange rate on invoice date) = 1,135.45 EUR

Calculation: 1,132.25 - 1,135.45 = - 3.20 EUR

Processing Options for A/R Unrealized Gain/Loss Report (R03B426)

Process Tab

1. Exchange Rate Date

Use this processing option to specify the date to use to retrieve the exchange rate from the Currency Exchange Rates table (F0015). If you leave this processing option blank, the system uses today's date.

2. Create JEs for Gains and Losses

Blank - Do not create journal entries.

1 - Create journal entries for accounts with a calculated gain or loss.

2 - Create journal entries for accounts with a calculated loss only.

3 - Create journal entries for accounts with a calculated gain only.

Use this processing option to specify whether to create journal entries for accounts with calculated gains and losses. Valid values are:

Blank

Do not create journal entries.

1

Create journal entries for accounts with calculated gains or losses.

2

Create journal entries for accounts with calculated losses only.

3

Create journal entries for accounts with calculated gains only.

3. G/L Date

Use this processing option to specify the general ledger date to use for journal entries that the system creates. If you leave this processing option blank, the system assigns the last day of the current period as the general ledger date.

4. Batch Status

Use this processing option to specify whether to assign the batch status to journal entries that the system creates based on the setting of the Management Approval of Input option on the General Accounting Constants form. Valid values are:

Blank

Assign the batch status based on the setting of Management Approval of Input option.

1

Assign an approved batch status (A) regardless of the setting of the Management Approval of Input option.

5. Ledger Type

Use this processing option to specify the ledger type to assign to the journal entries that the system creates. The value you specify must exist in UDC 09/LT (ledger types). If you leave this processing option blank, the system assigns the ledger type AA.

6. Date - As of

Use this Processing Option to enter the as of date that you want to use to process invoices and payments. The system uses this date to recalculate invoice amounts 'as of' the date that you enter. Both domestic and foreign amounts will be recalculated. After the invoice amounts are recalculated, the system calculates the gain or loss. If you leave this processing option blank, then as of processing does not occur.

Calculating Realized Gains and Losses

Depending on whether you want to calculate realized gains and losses for receipts or payments, use one of the following navigations:

From the Manual Receipts Processing menu (G03B12) or Automated Receipts Processing menu (G03B13), choose Post Receipts to G/L.

From the Automatic Payment Processing menu (G0413), choose Post Payments to G/L.

To calculate realized gains and losses, you must post your receipts and payments. Realized gains and losses are based on exchange rate fluctuations that occur between transactions that involve a foreign or alternate currency receipt or payment. When you post receipts and payments, the system calculates gains and losses based on whether the exchange rates changed from the date of the invoice or voucher to the date of the receipt or payment. If exchange rates changed, the system creates journal entries for the gains and losses.

If a foreign currency receipt or payment is involved, the potential exists for a standard gain or loss on a transaction. The gain or loss is based on exchange rate fluctuations between the foreign (transaction) currency and the domestic currency at the time the payment was received or issued. To calculate the gain or loss, the system multiplies or divides the invoice or voucher amount by the difference in the exchange rate from the time the invoice or voucher was entered and the time the payment was received or issued.

If an alternate currency receipt or payment is involved, the potential exists for two gains or losses on a transaction:

- Standard gain/loss. An amount based on exchange rate differences between the foreign (transaction) currency and the domestic currency from the transaction date to the receipt or payment date.
- Alternate currency gain/loss. An amount based on exchange rate differences between the alternate (payment) currency and the domestic currency. This gain or loss is the difference between the following amounts:

- The amount calculated by converting the alternate currency receipt or payment directly to the domestic currency (this is the amount that is actually deposited to or paid from the bank account)
- The amount calculated by converting the alternate currency receipt or payment to the foreign currency to the domestic currency

Document Types for Realized Gains and Losses

The document types for realized gains and losses are different for the Accounts Receivable and Accounts Payable systems. The system uses document type RC for receivables and PG for payables. The document type and the description Realized Gain or Realized Loss appear on the post reports.

Prerequisites

- ❑ Enter new exchange rates on the Revise Currency Exchange Rates form. See the task *To set up exchange rates for the inverse method* or *To set up exchange rates for the no inverse method* in the *Multicurrency Guide*.
- ❑ For foreign currency receipts, ensure that the following AAls are set up:
 - ❑ RGxxx – realized foreign currency gains
 - ❑ RLxxx – realized foreign currency losses

See *AAIs for Realized Gains and Losses on Foreign Currency Receipts* in the *Multicurrency Guide*.

 - ❑ R8 – foreign currency rounding account

See *AAIs for the Rounding Account for Foreign and Alternate Currency Receipts* in the *Multicurrency Guide*.
- ❑ For alternate currency receipts, ensure that the following AAls are set up:
 - ❑ RYxxx – alternate currency realized gains
 - ❑ RZ`xxx – alternate currency realized losses

See *AAIs for Realized Gains and Losses on Alternate Currency Receipts* in the *Multicurrency Guide*.

 - ❑ R7 – alternate currency clearing account

See *AAIs for the Clearing Account for Alternate Currency Receipts* in the *Multicurrency Guide*.

 - ❑ R8 – alternate currency rounding account

See *AAIs for the Rounding Account for Foreign and Alternate Currency Receipts* in the *Multicurrency Guide*.

Example: Realized Gain/Loss on Foreign Currency Invoice and Receipt

In the following example, a British company enters an invoice in U.S. dollars (foreign currency) and receives payment in USD (foreign currency).

Because of the exchange rate risk, the potential exists for one gain or loss, based on the fluctuation of exchange rates between the domestic currency and the foreign currency at the time payment is received.

Description	Currency	Amount	Exchange Rate 1 January 2005	Exchange Rate 1 February 2005
Invoice (domestic)	GBP	303.60		
Invoice (foreign)	USD	500.00	1 USD = 0.6072 GBP	
Receipt (foreign)	USD	500.00		1 USD = 0.6081 GBP
Standard gain/loss	GBP	+ 0.45		

The foreign currency invoice on 1 January 2005 is 500.00 USD, which is 303.60 GBP in the domestic currency.

$$\text{Calculation: } 500.00 \text{ USD} \times 0.6072 = 303.60 \text{ GBP}$$

The foreign currency receipt on 1 February 2005 is 500.00 USD.

Standard Gain/Loss

The standard gain/loss is + 0.45 GBP. This amount is based on exchange rate fluctuations from the invoice date to the receipt date.

$$500.00 \text{ USD} \times 0.6081 \text{ (exchange rate on receipt date)} = 304.05 \text{ GBP}$$

$$500.00 \text{ USD} \times 0.6072 \text{ (exchange rate on invoice date)} = 303.60 \text{ GBP}$$

$$\text{Calculation: } 304.05 - 303.60 = + 0.45 \text{ GBP}$$

Example: Realized Gain/Loss on Foreign Invoice and Alternate Currency Receipt

In the following example, a French company enters three invoices in Canadian dollars (CAD) and receives payment in Japanese yen (JPY).

When the receipt is entered, the receipt amount (JPY) is compared to the foreign and domestic invoice amounts to determine whether the debt has been satisfied. Because the three currencies involved in the transaction fluctuate against one another, the potential exists for the following:

- Standard gain/loss – between EUR and CAD
- Alternate currency gain/loss – between JPY, CAD, and EUR

Description	Currency	Amount	Exchange Rate 1 January 2005	Exchange Rate 1 February 2005
Invoice (domestic)	EUR	356.34		
Invoice (foreign)	CAD	500.00	1 CAD = 0.71268 EUR	
Receipt	JPY	38,850		1 CAD = 0.70882 EUR 1 JPY = 0.009163 EUR 1 JPY = 0.01287 CAD
Standard gain/loss	EUR	- 1.93		
Alternate currency gain/loss	EUR	+ 1.57		

The foreign currency invoice on 1 January 2005 for 500.00 CAD, which is 356.34 EUR in the domestic currency. The EUR amount is calculated as follows:

$$\text{Calculation: } 500.00 \text{ CAD} \times 0.71268 = 356.34 \text{ EUR}$$

The alternate currency receipt on 1 February 2005 is 38,850 JPY.

The foreign currency amount applied to the invoice is 500.00 CAD.

$$\text{Calculation: } 38,850 \text{ JPY} \times 0.01287 = 500.00 \text{ CAD}$$

The domestic currency amount applied to the invoice is 354.41 EUR.

$$\text{Calculation: } 500.00 \text{ CAD} \times 0.70882 = 354.41 \text{ EUR}$$

The domestic currency amount of the receipt is 355.98 EUR.

$$\text{Calculation: } 38,850 \times 0.009163 = 355.98 \text{ EUR}$$

Standard Gain/Loss

The standard gain/loss is – 1.93 EUR. This amount is based on exchange rate fluctuations from the invoice date to the receipt date.

$$500.00 \text{ CAD} \times 0.70882 \text{ (exchange rate on receipt date)} = 354.41 \text{ EUR}$$

$$500.00 \text{ CAD} \times 0.71268 \text{ (exchange rate on invoice date)} = 356.34 \text{ EUR}$$

$$\text{Calculation: } 354.41 - 356.34 = - 1.93 \text{ EUR}$$

Alternate Currency Gain/Loss

The alternate currency gain/loss is + 1.57 EUR. This amount is calculated using exchange rates on the receipt date. It is based on the difference between converting the alternate currency directly to the domestic currency and converting the alternate currency to the foreign currency to the domestic currency.

$$38,850 \text{ JPY} \times 0.009163 = 355.98 \text{ EUR}$$

$$(38,850 \text{ JPY} \times 0.01287 = 500.00 \text{ CAD}) \times 0.70882 = 354.41 \text{ EUR}$$

$$\text{Calculation: } 355.98 - 354.41 = + 1.57 \text{ EUR}$$

Multicurrency Reports for Accounts Receivable

The Accounts Receivable system provides both standard and analytical reports for multicurrency processing. Depending on the report you choose, you can review open A/R detail information in both domestic and foreign currency amounts, aging amounts in the transaction currency or in a currency you specify, customer accounts that have exceeded their credit limits, and so on.

Be aware that the grand totals on these reports are hash totals and are meaningless when you print more than one currency at a time. To avoid this, set up different versions of the report and use the processing options and data selection to limit the information on the report to one currency.

See Also

- *Accounts Receivable Integrity Reports* in the *Accounts Receivable Guide* for information about identifying problems and inconsistencies in your data. Integrity reports are beneficial for all clients, regardless of whether they work in a multicurrency environment.

Open A/R Detail Reports for Multiple Currencies

From the Accounts Receivable Reports menu (G03B14), choose Open A/R Foreign Amounts.

To review open account receivable detail for invoices, credit memos, and unapplied receipts in multiple currencies, run the Open A/R Foreign Amounts report. This report includes the following types of currency information:

- Base company currency (domestic)
- Transaction currency (foreign)
- Original and open foreign currency balances

Three different reports are available for Open A/R with Foreign Amounts:

Report	Description
Currency Detail - Foreign and Domestic (R03B429A)	Run this report to review a list of open accounts receivable items with both foreign and domestic currency amounts.
Currency Detail - Aging (R03B429B)	Run this report to review a list of open account receivable items in the currency in which the system ages the transactions. You set a processing option to age the open A/R amounts from a specific date.
Currency - Foreign/Domestic with Aging (R03B429C)	Run this report to review a list of open accounts receivable items with foreign and domestic currency amounts for specific aging categories. You can review the standard and insured credit limits at the company level to see whether the customer has exceeded expected open amounts and credit limits. The report displays this information in the customer's currency. You set a processing option to age the open A/R amounts from a specific date.

Processing Options for Currency Detail – Foreign and Domestic (R03B429A)

Print

1. Print Receipts History
 - Blank = Print Invoices and Unapplied Receipts only
 - 1 = Include Receipts
 2. Include Receipts in Totals
 - Blank = Invoice Amounts only
 - 1 = Include Receipt Amounts
 3. Date - As Of
 - Blank = Current Date
-

Processing Options for Currency Detail –Aging (R03B429B)

Aging Tab

1. Retrieve Aging Information
 - Blank = Use Processing Options 2 thru 5
 - 1 = Use A/R Constants

Use this processing option to specify whether to retrieve the aging specifications and aging date from the Accounts Receivable constants. If you leave this field blank, the system uses the processing options for aging specifications (Aging Date, Date Types, and Aging Categories). Valid values are:

Blank

Use processing options 2 through 10.

1

Use the Accounts Receivable constants.

2. Aging Date

Blank = Current Date

Use this processing option to specify the date that you want to the system to use to determine the aging category to which to assign open invoices. The system compares the date that you enter to the date on the invoice, as specified by the Date Types processing option, to determine the number of days the invoice is past due.

If you leave this processing option blank, the system uses today's date to age open invoices.

3. Date Type

D = Due Date (Default)

I = Invoice Date

G = G/L Date

S = Statement Date

Use this processing option to specify the date on the invoice that you want the system to use to determine the aging category. The system compares the date that you specify with the value in the Aging Date processing option to determine the number of days that the invoice is past due. Valid values are:

D

Use the due date. This is the default.

I

Use the invoice date.

G

Use the G/L date.

S

Use the statement date.

If you leave this processing option blank, the system uses the default value (D).

4. Aging Method

1 = Aging Days (Default)

2 = Fiscal Periods

3 = Calendar

Use this processing option to specify which aging categories the system uses to assign invoices. The system uses the date specified in the Aging Date processing option and the value specified in the Date Type processing option to calculate the aging for each invoice, and then assigns them to the aging category specified by this code. Valid values are:

1 (default)

Aging days. The system assigns invoices to the aging categories specified in the Aging Category 1 through Aging Category 6 processing options. The aging categories are user defined.

2

Fiscal periods. The system uses the fiscal periods defined by the date pattern assigned to the company record as the aging categories.

3

Calendar. The system uses each calendar month as an aging category.

If you leave this processing option blank, the system uses the default value 1 (aging days).

5. Aging Days (For Method 1 only)

Thru

Use this processing option in conjunction with the value specified in the Aging Category 2 processing option to specify the interval that the system uses for the current and first aging categories that print on the report.

Thru

Use this processing option in conjunction with the values specified in the Aging Category 1 and Aging Category 3 processing options to determine the interval that the system uses for the first and second aging categories that print on the report.

Thru

Use this processing option in conjunction with the values specified in the Aging Category 2 and Aging Category 4 processing options to determine the interval that the system uses for the second and third aging categories that print on the report.

Thru

Use this processing option in conjunction with the value specified in the Aging Category 3 processing option to determine the interval that the system uses for the third aging category that prints on the report.

6. Age Credit Amounts

Blank = Credits applied to 'Current' column

Use this processing option to specify whether to age credit memos according to the aging specifications, or to apply credits to the Current aging column that prints on the report.

Print Tab

1. Amount Open to be Exceeded

Use this processing option to specify an amount against which the customer balance will be compared to determine whether to print the customer on the report. The system uses the currency code from the Currency Code of Open Amount processing option for the amount specified in this processing option. The system retrieves the exchange rate to use to restate customer balances from the Currency Exchange Rates table (F0015), and then compares the restated balance with the amount specified to determine whether to include the customer on the report. The system includes only customer balances with amounts greater than or equal to the amount specified in this processing option.

Note: The system displays the customer balances in the currency specified in the A/B Amount Codes field (CRCA) of the customer master record (F03B12), not in the currency specified by the Currency Code of Open Amount processing option.

2. Currency Code of Amount Open to be

Exceeded

Blank = USD

Use this processing option to specify the currency of the amount entered in the Open Amount to be Exceeded processing option. The system calculates open amounts based on the currency specified, and then compares the customer's balance with the amount entered in the Open Amount to be Exceeded processing option to determine whether to print the customer on the report.

If you leave this processing option blank, the system uses the currency code USD.

Note: The system does not print amounts in the currency specified; it uses the currency code only for data selection.

3. Standard or Insured Credit Limit

Blank = Print all records

-
- 1 = Open Amount greater than or equal to Standard Credit Limit
 - 2 = Open Amount greater than or equal to Insured Credit Limit

Use this processing option to specify which customer records will be included on the report. Valid values are:

Blank

Include all records.

1

Include records with the open amount greater than or equal to the credit limit that is set up on the customer master record (F03012).

2

Include records with the open amount greater than or equal to the insured credit limit.

If the Open Amount to be Exceeded processing option contains a value, it overrides this processing option.

4. Date - As Of

Blank = Current Date

Use this processing option to specify the date to use to recalculate and print open invoice amounts. The system compares the date that you enter with the G/L date of the receipt to determine whether the invoice was open or paid as of the date specified. If the invoice was open, the system includes it on the report. If you leave this processing option blank, the system does not perform "as of" processing.

Note: Using the "as of" date feature increases the report's processing time.

5. Currency Code - Restated for Foreign and Aging Columns

Blank = Print Amounts in Foreign Currency

Use this processing option to specify the currency to use to restate amounts that appear on the report. Enter a valid currency code. The system retrieves the exchange rate from the Currency Exchange Rates table (F0015). If an exchange rate is not set up, the system prints a blank report. If you leave this processing option blank, the report prints amounts in the domestic currency.

Processing Options for Currency – Foreign/Domestic with Aging (R03B429C)

Aging Tab

1. Retrieve Aging Information

Blank = Use Processing Options 2 thru 5

1 = Use A/R Constants

Use this processing option to specify whether to retrieve the aging specifications and aging date from the Accounts Receivable constants. If you leave this field blank, the system uses the processing options for aging specifications (Aging Date, Date Types, and Aging Categories). Valid values are:

Blank

Use processing options 2 through 10.

1

Use the Accounts Receivable constants.

2. Aging Date

Blank = Current Date

Use this processing option to specify the date that you want the system to use to determine the aging category to which to assign open invoices. The system compares the date that you enter to the date on the invoice, as specified by the Date Types processing option, to determine the number of days the invoice is past due.

If you leave this processing option blank, the system uses today's date to age open invoices.

3. Date Type

D = Due Date (Default)

I = Invoice Date

G = G/L Date

S = Statement Date

Use this processing option to specify the date on the invoice that you want the system to use to determine the aging category. The system compares the date that you specify with the value in the Aging Date processing option to determine the number of days that the invoice is past due. Valid values are:

D

Use the due date. This is the default.

I

Use the invoice date.

G

Use the G/L date.

S

Use the statement date.

If you leave this processing option blank, the system uses the default value (D).

4. Aging Method

- 1 = Aging Days (Default)
- 2 = Fiscal Periods
- 3 = Calendar

Use this processing option to specify which aging categories the system uses to assign invoices. The system uses the date specified in the Aging Date processing option and the value specified in the Date Type processing option to calculate the aging for each invoice, and then assigns them to the aging category specified by this code. Valid values are:

1 (default)

Aging days. The system assigns invoices to the aging categories specified in the Aging Category 1 through Aging Category 6 processing options. The aging categories are user defined.

2

Fiscal periods. The system uses the fiscal periods defined by the date pattern assigned to the company record as the aging categories.

3

Calendar. The system uses each calendar month as an aging category.

If you leave this processing option blank, the system uses the default value 1 (aging days).

5. Aging Days (For Method 1 only)

Thru

Use this processing option in conjunction with the value specified in the Aging Category 2 processing option to specify the interval that the system uses for the current and first aging categories that print on the report.

Thru

Use this processing option in conjunction with the values specified in the Aging Category 1 and Aging Category 3 processing options to determine the interval that the system uses for the first and second aging categories that print on the report.

Thru

Use this processing option in conjunction with the values specified in the Aging Category 2 and Aging Category 4 processing options to determine the interval that the system uses for the second and third aging categories that print on the report.

Thru

Use this processing option in conjunction with the value specified in the Aging Category 3 processing option to determine the interval that the system uses for the third aging category that prints on the report.

6. Age Credit Amounts

Blank = Credits applied to 'Current' column

Use this processing option to specify whether to age credit memos according to the aging specifications, or to apply credits to the Current aging column that prints on the report.

Print Tab

1. Amount Open to be Exceeded

Use this processing option to specify an amount against which the customer balance will

be compared to determine whether to print the customer on the report. The system uses the currency code from the Currency Code of Open Amount processing option for the amount specified in this processing option. The system retrieves the exchange rate to use to restate customer balances from the Currency Exchange Rates table (F0015), and then compares the restated balance with the amount specified to determine whether to include the customer on the report. The system includes only customer balances with amounts greater than or equal to the amount specified in this processing option.

Note: The system displays the customer balances in the currency specified in the A/B Amount Codes field (CRCA) of the customer master record (F03B12), not in the currency specified by the Currency Code of Open Amount processing option.

2. Currency Code of Amount Open to be

Exceeded

Blank = USD

Use this processing option to specify the currency of the amount entered in the Open Amount to be Exceeded processing option. The system calculates open amounts based on the currency specified, and then compares the customer's balance with the amount entered in the Open Amount to be Exceeded processing option to determine whether to print the customer on the report.

If you leave this processing option blank, the system uses the currency code USD.

Note: The system does not print amounts in the currency specified; it uses the currency code only for data selection.

3. Standard or Insured Credit Limit

Blank = Print all records

1 = Open Amount greater than or equal to Standard Credit Limit

2 = Open Amount greater than or equal to Insured Credit Limit

Use this processing option to specify which customer records will be included on the report. Valid values are:

Blank

Include all records.

1

Include records with the open amount greater than or equal to the credit limit that is set up on the customer master record (F03012).

2

Include records with the open amount greater than or equal to the insured credit limit.

If the Open Amount to be Exceeded processing option contains a value, it overrides this processing option.

4. Date - As Of

Blank = Current Date

Use this processing option to specify the date to use to recalculate and print open invoice amounts. The system compares the date that you enter with the G/L date of the receipt to determine whether the invoice was open or paid as of the date specified. If the invoice was open, the system includes it on the report. If you leave this processing option blank, the

system does not perform "as of" processing.

Note: Using the "as of" date feature increases the report's processing time.

5. Currency Code - Restated for Foreign and Aging Columns

Blank = Print Amounts in Foreign Currency

Use this processing option to specify the currency to use to restate amounts that appear on the report. Enter a valid currency code. The system retrieves the exchange rate from the Currency Exchange Rates table (F0015). If an exchange rate is not set up, the system prints a blank report. If you leave this processing option blank, the report prints amounts in the domestic currency.

Open A/R Detail – Summarized with Currency Report (R03B413B)

From the Accounts Receivable Reports menu (G03B14), choose Open A/R Detail – Summarized w/Currency.

To review current summary information about your customer accounts and the associated currency information, run the Open A/R Summary with Currency report (R03B413B). This aging report lists all open accounts in alphabetical order and shows a summarized total for each customer's open items. It also lists totals by company and a grand total of all open accounts receivable items.

The totals and aging amounts reflect those transactions that you specify in the data selection for the report.

Processing Options for Open A/R Summary with Currency (R03B413B)

Aging Tab

1. Age From Constants

Use this processing option to specify whether to retrieve the aging specifications from the Accounts Receivable constants. If you leave this field blank, the system uses the processing option values for aging and aging categories. Valid values are:

Blank

Use processing options to retrieve aging specifications.

1

Use the Accounts Receivable constants to retrieve aging specifications.

2. Aging Date

Use this processing option to specify the date for the system to use to determine the aging

category to which it assigns open invoices. The system compares the date that you enter with the date on the invoice, as specified by the Date Type processing option, to determine the number of days that the invoice is past due.

Note: If you use the Accounts Receivable constants to age and you enter a date in this processing option, the system uses the date entered in the Date Aging Based On field in the constants. If that field is blank, the system uses the date entered in this processing option. If both the fields are blank, the system uses the system date to age open invoices.

3. Date Type

Use this processing option to specify the date on the invoice that you want the system to use to determine the aging category. The system compares the date that you specify to the value in the Aging Date processing option to determine the number of days that the invoice is past due. Valid values are:

D

Use the due date.

I

Use the invoice date.

G

Use the general ledger date.

S

Use the statement date.

4. Aging Method

Use this processing option to specify which aging method the system uses to assign invoices. The system uses the date specified in the Aging Date processing option and the value specified in the Date Type processing option to calculate the aging for each invoice, and then assigns them to the aging category specified by this method. Valid values are:

1

Aging Days. The system assigns invoices to the aging categories specified in the Aging Category 1 through Aging Category 3 processing options. The aging categories are user defined.

2

Fiscal Periods. The system uses the fiscal periods defined by the date pattern that is assigned to the company record as the aging categories.

3

Calendar. The system uses each calendar month as an aging category.

Aging Categories Tab

1. Aging Category 1

Use this processing option in conjunction with the value specified in the Aging Category 2 processing option to specify the interval that the system uses for future and current aging

categories.

2. Aging Category 2

Use this processing option in conjunction with the values specified in the Aging Category 1 and Aging Category 3 processing options to determine the interval that the system uses for the current and first aging categories.

3. Aging Category 3

Use this processing option in conjunction with the value specified in the Aging Category 2 processing option to determine the interval that the system uses for the first and second aging categories.

Age Credits Tab

1. Age Credits

Use this processing option to specify whether to age credit memos and unapplied receipts according to the aging specifications, or to apply credits to the Current Aging column that appears on the report.

Print Options Tab

1. Parent Number

Use this processing option to specify whether to print the parent number on the report.

Valid values are:

Blank

Do not print the parent number.

1

Print the parent number.

2. Category Code Number (FUTURE USE)

Use this processing option to enter the category code number to indicate which category code to print on the report. If this option is left blank, no category code will print on the report.

3. Source of Category Codes (FUTURE USE)

Use this processing option to specify the system that is the source of the category codes.

Valid values are:

Blank

1

Address Book

2

Accounts Receivable

10. Enter a 1 to print the credit limit for each customer listed on the report. If left blank, no credit limit will print. (FUTURE)

4. Print Credit Limit(FUTURE USE)

Use this processing option to specify whether to print the credit limit for each customer listed on the report. Valid values are:

Blank

Do not print credit limit.

1

Print credit limit.

Open A/R Detail with Remarks Report (R03B4201A)

From the Accounts Receivable Reports menu (G03B14), choose Open A/R Detail with Remarks.

To review open items such as invoices, credit memos, and unapplied receipts for every customer, print a version of the Open A/R Detail with Remarks report. This report includes the remarks that are associated with each pay item. For example, during invoice entry, you might enter a remark to describe the type of service or product in which the customer is being billed. This report shows totals for each company and a grand total for all companies.

You can run versions of this report that include:

- Discount information (A/R Details with Discounts, Net Amounts & Remarks).
- Retainages (Retainages Receivable).
- Receipts history (Customer Receipts History). This version includes both paid and open items for each customer. The information on this report version is similar to the information that you can view online using Customer Receipts Inquiry.

You can run this report so that it lists information as of a specific date, such as the end of the month. To do so, specify the "as of" date in the appropriate processing option.

Multicurrency Considerations for the Open A/R Detail with Remarks Report

Currency	To recalculate the amounts listed on the A/R Invoice Details report (R03B4201A) in another currency, specify the currency in a processing option.
Currency restatement	Use the Currency Restatement demo version (XJDE0005) of the A/R Invoice Details report (R03B4201A) and, in a processing option, specify the currency code in which to restate amounts.

Processing Options for A/R Invoice Details (R03B4201A)

Print Tab

These processing options specify information that the system prints on the report.

1. Print Receipts

Use this processing option to specify whether the report includes receipt information.
Valid values are:

Blank

With the exception of unapplied receipts, the report does not include receipt information.

1

The report includes receipt information.

2. Include Receipts in Total

Use this processing option to specify whether to include receipt amounts in the total that appears on the report. Valid values are:

Blank

Do not include receipt amounts in the total.

1

Include receipt amounts in the total. If you enter 1, you must additionally set the Print Receipts processing option to 1; otherwise, the system does not include receipts in the total.

3. Date - As of

Use this processing option to specify the date to use to recalculate and print open invoice amounts on the report. The system compares the date that you enter with the G/L date of the receipt to determine whether the invoice was open or paid as of the date specified. If the G/L date of the receipt is after the "as of" date entered, the system considers the invoice open and includes it on the report. If the G/L receipt date is on or before the "as

of" date entered, the system considers the invoice closed and does not include it on the report.

For example, suppose you enter an invoice with a G/L date of 6/15/05 that is paid by a receipt with a G/L date of 7/10/05. If the "as of" date is 6/30/05, the invoice will show as open on the report. This is useful if a customer requests a report for a specific date or for a date other than the date for which the report was originally processed.

If you leave this processing option blank, the system does not perform "as of" processing.

Note: To determine whether an invoice was open as of a specific date, do not limit data selection using payment status or open amount. A demo version of the report using the proper data selection for "as of" processing is available.

Caution: Using the "as of" date feature can dramatically increase the report's processing time.

4. Currency Code -Restatement

Use this processing option to specify the currency to use to restate amounts that appear on the report. Enter a valid currency code. The system retrieves the exchange rate from the Currency Exchange Rates table (F0015). If an exchange rate is not set up, the system prints a blank report. If you leave this processing option blank, the report prints amounts in the domestic currency.

Open A/R Detail with Aging Report (R03B4201B)

From the Accounts Receivable Reports menu (G03B14), choose Open A/R Detail with Aging.

To review open A/R items for specific aging categories, print the Open A/R Detail with Aging report. This report shows totals for each company and a grand total for all companies.

You can run this report so that it lists information as of a specific date, such as the end of the month. To do so, specify the "as of" date in the appropriate processing option.

Multicurrency Considerations for the A/R Detail with Aging Report

Currency	To recalculate the amounts that appear on the A/R Details with Aging report (R03B4201B) in another currency, specify the currency in a processing option.
Credit limits	You can specify whether the A/R Details with Aging report (R03B4201B) displays customers who have exceeded their standard credit limit or customers who have exceeded their insured credit limit, and specify the customer currency for the open amount. This report does not read the insured credit limit at the Company 00000 level.

Processing Options for Open A/R Detail with Aging (R03B4201B)

Aging Tab

These processing options specify how the Accounts Receivable system ages your customer's invoice information.

1. Aging Specifications

Blank = Use processing options

1 = Use company constants

Use this processing option to specify whether to retrieve the aging specifications from the Accounts Receivable Constants or to use the values specified in the processing options for aging.

Note: If you enter 1 to retrieve aging specifications from the Accounts Receivable Constants, the system ignores all other aging processing options with the exception of the Aging Date processing option. The system uses the value for the Aging Date processing option only if the Aging as of Date field in the constants is blank. To use the current date in the constants, which you specify by the Age as of Date field blank, do not complete the Aging Date processing option.

2. Aging Date

Blank = Current date

Use this processing option to specify the date that you want the system to use to determine the aging category to which to assign open invoices. The system compares the date that you enter to the date on the invoice, as specified by the Date Type processing option, to determine the number of days the invoice is past due.

If you leave this processing option blank, the system uses today's date to age open invoices.

3. Date Type

Blank = Due date

1 = Invoice date

2 = G/L date

3 = Statement date

Use this processing option to specify the date on the invoice that you want the system to use to determine the aging category. The system compares the date that you specify to the value in the Date Calculation processing option to determine the number of days the invoice is past due. Valid values are:

Blank

Use the invoice due date.

1

Use the invoice date.

2

Use the G/L date.

3

Use the statement date.

4. Aging Method

1 = Aging days

2 = Fiscal periods

3 = Calendar

Use this processing option to specify which aging categories the system uses to assign invoices. The system uses the date specified in the Aging Date processing option and the value specified in the Date Type processing option to calculate the aging for each invoice, and then assigns them to the aging category specified by this code. Valid values are:

1

Aging days. The system assigns invoices to the aging categories specified in the Aging Category 1 through Aging Category 6 processing options. The aging categories are user defined.

2

Fiscal periods. The system uses the fiscal periods defined by the date pattern assigned to the company record as the aging categories.

3

Calendar. The system uses each calendar month as an aging category.

5. Aging Category 1

Use this processing option in conjunction with the value specified in the Aging Category 2 processing option to specify the interval that the system uses for the Current aging category that prints on the report.

6. Aging Category 2

Use this processing option in conjunction with the values specified in the Aging Category 1 and Aging Category 3 processing options to determine the interval that the system uses for the Current and first aging category that prints on the report.

7. Aging Category 3

Use this processing option in conjunction with the values specified in the Aging Category 2 and Aging Category 4 processing options to determine the interval that the system uses for the first and second aging categories that print on the report.

8. Aging Category 4

Use this processing option in conjunction with the values specified in the Aging Category 3 and Aging Category 5 processing options to determine the interval that the system uses for the second and third aging categories that print on the report.

9. Aging Category 5

Use this processing option in conjunction with the values specified in the Aging Category

4 and Aging Category 6 processing options to determine the interval that the system uses for the third and fourth aging categories that print on the report.

10. Aging Category 6

Use this processing option in conjunction with the values specified in the Aging Category 5 processing options to determine the interval that the system uses for the fourth and fifth aging categories that print on the report.

11. Age Credits

Blank = Apply to current aging

1 = Age credits (default)

Use this processing option to specify whether to age credit memos according to the aging specifications, or to apply credits to the Current aging column that prints on the report.

Receipts Tab

These processing options specify whether to include receipt amounts on the report and in the total.

1. Print Receipts

Blank = Invoices and unapplied

1 = Print receipts information

Use this processing option to print receipts information. Valid values are:

Blank The system prints only invoices and unapplied cash information.

1 Print receipts information.

2. Original Total

Blank = Original amounts

1 = Receipt amounts

Use this processing option to include receipt amounts on reports. Valid values are:

1 The system includes the receipt amounts in the Original Amount column total on the report.

Blank Only original amounts are totaled in this column.

Date Tab

This processing option is used to invoke the "as of" process feature. Use this processing option to specify the "as of" date when you must produce a report "as of" a specific date. A common mistake is to use this date as the aging date, which dramatically increases the report processing time.

1. Date - As Of

Use this processing option to specify the "as of" date when you must produce a report "as of" a specific date. A common mistake is to use this date as the aging date, which dramatically increases report processing time.

When using "as of" date processing, the system recalculates open invoice amounts "as of" the date you enter. The system reads the G/L date of the receipt to determine whether the invoice has been paid. If the G/L date of the receipt is after the "as of" date entered, the system considers the invoice open and includes it on the report. If the G/L receipt date is on or before the "as of" date entered, the system considers the invoice closed and does not include it on the report.

For example, suppose you enter an invoice with a G/L date of 6/15/05 that is paid by a receipt with a G/L date of 7/10/05. If your "as of" date is 6/30/05, the invoice will show as open on the report. This is useful if a customer requests a report for a specific date or for a date other than the date that the report was originally processed.

Note: In order to determine whether an invoice was open "as of" a specific date, do not limit Data Selection using payment status or open amount. There is a demo version provided for this purpose.

Currency Tab

This processing option is used to restate amounts in another currency. Use this processing option to specify which currency the system uses to re-calculate amounts.

1. Currency Code - Re-calculated
Blank = Domestic currency
Currency

Use this processing option to specify which currency the system uses to re-calculate amounts. The system does this only if it locates a valid exchange rate in the Currency Exchange Rates table (F0015). For example, if you enter amounts in U.S. dollars, but you want the amounts printed in Canadian dollars, enter CAD in this processing option. The system locates an exchange rate to recalculate the amounts. Leave this processing option blank to use the domestic currency.

Insured Credit Limit Tab

These processing options specify how the system displays insured credit limit information on the report.

1. Amount Open to be Exceeded
Blank = Print all records

Use this processing option to specify which customer records are displayed on the report. Enter an amount. Only records with open amounts greater than or equal to this amount will be displayed. If you leave this processing option blank, the system displays all insured credit limit records on the report.

2. Currency Code of Amount Open
Blank = USD

Use this processing option to specify the currency code for the Open Amount to be Exceeded processing option. If you leave this processing option blank, the default

currency code is USD (U.S. Dollar).

3. Standard or Insured Credit Limit

Blank = Print all records

1 = Customers over standard credit limit

2 = Customers over Insured credit limit

Use this processing option to specify which customer records will be printed on the report.
Valid values are:

Blank Print all records

1 Print records with the open amount greater than or equal to the credit limit

2 Print records with the open amount greater than or equal to the insured credit limit

A valid value (other than Blank) in the Open Amount to be Exceeded processing option overrides the value you specify in this processing option.

Open A/R Summary Analysis Report (R03B155)

From the Accounts Receivable Reports menu (G03B14), choose Open A/R Summary Analysis.

When analyzing the status of your customer's accounts, you can print the Open A/R Summary Analysis report (R03B155). This report enables you to review the following types of information:

- Account balances at the parent or child level
- Open amounts and their associated aging categories
- Customers who have exceeded their standard credit limit at the customer and company level (based on how you set the processing options)
- Customers who have exceeded their insured credit limit
- Customers who are under their credit limit
- The customer's currency of open amounts
- Summary information at the company level

To update the appropriate date information, you must run the Credit Analysis Refresh program (R03B525). When you print the Open A/R Summary Analysis report, the system reads information from the Credit and Cash Management table (F03B15) and the Credit Insurance Table (F03B29).

Processing Options for Open A/R Summary Analysis (R03B155)

Insured Credit Limit Tab

These processing options specify how the system displays insured credit limit information on the report. Use this processing option to specify an amount against which the customer balance will be compared to determine whether to print the customer on the report. The system uses the currency specified in the Open Amount processing option for the amount specified in this processing option. The system retrieves the exchange rate to use to restate customer balances from the Currency Exchange Rates table (F0015), and then compares the restated balance with the amount specified in this processing option to determine whether to print the customer on the report. The system prints only customer balances with amounts greater than or equal to the amount specified in this processing option.

Note: The system prints the customer balances in the currency specified in the A/B Amount Codes field (CRCA) of the customer master record (F03012), not in the currency specified for the Open Amount processing option.

1. Open Amount to be Exceeded

Blank = Print all records

Use this processing option to specify an amount against which the customer balance will be compared to determine whether to print the customer on the report. The system uses the currency specified in the Open Amount processing option for the amount specified in this processing option. The system retrieves the exchange rate to use to restate customer balances from the Currency Exchange Rates table (F0015), and then compares the restated balance with the amount specified in this processing option to determine whether to print the customer on the report. The system prints only customer balances with amounts greater than or equal to the amount specified in this processing option.

Note: The system prints the customer balances in the currency specified in the A/B Amount Codes field (CRCA) of the customer master record (F03012), not in the currency specified for the Open Amount processing option.

2. Currency Code of Open Amount

Blank = USD

Use this processing option to specify the currency of the amount entered in the Open Amount to be Exceeded processing option. The system calculates open amounts based on the currency specified, and then compares the customer's balance with the amount entered in the Open Amount to be Exceeded processing option to determine whether to print the customer on the report.

If you leave this processing option blank, the system uses the currency code USD.

Note: The system does not print amounts in the currency specified; it uses the currency code only for data selection.

3. Standard or Insured Credit Limit

Blank = Print all records

1 = Print records over standard credit limit

2 = Print records over insured credit limit (company zero only)

Use this processing option to specify which customer records will be printed on the report.
Valid values are:

Blank

Print all records.

1

Print records with the open amount greater than or equal to the credit limit that is set up on the customer master record (F03012).

2

Print records with the open amount greater than or equal to the insured credit limit.

If the Open Amount to be Exceeded processing option contains a value, it overrides this processing option.

Other Accounts Receivable Reports for Multicurrency

Report	Description
A/R and A/P Netting Report – Detail (R03B466)	The A/R and A/P Netting Report – Detail lists transactions by customer and supplier and is aged by currency. You can review foreign currency amounts on this report, or domestic currency only amounts.

Checklist: Multicurrency Setup for Accounts Payable

Use this checklist as a reference when you set up your Accounts Payable system for multicurrency processing.

Foreign Currency Supplier Records

The supplier record specifies the currency in which to enter vouchers and the currency in which to record address book amounts.

Task and Description	Program	√
Specify a default currency and an address book currency for each supplier. <ul style="list-style-type: none"> Set a processing option to specify a currency code for all address book amounts. You can override this currency code on the supplier record. Assign default currency and address book currency codes on the supplier record. See <i>Assigning Currency Codes to a Supplier Record</i> in the <i>Multicurrency Guide</i> .	Supplier Master (P04012)	
Change currency codes for multiple suppliers at one time. Set processing options for the following: <ul style="list-style-type: none"> Exchange rate date Supplier currency code Address book currency code Rounding factor See <i>How the Address Book Conversion Programs Work</i> in the <i>Multicurrency Guide</i> .	Address Book Conversion - F0401 (R890401E)	

Foreign Currency Vouchers

Foreign currency vouchers are supplier invoices that are not in the same currency as that of the company that receives them.

Task and Description	Program	√
Enter vouchers in a foreign currency. See <i>Entering Vouchers in a Foreign Currency</i> in the <i>Multicurrency Guide</i> .	A/P Standard Voucher Entry (P0411)	

Foreign and Alternate Currency Payments

A foreign currency payment is a payment that is in a currency different from the currency of the company to which it is applied.

An alternate currency payment is a payment that is in a currency different from the domestic and foreign currency of a voucher.

Task and Description	Program	√
<p>Apply a foreign currency manual payment to an existing voucher. You can set processing options to do the following:</p> <ul style="list-style-type: none"> • Edit the exchange rate date • Edit the exchange rate for tolerance limits <p>See <i>Entering Manual Payments in a Foreign Currency</i> in the <i>Multicurrency Guide</i>.</p>	A/P Manual Payments (P0413M)	
<p>Apply a foreign currency manual payment without an existing voucher. No special requirements.</p> <p>See <i>Entering Manual Payments in a Foreign Currency</i> in the <i>Multicurrency Guide</i>.</p>	A/P Standard Voucher Entry (P0411)	
<p>Apply an alternate currency manual payment to an existing voucher. Set processing options to do the following:</p> <ul style="list-style-type: none"> • Activate alternate currency payments • Edit the exchange rate date • Edit the exchange rate for tolerance limits <p>See <i>Entering Manual Payments in an Alternate Currency</i> in the <i>Multicurrency Guide</i>.</p>	A/P Manual Payments (P0413M)	
<p>Create automatic payments in a foreign currency. Set processing options for the following:</p> <ul style="list-style-type: none"> • Payment amount ranges • Currency code for payment amount ranges <p>See <i>Creating Payment Groups in a Foreign or Alternate Currency</i> in the <i>Multicurrency Guide</i>.</p>	Create Payment Control Groups (R04570)	
<p>Create automatic payments in an alternate currency. Set processing options for the following:</p> <ul style="list-style-type: none"> • Payment amount ranges • Currency code for payment amount ranges • Alternate currency code <p>See <i>Creating Payment Groups in a Foreign or Alternate Currency</i> in the <i>Multicurrency Guide</i>.</p>	Create Payment Control Groups (R04570)	

Foreign Currency Drafts

A draft is a type of payment instrument that requires direct communication between the bank of the payee and the bank of the payer. Foreign currency drafts are drafts that are not in the same currency as the company that issues payment.

Task and Description	Program	√
Process a draft manually in a foreign currency. Set the processing option to display the Draft option on the Manual Payment Entry form. <i>See Processing Accounts Payable Drafts in a Foreign Currency in the Multicurrency Guide.</i>	A/P Manual Payments (P0413M)	
Process drafts automatically in a foreign currency. Set the processing option for payment currency to voucher foreign currency. <i>See Processing Accounts Payable Drafts in a Foreign Currency in the Multicurrency Guide.</i>	Create Payment Control Groups (R04570)	

“As If” Currency Processing

With “as if” currency processing, you can review and print vouchers as if they were entered in a currency other than the foreign or domestic currency in which they were actually entered.

Task and Description	Program	√
Review a voucher in an “as if” currency. Set processing options for the following: <ul style="list-style-type: none">• Currency code for the default “as if” currency• Exchange rate date <i>See Reviewing Vouchers in an “As If” Currency in the Multicurrency Guide.</i>	A/P Standard Voucher Entry (P0411)	

AAIs for Foreign Currency Realized and Unrealized Gains and Losses

Automatic accounting instructions (AAIs) are used to record exchange rate fluctuations between a domestic and foreign currency on open vouchers and payments.

Task and Description	Program	√
Record unrealized gains and losses on open foreign currency vouchers. Set up AAI items for the following: <ul style="list-style-type: none"> • PVxxx (unrealized gains) • PWxxx (unrealized losses) • PRxxxx (unrealized gain/loss offset) See <i>AAIs for Unrealized Gains and Losses on Foreign Currency Vouchers</i> in the <i>Multicurrency Guide</i> .	Automatic Accounting Instructions (P0012)	
Record realized gains and losses on foreign currency payments. Set up AAI items for the following: <ul style="list-style-type: none"> • PGxxx (realized gain) • PLxxx (realized loss) See <i>AAIs for Realized Gains and Losses on Foreign Currency Payments</i> in the <i>Multicurrency Guide</i> .	Automatic Accounting Instructions (P0012)	

AAIs for Alternate Currency Realized Gains and Losses

AAIs are used to record exchange rate fluctuations for a domestic, foreign, and alternate currency when an alternate currency receipt is involved.

Task and Description	Program	√
Record realized gains and losses on payments. Set up AAI items for the following: <ul style="list-style-type: none"> • PY (realized gains) • PZ (realized losses) • P7 (clearing account) See <i>AAIs for Realized Gains and Losses on Alternate Currency Payments</i> and <i>AAIs for the Clearing Account for Alternate Currency Payments</i> in the <i>Multicurrency Guide</i> .	Automatic Accounting Instructions (P0012)	

Assigning Currency Codes to a Supplier Record

Each supplier record contains the following currency code fields:

- **Default Code (CRRP).** This is the currency in which you enter vouchers for the supplier. You can override the default currency code when you enter a voucher.

If you leave this field blank, the system uses the currency of the company assigned to the supplier record as the default.

- **A/B Amount Code (CRCA).** This is the currency in which you track address book amounts for the supplier, including amounts invoiced this year and the prior year.

If you leave this field blank, the system uses the Amount Currency Code value if it is set up in the processing options for the Supplier Master program (P04012). Otherwise, it uses the currency code of the company assigned to the Business Unit field on the Address Book Revision form.

You assign currency code information on the Supplier Master Revision form. The currency codes are stored in the Supplier Master table (F0401).

► To assign currency codes to a supplier record

The following steps apply specifically to the supplier setup that is required for multicurrency processing. The Designate A/P Currency program described in the steps is the same as the Supplier Master program (P04012).

From the Multi-Currency Setup menu (G1141), choose Designate A/P Currency.

1. On Work With Supplier Master, complete the following field and click Find:
 - Alpha Name
2. Choose the supplier and click Select.

PeopleSoft

Designate A/P Currency - Supplier Master Revision

Work With Supplier Master | Supplier Master Revision

Supplier Number: 4002 Aluminium de Rhone
 Long Number: []

Vouchers | Purchasing 1 | Purchasing 2 | G/L Distribution | Tax Information | EDI Information

Credit Message: []
 Payment Terms - A/P: [] Net 30 Days
 Payment Instrument: [] Default (A/R & A/P)
 Factor/Special Payee: 4002 Aluminium de Rhone
 Parent Number: []
 Approver Number: []
 Default Code: EUR Euro
 A/B Amount Code: EUR Euro

Hold Payment: [N]
 Float Days: []
 Pre-Note Code

Payment Creation

By Supplier
 By Pay Item
 By Voucher
 By Contract

3. On Supplier Master Revision, click the Vouchers tab.
4. Complete the following fields and click OK:
 - Default Code
 - A/B Amount Code

Revisions to the Address Book Amount Code

After you assign an address book amount code to a supplier record, do not change the currency code in the A/B Amount Code field if any the address book amount fields in the Supplier Master table (F0401) have values. If you do change the currency code, you will have meaningless amounts in the F0401 table because of mixed currencies.

See *Supplier Currency Conversion* in the *Multicurrency Guide* for information about how to convert the amounts and currency codes in the F0401 table.

See Also

- *To enter supplier master information* in the *Accounts Payable Guide* for detailed, non-currency specific information about the Supplier Master Revision form

Multicurrency Processing Options for Supplier Master Information (P04012)

Defaults Tab

2. Amount Currency Code

Use this processing option to specify the default currency code for the A/B Amount Code field. If you leave this processing option blank and the A/B Amount Code field on the Supplier Master Revision form is blank, the system uses the currency code of the company assigned to the Business Unit field on the Address Book Revision form.

The A/B Amount Code field appears on the Supplier Master Revision form only if multicurrency is activated in the General Accounting Constants program.

Setting Up the Offset Method in the Constants

The offset method constant, along with three other non-currency specific constants, controls the Accounts Receivable and Accounts Payable systems for all companies.

The system creates an offsetting entry (document type AE) in the Account Ledger table (F0911) when you post vouchers, invoices, receipts, payments, and so on. Depending on the offset method that you specify in the Accounts Receivable Constants and Accounts Payable Constants programs (P0000), the system creates one offsetting entry for each detail record by:

- Batch (method B)
- Document (method Y)
- Pay item (method S)

For multicurrency processing, you cannot use the batch offset method (B) because the post programs cannot post batches of invoices, vouchers, receipts, and payments that contain one or more foreign or alternate currencies.

If you use intercompany settlements and allow multicurrency intercompany transactions, the offset method in the Accounts Receivable Constants and Accounts Payable Constants programs must be compatible with the intercompany settlement method in the General Accounting Constants program (P0000), as indicated in the following table:

Intercompany Settlement Methods for Multicurrency	A/R and A/P Offset Methods B = one offset per batch Y = one offset per document S = one offset per pay item		
	B	Y	S
2 – detail	Incompatible	Compatible	Compatible
3 – configured hub	Incompatible	Compatible	Compatible

If the intercompany settlement and offset methods are not compatible, the system will issue an error message when you post transactions to the general ledger.

Detailed Currency Restatement

Offset method Y is required if you use detailed currency restatement.

See Also

- *Multicurrency Intercompany Settlements* in the *Multicurrency Guide*

► **To set up the offset method in accounts payable constants**

From the *Accounts Payable Setup* menu (G0441), choose *Accounts Payable Constants*.

1. On System Setup, click *Accounts Payable Constants*.

PeopleSoft®

Accounts Payable Constants - Accounts Payable Constants

OK Cancel Form Tools

Batch Control Required Manager Approval of Input

Offset Method *One Offset per Document*

Duplicate Invoice Number Edit *Warning upon duplication*

Aging Days (999 = Infinity)

1 thru thru thru thru thru

2. On *Accounts Payable Constants*, complete the following field and click OK:

- Offset Method

Offset methods Y (one offset per document) and S (one offset per pay item) are valid for multicurrency processing; offset method B (one offset per batch) is not valid. If you use detailed currency restatement, only offset method Y is valid.

Setting Up Multicurrency AAIs for Accounts Payable

You set up the following AAIs for multicurrency processing in the Accounts Payable system:

- Unrealized gains and losses on open foreign currency vouchers
- Realized gains and losses on foreign currency payments
- Realized gains and losses on alternate currency payments
- Clearing account for alternate currency payments
- Payable trade accounts in foreign currencies
- Payable bank accounts in foreign and alternate currencies

You set up AAI items to calculate currency gains and losses. The system uses these AAIs to distribute the gain or loss to the correct G/L account. The potential for a currency gain or loss is due to exchange rate fluctuations that occur between one of the following:

- The time a voucher is entered and payment is issued (realized gain/loss)
- The time a voucher is entered and the end of a period if the voucher is still open (unrealized gain/loss)

For payments and open vouchers in a foreign currency, the gain or loss is calculated between the domestic and foreign currencies. For payments in an alternate currency, the gain or loss is calculated between the domestic, foreign, and alternate currencies.

You also set up AAI items to define trade accounts for foreign currency vouchers and bank accounts for foreign and alternate currency payments.

Some AAI items have a suffix of xxx to accommodate a three-character currency code. You use the xxx suffix to set up multiple currency-specific AAI items for each company. If you do not specify a currency code (that is, leave it blank), the system uses the currency code of the company as the default. Each AAI item in the PeopleSoft system has a hierarchical order by which the system searches for an account number.

See Also

- *To set up AAIs in the General Accounting Guide* for detailed information about how to set up AAIs

AAIs for Unrealized Gain and Losses on Foreign Currency Vouchers

If you want the Accounts Payable system to automatically calculate unrealized gains and losses, you must set up AAIs. The following AAI items define the accounts that the system uses for unrealized gains and losses on foreign currency vouchers that are open at the end of a period:

- PVxxx – foreign currency unrealized gain
- PWxxx – foreign currency unrealized loss
- PRxxx – foreign currency unrealized gain or loss offset

To create an unrealized gain or loss amount, the system compares the amount of the original voucher to the amount of the open voucher (which is revalued based on the exchange rate at the end of the period) and creates a gain or loss for the difference.

The following information applies to AAI items PV, PW, and PR:

- The system uses the account number assigned to PV and PW to create foreign currency unrealized gains and losses on open vouchers when you run the A/P Unrealized Gain/Loss Report (R04425).
- The system uses the account number assigned to PR to create foreign currency unrealized gain or loss offsets when you run the A/P Unrealized Gain/Loss Report.
- xxx represents the currency code, which is optional, and xxxx represents the G/L offset.

The following table shows the sequence in which the system searches for PV, PW, and PR. The hierarchy is the same for these AAI items.

AAI Item	Description	AAI Hierarchy
PV	Foreign Currency Unrealized Gain	<ul style="list-style-type: none"> • PVxxx. The system uses PVxxx that is associated with the company entered on the voucher, where xxx is the transaction currency of the voucher. • PVxxx. The system uses PVxxx for company 00000, where xxx is the transaction currency of the voucher. • PVxxxx. The system uses PVxxxx that is associated with the company entered on the voucher, where xxxx is the G/L offset on the voucher. • PVxxxx. The system uses PVxxxx for company 00000. • PV. The system uses PV that is associated with the company entered on the voucher. • PV. The system uses PV for company 00000.
PW	Foreign Currency Unrealized Loss	<ul style="list-style-type: none"> • PWxxx. The system uses PWxxx that is associated with the company entered on the voucher, where xxx is the transaction currency of the voucher. • PWxxx. The system uses PWxxx for company 00000, where xxx is the transaction currency of the voucher. • PWxxxx. The system uses PWxxxx that is associated with the company entered on the voucher, where xxxx is the G/L offset on the voucher. • PWxxxx. The system uses PWxxxx for company 00000. • PW. The system uses PW that is associated with the company entered on the voucher. • PW. The system uses PW for company 00000.

AAI Item	Description	AAI Hierarchy
PR	Foreign Currency Unrealized Gain/Loss Offset	<ul style="list-style-type: none"> • PRxxx. The system uses PRxxx that is associated with the company entered on the voucher, where xxx is the transaction currency of the voucher. • PRxxx. The system uses PRxxx for company 00000, where xxx is the transaction currency of the voucher. • PRxxxx. The system uses PRxxxx that is associated with the company entered on the voucher, where xxxx is the G/L offset on the voucher. • PRxxxx. The system uses PRxxxx, where xxxx is the G/L offset for company 00000. • PR. The system uses PR that is associated with the company entered on the voucher. • PR. The system uses PR for company 00000.

AAIs for Realized Gains and Losses on Foreign Currency Payments

The following AAI items define the accounts that the system uses for realized gains and losses on foreign currency payments:

- PGxxx – foreign currency realized gain
- PLxxx – foreign currency realized loss

To create a gain or loss amount, the system multiplies the voucher amount by the difference in the exchange rate between the original voucher and the foreign currency payment.

The following information applies to AAI items PG and PL:

- The system uses the account number assigned to PG and PL to create foreign currency gain and loss amounts.
- The system creates a gain or loss entry when the payment is posted.
- xxx represents the currency code, which is optional, and xxxx represents the G/L offset.

The following table shows the sequence in which the system searches for AAI items PG and PL. The hierarchy for these AAI items is the same.

AAI Item	Description	AAI Hierarchy
PG	Foreign Currency Realized Gain	<ul style="list-style-type: none"> • PGxxx. The system uses PGxxx that is associated with the company entered on the payment, where xxx is the transaction currency of the payment. • PGxxxx. The system uses PGxxxx that is associated with the company entered on the payment, where xxxx is the G/L offset on the payment. • PGxxx. The system uses PGxxx for company 00000, where xxx is the transaction currency of the payment. • PGxxxx. The system uses PGxxxx, where xxxx is the G/L offset for company 00000. • PG. The system uses PG that is associated with the company entered on the payment. • PG. The system uses PG for company 00000.
PL	Foreign Currency Realized Loss	<ul style="list-style-type: none"> • PLxxx. The system uses PLxxx that is associated with the company entered on the payment, where xxx is the transaction currency of the payment. • PLxxxx. The system uses PLxxxx that is associated with the company entered on the payment, where xxxx is the G/L offset on the payment. • PLxxx. The system uses PLxxx for company 00000, where xxx is the transaction currency of the payment. • PLxxxx. The system uses PLxxxx, where xxxx is the G/L offset for company 00000. • PL. The system uses PL that is associated with the company entered on the payment. • PL. The system uses P for company 00000.

AAIs for Realized Gains and Losses on Alternate Currency Payments

The gains and losses for alternate currency payments are recorded separately from standard gains and losses and are handled by using different accounts and AAIs. The following AAI items define the accounts that the system uses for realized gains and losses on alternate currency payments:

- PYxxx – alternate currency realized gain
- PZxxx – alternate currency realized loss

The following information applies to AAI items PY and PZ:

- The system uses the account number assigned to PY and PZ to create alternate currency gains and losses as follows:
 - The system creates an entry in the gain account if the amount derived by converting from an alternate currency directly to a domestic currency is greater than the amount derived by converting from an alternate currency to a foreign currency to a domestic currency.
 - The system creates an entry in the loss account if the amount derived by converting from an alternate currency directly to a domestic currency is less than the amount derived by converting from an alternate currency to a foreign currency to a domestic currency.
- The system creates a gain or loss entry when the payment is posted.
- xxx represents the currency code, which is optional, and xxxx represents the G/L offset.

The following table shows the sequence in which the system searches for AAI items PY and PZ. The hierarchy for these AAI items is the same.

AAI Item	Description	AAI Hierarchy
PY	Alternate Currency Realized Gain	<ul style="list-style-type: none"> • PYxxx. The system uses PYxxx that is associated with the company entered on the payment, where xxx is the transaction currency of the payment. • PYxxxx. The system uses PYxxxx that is associated with the company entered on the payment, where xxxx is the G/L offset on the payment. • PYxxx. The system uses PYxxx for company 00000, where xxx is the transaction currency of the payment. • PYxxxx. The system uses PYxxxx, where xxxx is the G/L offset for company 00000 • PY. The system uses PY that is associated with the company entered on the payment. • PY. The system uses PY for company 00000.
PZ	Alternate Currency Realized Loss	<ul style="list-style-type: none"> • PZxxx. The system uses PZxxx that is associated with the company entered on the payment, where xxx is the transaction currency of the payment. • PZxxxx. The system uses PZxxxx that is associated with the company entered on the payment, where xxxx is the G/L offset on the payment. • PZxxx. The system uses PZxxx for company 00000, where xxx is the transaction currency of the payment. • PZxxxx. The system uses PZxxxx, where xxxx is the G/L offset for company 00000. • PZ. The system uses PZ that is associated with the company entered on the payment. • PZ. The system uses PZ for company 00000.

Recording Slight Rounding Differences

When you apply an alternate currency payment to a voucher, the potential exists for a slight rounding difference. A rounding difference can occur when converting amounts between a foreign and a domestic currency, or an alternate and a domestic currency. The rounding difference, which is immaterial, occurs when the domestic currency amount applied to a voucher is not the same as the domestic currency amount of the payment.

Slight rounding differences are tracked in the alternate currency payment gain and loss accounts, even though the differences are not due to exchange rate fluctuations. To record rounding differences, the system creates an offset journal entry in the account associated with AAI item PY or PZ when the payment is posted.

AAIs for the Clearing Account for Alternate Currency Payments

AAI item P7 defines the alternate currency clearing account used when you post alternate currency payments. The alternate currency clearing account tracks the conversion from the payment amount to the original voucher amount and provides an audit trail of the offset amounts for the following:

- The original foreign currency voucher and the domestic side of the foreign currency voucher
- The alternate currency payment and the domestic side of the alternate currency payment

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

The following information applies to AAI item P7:

- The clearing account must be in the same company as the bank account from which the payment is made.
- It must include a business unit.
- It cannot be a monetary (currency-specific) account.

The following table shows the sequence in which the system searches for AAI item P7.

AAI Item	Description	AAI Hierarchy
P7	Alternate Currency Payment Clearing Account	<ul style="list-style-type: none">• P7. The system uses P7 that is associated with the company entered on the payment.• P7. The system uses P7 for company 00000.

Example: T-Accounts for the Alternate Currency Clearing Account

The following example shows T-Account entries for a foreign currency voucher (CAD), the domestic side of the voucher (USD), and an alternate currency payment (EUR).

Trade	Cash	Clearing
501.10 USD	501.10 USD	501.10 USD
800.00 CAD	575.51 EUR	575.51 EUR
		501.10 USD
		800.00 CAD

AAIs for Payable Bank Accounts

AAI item PB (payable bank) specifies the default bank account that the system assigns if you do not assign a bank account when you enter a voucher. The bank account can be either a monetary account, which has a currency designation or a non-monetary account, which has no currency designation.

The following information applies to AAI item PB:

- The system credits the bank account for the amount entered on the payment.
- It must include a business unit and object account.
- xxx represents the currency code and xxxx represents the G/L offset, which are both optional.

The following table shows the sequence in which the system searches for AAI item PB.

AAI Item	Description	AAI Hierarchy
PB	Payables Bank Account	<ul style="list-style-type: none"> • PBxxx. The system uses PBxxx that is associated with the company entered on the voucher, where xxx is the transaction currency of the voucher. • PBxxx. The system uses PBxxx for company 00000, where xxx is the transaction currency of the voucher. • PBxxxx. The system uses PBxxxx that is associated with the company entered on the voucher, where xxxx is the G/L offset on the voucher. • PBxxxx. The system uses PBxxxx, where xxxx is the G/L offset for company 00000. • PB. The system uses PB that is associated with the company entered on the voucher. • PB. The system uses PB for company 00000.

Payable Bank Account Considerations

If you do not assign a bank account when you enter a voucher, the system assigns a G/L bank account with which to pay the voucher based on AAI item PB. The bank account can be either a monetary account, which has a currency designation or a non-monetary account, which has no currency designation. A currency code assigned to a bank account designates it as a monetary account and foreign currency vouchers can be paid only in that currency.

Different currency conditions apply depending on whether the bank account is monetary or non-monetary.

Monetary Bank Account

If you enter a foreign currency voucher and you or the system assigns a monetary bank account, the bank account currency must be the same as the *transaction* currency of the voucher and the base currency of the company associated with the bank account must be the same as the base (domestic) currency of the voucher.

For example, assume your company base currency is U.S. dollars (USD). You enter a foreign currency voucher in the euro (EUR). The monetary bank account associated with the payment must also have a currency of EUR.

You can change the bank account to any monetary bank account as long as both of the following criteria apply:

- The currency of the monetary bank account is the same as the transaction currency of the voucher
- The base currency of the company associated with the bank account is the same as the base (domestic) currency of the voucher.

The system edits for both of these criteria.

Overriding the Bank Account When Paying a Voucher

When you enter a manual payment for a foreign currency voucher, you cannot override the default bank account with a bank account that is in the domestic (base) currency of the voucher. You will receive an error message *Currency Code Invalid for Bank Account*.

Similarly, if you create a payment group and enter an override bank account (in the processing options) with the same currency as the domestic voucher and set the payment currency to the domestic voucher currency, the system will not include the voucher in the payment group. Again, the bank account currency must be the same as the transaction currency of the voucher and the base currency of the company associated with the bank account must be same as the base (domestic) currency of the voucher.

Non-Monetary Bank Account

If you enter a foreign currency voucher and you or the system assigns a non-monetary bank account, the bank account currency must be the same as the *base* currency of the voucher.

For example, assume your company base currency is USD. You enter a foreign currency voucher in EUR. The bank account associated with the voucher must have a currency of USD.

You can change the bank account to any non-monetary bank account that has the same domestic currency as the voucher company. You can then pay any foreign currency voucher from that bank account, provided it is in the transaction currency of the voucher.

AAIs for Payable Trade Accounts

AAI item PC defines the default trade account that serves as a holding or clearing account until vouchers are paid. The system assigns the default trade account if you do not enter a trade account for the G/L offset when you enter the voucher. The trade account can be specific to a supplier so that when you enter a voucher, the system uses the G/L offset code from the supplier master record.

There are no special multicurrency considerations for this AAI item. Unlike other AAIs, you cannot assign a currency code (xxx) to AAI item PC.

The following information applies to AAI item PC:

- The system uses the account number assigned to PC to create a debit in the trade account for the amount of the voucher.
- It must include a business unit and object account.
- xxxx represents the G/L offset, which is optional.

The following table shows the sequence in which the system searches for AAI item PC.

AAI Item	Description	AAI Hierarchy
PC	Payable Trade Account	<ul style="list-style-type: none"> • PCxxxx. The system uses PCxxxx that is associated with the company entered on the voucher, where xxxx is the G/L offset on the voucher. • PCxxxx. The system uses PCxxxx, where xxxx is the G/L offset for company 00000. • PC. The system uses PC that is associated with the company entered on the voucher. • PC. The system uses PC for company 00000.

Payment Translation Codes

PeopleSoft provides payment translation codes in UDC 98/CT for writing payments in multiple currencies. The system uses payment translation codes, which are hard-coded, to translate numbers into words using the appropriate language and decimal positions when you write payments.

Review the following form for examples of payment translation codes:

PeopleSoft®

Work With User Defined Codes

Select Find Add Delete Close Row Form Report Tools

Product Code *Technical Tools*

User Defined Codes *Check Translation*

Records 1 - 10

<input type="checkbox"/>		Codes	Description 01	Special Handling	Hard Coded
<input type="checkbox"/>		X00500	US Dollar Translation		N
<input type="checkbox"/>		X00500BR	Brazil		N
<input type="checkbox"/>		X00500CH	Chinese		N
<input type="checkbox"/>		X00500D	German		N
<input type="checkbox"/>		X00500ED	Euro/German		N
<input type="checkbox"/>		X00500EF	Euro/Franc		N
<input type="checkbox"/>		X00500EI	Euro/Italian		N
<input type="checkbox"/>		X00500FR	French Franc Translation		N
<input type="checkbox"/>		X00500I	Italian		N
<input type="checkbox"/>		X00500S1	Spanish 1 Female 2 Decimal		N

See Also

- *Printing Currency Descriptions* in the *Global Solutions Mexico Guide* for information about the payment translation code for Spanish 2 male (X00500S2)

Supplier Currency Conversion

In the PeopleSoft Windows environment, choose Batch Versions from the System Administration Tools menu (GH9011).

You might need to convert supplier currency codes and address book amounts for any number of reasons, including the following:

- Your suppliers want to receive payments in a different currency
- You want to submit payments to your suppliers in a different currency
- You want to view supplier address book (statistical) amounts in a different currency

For example, assume several Japanese suppliers requested that you begin submitting their payments in Canadian dollars (CAD). You can run the Address Book Conversion – F0401 program (R890401E) to convert the supplier currency code for those specific suppliers from Japanese yen (JPY) to CAD.

The R890401E program converts the following currency code and amount fields in the Supplier Master table (F0401) at the same time or independently of one another:

- Default Code (CRRP). To comply with multiple requests from suppliers who want to receive payments in a different currency, run the R890401E program to convert the default currency code for those suppliers. Alternatively, if you have just a few currency codes to convert, you can change them manually on the Supplier Master Revision form.
- A/B Amount Code (CRCA). To view address book balance amounts for suppliers in a different currency, run the R890401E program to convert the address book currency code and the following amounts in the F0401 table:
 - Statistical amounts (year-to-date voucher amounts, prior-year voucher amounts, and so on). Statistical amounts appear on the Additional Supplier Information form, which can be accessed from the Supplier Master Revision form.
 - Limit amounts (minimum and maximum purchase order amounts). Limit amounts appear on the Purchasing 2 tab of the Supplier Master Revision form.

Caution

The field A6ABAM stores a user-defined fixed amount and the field A6ABA1 is not functional in the F0401 table. If you use either of these fields, be aware that the conversion program converts the amounts, regardless of whether they are monetary amounts.

How the Address Book Conversion Programs Work

The following address book conversion programs convert currency codes and amounts for multiple customers and suppliers:

- Address Book Conversion – F03012 (R8903012E)
- Address Book Conversion – F0401 (R890401E)

To convert default currency codes, address book currency codes and amounts, or both, you must specify the following in the processing options for the R8903012E and R890401E programs:

- Exchange rate date to use to convert address book amounts.
- Currency code to use to convert address book currency code and amounts. Depending on which conversion program you run, the system updates the A/B Amount Code (CRCA) field in one of the following tables:
 - F03012 (Customer Master by Line of Business)
 - F0401 (Supplier Master)
- Currency code to use to convert default currency codes. Depending on which conversion program you run, the system updates one of the following fields:
 - Currency Code (CRCD) in the F03012 table
 - Currency Code (CRRP) in the F0401 table

You might set up different versions of the R8903012E and R890401E programs. For example, set up one version to convert default currency codes only, another version to convert address book currency codes and amounts only, and still another to convert both.

Use the data selection to select only those customers or suppliers that you want to convert to another currency. If you do not specify their address book numbers, the conversion program converts all customers or suppliers. To convert amounts for all customers or suppliers assigned a certain category code, specify the category code.

Exceptions Report

When you run the R8903012E and R890401E conversion programs, the system prints an exceptions report. Review the report for any of the following messages, and rerun the conversion program if necessary:

- *No processing errors.* Depending on which Address Book Conversion program you ran, the conversion program updates one of the following tables if you set the processing option to update address book balances:
 - Customer Master by Line of Business (F03012)
 - Supplier Master (F0401)
- *Currency exchange rate not found.* The currency code that you are converting to is not set up in the exchange rate table, or the exchange rate or effective date is not set up for the currency code.
- *Invalid currency entered.* The currency code that you entered in either or both of the currency processing options is not valid.
- *Update error - record locked or not found.* The customer or supplier master record is in use.

Example: Converting Supplier Amounts

This example shows supplier address book amounts before and after converting from U.S. dollars (USD) to Canadian dollars (CAD).

Before Converting Supplier Currency Codes

The Default Code (CRRP) and A/B Amount Code (CRCA) fields on the supplier master record are USD.

You set the processing options for the Address Book Conversion – F0401 program (R890401E) as follows:

- Address book and amounts currency = CAD
- Default currency code = blank
- Minimum order and maximum order values = 50

The exchange rate in the Currency Exchange Rates table (F0015) is 1 USD = 1.59190 CAD.

After Converting Supplier Currency Codes

After running the R890401E program, the address book amounts for the supplier are in CAD; however, their payments remain in USD.

F0401 Field	Description	Before Conversion	After Conversion	Rounded From
A6CRRP	Currency Code - A/P	USD	USD	Not applicable
A6CRCA	Currency Code - A/B	USD	CAD	Not applicable
A6AYPD	Amount Vouchered Year-to-Date	157,500.00 USD	250,724.25 CAD	Not applicable
A6APPD	Amount Vouchered Prior Year End	138,000.00 USD	219,682.20 CAD	Not applicable
A6ABAM	Address Book Amount	Not used	Not used	Not applicable
A6ABA1	Address Book Amount	Not used	Not used	Not applicable
A6APRC	Open Order Amount	3,000.00 USD	4,775.70 CAD	Not applicable
A6MINO	Minimum Order Value	15,000.00 USD	23,900.00 CAD	23,878.50 CAD
A6MAXO	Maximum Order Value	30,000.00 USD	15,350.00 CAD	47,757.00 CAD

Example: Parent/Child Structure with Different Currencies

If you have a parent/child structure with different default and address book currency codes, you can use the Address Book Conversion programs (R8903012E and R890401E) to convert the parent independently from its children or vice versa. With this flexibility, you can continue to track address book amounts in the currency of the parent company while issuing invoices or submitting payments to some of its subsidiaries in another currency. This flexibility also allows you to convert address book amounts at the subsidiary level, to convert the currencies of a parent and its children at the same time, and so on.

Before Converting Currency Codes

The following example shows a parent/child relationship with different currencies before the Address Book Conversion - F03012 program (R8903012E) has been run to convert customer currency codes.

Relationship	Address Book Currency	Default Currency
Parent	JPY	JPY
Child 1	JPY	USD
Child 2	JPY	GBP
Child 3	JPY	EUR

Child 1 and Child 3 have requested that you issue their invoices in Canadian dollars (CAD). You run the R8903012E program to convert their default currency from U.S. dollars (USD) and euro (EUR), respectively, to CAD.

Note

You can convert the currency codes of a parent and its children at the same time, if applicable.

After Converting Currency Codes

The following example shows the results after running the R8903012E conversion program.

Relationship	Address Book Currency	Default Currency
Parent	JPY	JPY
Child 1	JPY	CAD
Child 2	JPY	GBP
Child 3	JPY	CAD

This example shows that you can track address book amounts in the currency of the parent company (JPY) while issuing invoices to its subsidiaries in different currencies (CAD and GBP).

Processing Options for Address Book Conversion – F0401 (R890401E)

Update

1. Enter a '1' to update Supplier Master balances. If left blank, Supplier Master balances will not be updated.
2. Enter a date to be used as the exchange rate date. If left blank, the current date is used as the default.

Currency

3. Enter a currency here to update the address book currency code and amounts in the Supplier Master table. If left blank, the address book currency code and amounts will not be updated.
4. Enter a currency here to be updated to the Currency Code in the Supplier Master file. If left blank, the Currency Code will not be updated.

Rounding

Enter the desired rounding factor for the following limit fields:

For example, a value of 100 will round the converted amount to the nearest hundred, 50 to the nearest 50, etc. If left blank, the limit values will not be rounded.

Minimum Order Value

Maximum Order Value

Multicurrency Vouchers

The relationship between the base currency of a company and the transaction currency of a voucher determines whether the voucher is a domestic currency transaction or a foreign currency transaction.

When you enter a voucher, the currency of the company determines the *base (domestic) currency* of a voucher, whereas the currency of the voucher determines the *transaction currency*.

To process vouchers in multiple currencies, you must assign a domestic currency code to every company in the Companies program (P0010). The currency code of a company determines the base currency of the voucher during voucher entry.

Domestic Versus Foreign Currency Transactions

The following describes the difference between a domestic currency transaction and a foreign currency transaction, as it applies to both invoices and vouchers.

Domestic Currency Transaction

An invoice or voucher is considered a domestic currency transaction when the transaction currency that you assign to the invoice or voucher is the same as the base currency of the company that you enter on the invoice or voucher record. When you enter a domestic currency transaction, the system does not update or display foreign amount fields as there are no foreign amounts involved in the transaction.

For example, assume that the base currency of a company is U.S. dollars (USD). You enter an invoice for that company and assign a transaction currency of USD. The base currency of the company is the same as the transaction currency of the invoice; therefore, the invoice is domestic.

Foreign Currency Transaction

An invoice or voucher is considered a foreign currency transaction when the transaction currency that you assign to the invoice or voucher is different from the base currency of the company that you enter on the invoice or voucher record. The invoice or voucher has a foreign amount (based on the currency of the transaction) and a domestic amount (based on the base currency of the company). The system calculates the domestic amount of a transaction using the exchange rate from the Currency Exchange Rates table (F0015) or the exchange rate that you enter on the invoice or voucher record.

For example, assume that the base currency of a company is USD. You enter a voucher for that company and assign a transaction currency of Japanese yen (JPY). The base currency of the company is not the same as the transaction currency of the invoice; therefore, the voucher is foreign.

How Domestic Amounts Are Calculated on Foreign Transactions without Taxes

When you enter a foreign transaction without taxes, the system simply multiplies the foreign gross amount by the exchange rate to derive the domestic gross amount. If the transaction has a payment term that splits the amount entered into multiple pay items, the system performs soft rounding on both the foreign and domestic gross amounts. It does this so that the sum of the foreign pay items equals the original foreign amount entered and the sum of the domestic pay items equals the original foreign amount entered multiplied by the exchange rate.

The following examples illustrate the differences between a foreign transaction that the system splits into multiple pay items and one that is entered with multiple pay items. For these examples, the following information applies:

- A voucher is entered in Canadian dollars (CAD) for a U.S. company.
- The foreign currency amount entered is 100.00 CAD.
- The system uses the multiplier conversion method to calculate amounts.
- The exchange rate is 1.4 (CAD to USD).
- The domestic amount calculated by the system equals 140.00 (100.00 x 1.4).

Example: Foreign Transaction Split into Multiple Pay Items

For this example, you assign a payment term to the transaction. The system splits the total amount into three pay items and calculates a 1% discount.

Pay Item	Foreign Gross	Foreign Discount	Domestic Gross	Domestic Discount
001	33.33	0.33	46.67	0.47
002	33.34	0.34	46.66	0.46
003	33.33	0.33	46.67	0.47
Total	100.00	1.00	140.00	1.40

When you enter a foreign transaction with a split payment term, the system uses the foreign gross amount to calculate the domestic gross amount *before* it performs the split. The system actually performs two sets of splits—one for the foreign side and one for the domestic side.

In this example, the system started with 140.00 USD and divided it by 3 (46.666666). Because the system performs soft rounding, it calculates the domestic pay items according to the amounts shown in the table. Note that the foreign gross amount for pay item 001 (33.33) multiplied by the exchange rate (1.4) does not equal the domestic gross amount (46.67); instead, it equals 46.66. Soft rounding ensures that the total of the split amounts (46.67 + 46.66 + 46.67) equals the amount with which you started (140.00).

Example: Foreign Transaction Entered with Multiple Pay Items (No Split Payment Terms)

For this example, you enter the pay items separately instead of having the system split the total amount into multiple pay items.

When you enter the pay items, the domestic amounts for each pay item are different because the system multiplies the amount that you enter by the exchange rate. It does this when you accept the pay item entry.

Pay Item	Foreign Gross	Foreign Discount	Domestic Gross	Domestic Discount
001	33.33	0.33	46.66	0.46
002	33.34	0.34	46.68	0.48
003	33.33	0.33	46.66	0.46
Total	100.00	1.00	140.00	1.40

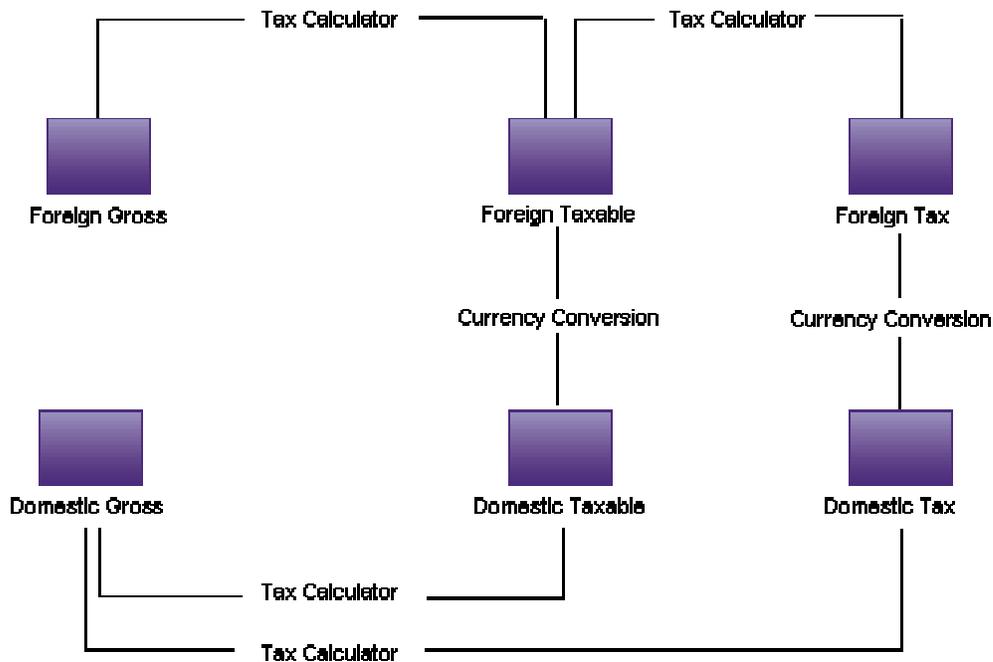
The system performs the soft rounding for each pay item and the total domestic gross amount equals 140.00 USD, but the pay item amounts are different because the exchange rate is applied to each pay item instead of the total pay amount.

How Domestic Amounts Are Calculated on Foreign Transactions with Taxes

When you enter a foreign transaction with taxes, the system calculates the tax and discount amounts on the foreign side of the transaction. Using those tax and discount amounts, the system retrieves the exchange rate and calculates the tax and discount amounts for the domestic side of the transaction. If the invoice or voucher has multiple pay items, the system performs soft rounding after it calculates the amounts for each side of the transaction.

The following graphic shows how the system calculates the tax and gross amounts for a transaction that is entered in a foreign currency. The foreign taxable amount was entered.

Foreign Currency Transactions with Taxes



To calculate the tax and gross amounts, the system performs the following calculations:

- Multiplies the foreign taxable amount by the tax rate to determine the foreign tax amount
- Adds the foreign taxable and tax amounts to derive the foreign gross amount
- Multiplies the foreign taxable and tax amounts by the exchange rate, which is determined by the currency code and exchange rate date, to derive the domestic taxable and tax amounts
- Adds the domestic taxable and tax amounts to derive the domestic gross amount

Note

The system does not multiply the foreign gross amount by the exchange rate to derive the domestic gross amount.

Example: Foreign Transaction with Taxes

For this example, the following information applies:

- An invoice is entered in the euro for a U.S. company
- The system uses the divisor conversion method to calculate amounts
- The EUR to USD exchange rate is 0.8900757
- The tax rate is 5%
- The tax type is for sales tax

Transaction	Gross	Taxable	Tax
Foreign	1,527.75	1,455.00	72.75
Domestic	1,716.42	1,634.69	81.73

The system does the following:

- Calculates the gross amount by adding 1,455.00 (taxable) to 72.75 (tax), which equals 1,527.75
- Calculates the domestic taxable amount by dividing 1,455.00 by 0.8900757, which equals 1,634.6924 and rounds to 1,634.69
- Calculates the domestic tax amount by dividing 72.75 by 0.8900757, which equals 81.73462 and rounds to 81.73
- Calculates the domestic gross amount by adding 1,634.69 (taxable) to 81.73 (tax), which equals 1,716.42

Note

If the system were to derive the domestic amount by dividing the gross foreign amount (1,527.75) by the exchange rate (0.8900757), the result would be 1,716.43 and not 1,716.42. And the domestic taxable (1,634.69) and tax (81.73) amounts would not equal the gross domestic amount.

Rounding versus Soft Rounding

If you process a significant number of invoices and vouchers that have discounts, or taxes, or both, rounding differences can add up quickly. Rounding occurs on any component of a transaction that involves a calculation. The system uses rounding on transactions with a single pay item and soft rounding on transactions with multiple pay items.

Rounding

Rounding automatically occurs when the system performs a calculation and the result does not exactly equal the lowest currency unit, such as the penny for the U.S. dollar. In this situation, the following occurs:

- If the least significant digit is 5 or greater, the system rounds up.
- If the least significant digit is less than 5, the system rounds down.

For example, if the result of a calculation is 0.55672 and the currency is Canadian dollars (CAD), which has two decimal places, the system uses the third number to the right of the decimal to determine the rounding. In this example, it rounds the amount up to 0.56. Conversely, if the amount were 0.55472, the system would use 4 and round the amount down to 0.55. The system ignores all numbers after the third decimal for a two-decimal currency.

Soft Rounding

When the total of two or more amounts must equal a specific amount, the system uses soft rounding to force the total. For example, if you split a voucher for 100 CAD into three payments, the system calculates the first pay item at 33, the second at 34, and the third at 33 so that the total of the three pay items equals 100. If the system did not use soft rounding, you would have to enter an amount that could be divided equally among pay items or submit pay items that did not equal the total amount due, which would not be acceptable.

To minimize the negative effects of rounding, the system uses soft rounding on transactions with multiple pay items. The system stores the amount that it adds or subtracts to a calculated amount (as a result of rounding) in a cache (memory), and then adds or subtracts that amount from the next pay item as follows:

- If the system rounds up the amount for a pay item, it subtracts that amount from the next pay item before rounding that pay item.
- If the system rounds down the amount for a pay item, it adds that amount to the next pay item before rounding that pay item.

If the system did not perform soft rounding, you might overpay or underpay a supplier as well as overcharge or undercharge a customer. While soft rounding does not control overpayments or underpayments and overcharges or undercharges between transactions, it does minimize the impact of rounding within a single transaction. The system does not carry soft rounding amounts from one transaction to another.

Multicurrency Batch Totals

For flexibility in data entry, you can enter transactions with different currencies in the same batch. If you set up your Accounts Receivable, Accounts Payable, and General Accounting Constants to require batch control, the debit amounts of the entries are added to obtain the batch total. Batch amounts are not currency sensitive.

If you enter invoices, vouchers, or journal entries with different currencies in the same batch, the system does not adjust for the decimal places of the different currencies. As a result, the totals for the batch are meaningless. For this reason, many users prefer to enter transactions with different currencies in separate batches.

To determine the expected total for a batch with currencies that have different decimal places, add the amounts without using a decimal point and enter the amount in the Total Expected field on the Batch Control form (P0011).

For example, you enter transactions for 10,535.00 EUR and 16,433,500 JPY in the same batch. The system disregards the decimal point in the euro amount and calculates a hash total. The total amount entered, which appears in the Total Entered field on the Batch Control form, is 17,487,000 (1053500 plus 16433500).

The system displays decimals in the Total Entered field on the Batch Control form based on data dictionary item AICU (Input Total). Using the amounts in the example, if you set the Display Decimals field for item AICU to 0 (zero), the system displays 17,487,000. If you set the field to 2, the system displays 174,870.00.

Entering Vouchers in a Foreign Currency

You use the A/P Standard Voucher Entry program (P0411) to enter vouchers in a foreign currency. You can assign a currency code at the time you enter the voucher, or let the system assign the default currency code from the supplier record.

When you enter a voucher, the system multiplies the foreign gross amount by an exchange rate to derive the domestic gross amount. The default exchange rate is from the Currency Exchange Rates table (F0015). You can override this rate when you enter the voucher.

If you do not enter a trade account for the G/L offset when you enter a voucher, the system assigns the default trade account for AAI item PC. The trade account can be specific to a supplier so that when you enter a voucher, the system uses the G/L offset code from the supplier master record.

Prerequisites

- ❑ To enter foreign vouchers with general ledger distributions to multiple companies, turn on the Allow Multi-Currency Intercompany Transaction option in the General Accounting Constants program (P0000). See *Setting Up Multicurrency Constants* in the *Multicurrency Guide*.
- ❑ Ensure that the following AAI items are set up for each company:
 - ❑ PB. See *AAIs for Payable Bank Accounts* in the *Multicurrency Guide*.
 - ❑ PC. See *AAIs for Payable Trade Accounts* in the *Multicurrency Guide*.
- ❑ See *Managing Invoices Received in an Alternate Currency* in the *Procurement Guide* for information about how to handle domestic or foreign purchase orders when the supplier's invoice is in an alternate currency.

► To enter vouchers in a foreign currency

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

1. On Supplier Ledger Inquiry, click Add.



Standard Voucher Entry - Enter Voucher - Payment Information

Document No/Typ/Co 00001 Batch No Prev Doc

Company *Financia/Distribution Company*
 Supplier Number *Aluminium de Rhone* Business Unit
 Invoice Number Discount % Default Payment Terms
 Invoice Date G/L Date Service/Tax Date
 Currency Exchange Rate Base Foreign

Records 1 - 4

<input type="checkbox"/>	Pay Itm	Pymt Terms	Gross Amount	Foreign Gross ...	Domestic Gros...	Remark
<input type="radio"/>	001		1,200.00	1,200.00	1,015.20	
<input type="radio"/>	002		3,400.00	3,400.00	2,876.40	
<input type="radio"/>	003		2,300.00	2,300.00	1,945.80	
<input checked="" type="radio"/>	004	<input type="text"/>				

Gross Disc Tax Taxable

2. On Enter Voucher – Payment Information, enter voucher information in the header area as usual.
3. Complete the following currency fields:
 - Currency

If you leave this field blank, the system assigns the default currency code of the supplier.

Domestic Side of a Foreign Currency Voucher

To enter the domestic amount of a foreign currency voucher, you must enter the domestic currency code in the Currency field.

The system updates the Foreign option based on the currency code in this field and its relationship to the base currency of the company.

- Exchange Rate
- If applicable, enter a spot rate in this field. Otherwise, leave the field blank to retrieve the exchange rate from the Currency Exchange Rates table (F0015).

The Base Currency field contains the currency of the company entered in the Company field.

4. In the detail area, enter the foreign amount for each pay item in the following field:
 - Gross Amount

Domestic Side of a Foreign Currency Voucher

To enter the domestic amount of a foreign currency voucher, the Foreign option must be turned off before you enter the gross amount. To turn off the Foreign option, you must first click in the detail area of the form.

5. Click OK.
6. On G/L Distribution, enter the general ledger information in the detail area as usual and click OK.

Related Tasks for Foreign Currency Vouchers

Revising unposted foreign currency vouchers	<p>You can use the Speed Status Change program (P0411S) or the A/P Standard Voucher Entry program (P0411) to revise unposted vouchers in a foreign currency.</p> <p>If you use the A/P Standard Voucher Entry program to revise a foreign currency voucher, the system recalculates the domestic amount based on the voucher exchange rate in the Accounts Payable Ledger table (F0411), regardless of whether you revise an amount field.</p>
Changing the currency code on a foreign currency voucher	<p>You cannot change the currency code after you enter a foreign currency voucher, regardless of whether the voucher has been posted.</p> <p>To change the currency, you must enter a new voucher with the correct currency code and delete (if unposted) or void (if posted) the incorrect voucher.</p>
Deleting unposted foreign currency vouchers	<p>When you delete a foreign currency voucher, the system deletes both the foreign and domestic sides simultaneously.</p>
Voiding posted foreign currency vouchers	<p>When you void a foreign currency voucher, the system sets both the foreign and domestic amounts to zero.</p>
Changing the G/L bank account on foreign currency vouchers	<p>You can change the bank account to any monetary bank account with the same currency as the voucher. The system edits the currency of the bank account against the transaction currency of the voucher.</p> <p>You can change the bank account to any non-monetary bank account that is in a company with the same domestic currency as the voucher company. You can then pay any foreign currency voucher from that bank account as long as it is in the transaction currency of the voucher.</p>

<p>Foreign currency recurring vouchers</p>	<p>When you recycle a recurring voucher that is in a foreign currency, be aware that the Recycle Recurring Vouchers program (R048101) uses the exchange rate of the original voucher to create the new recurring voucher. It does not use the exchange rate from the Currency Exchange Rates table (F0015).</p> <p>Depending on exchange rate fluctuations, the foreign currency amount of the recurring voucher might be overstated or understated, which could produce a misstated gain or loss.</p>
<p>Correcting error messages that occur when updating year-to-date voucher amounts</p>	<p>If you run the Update YTD Voucher Amount program (R04820A) to update address book amounts for suppliers, you might get currency-specific errors caused by the following:</p> <ul style="list-style-type: none"> • You did not enter a currency code in the A/B Amount Code field on the supplier record. This field determines the currency of the year-to-date voucher amounts. • You changed the currency code in the A/B Amount Code field on the supplier record, but a valid exchange rate does not exist in the F0015 table. <p>Correct the errors and rerun the program.</p>

Multicurrency Processing Options for Voucher Entry MBF (P0400047)

Currency Tab

1. Value Added Tax Allowed for Multicurrency Items

Blank = Do not allow Value Added Tax

1 = Allow Value Added Tax

Use this processing option to specify whether to allow value added tax on multicurrency vouchers.

Valid values are:

Blank

Do not allow value added tax on multicurrency vouchers.

1

Allow value added tax on multicurrency vouchers.

2. Exchange Rate Date

Blank = Use the Invoice Date

1 = Use the G/L Date

Use this processing option to specify the date the system uses to retrieve the currency exchange rate.

Valid values are:

Blank Use the invoice date.

1 Use the G/L date.

3. Exchange Rate Retrieval

Blank = Retrieve the last exchange rate in the F0015

1 = Return a warning message

Use this processing option to specify whether the system generates a warning if the currency exchange rate on the voucher is in a fiscal period different from the effective date of the exchange rate in the Currency Exchange Rates table (F0015). For example, if you enter a voucher with a G/L date of 12/15/05, the last effective date for an exchange rate is 11/01/05, and the fiscal date pattern on your system is set up for the months of the calendar year, you can specify that the system generate a warning. The warning message alerts you to the fact that the exchange rate in the F0015 table has expired. You can change it, if necessary. Valid values are:

Blank

Do not generate a warning message.

1

Generate a warning message.

4. Exchange Rate Tolerance Limit

Valid values are whole numbers that indicate a percent of the exchange rate in the F0015 table.

Use this processing option to specify an exchange rate tolerance limit. During voucher entry you can manually override the exchange rate that exists in the Currency Exchange Rate table (F0015). The Tolerance Limit processing option places limits on how far the exchange rate you enter manually can differ from the exchange rate in the F0015 table.

Valid values are whole numbers that indicate a percent of the exchange rate in the F0015 table. For example, if you enter 5 in this field, you can manually override the exchange rate that exists in the F0015 table with a number that is plus or minus 5 percent of the table value.

5. Currency Disagreement

Blank = Return an error

1 = Allow different currencies and do not return any messages

Use this processing option to specify what you want the system to do when the currency of the payment is different from the currency of the G/L bank account.

Valid values are:

Blank Return an error.

1 Allow different currencies and do not return any messages.

Reviewing Vouchers in a Foreign Currency

You can use the Supplier Ledger Inquiry program (P0411) to review vouchers in both foreign as well as domestic currency amounts. Like other PeopleSoft inquiry programs and reports, the grand total amounts on the Supplier Ledger Inquiry form are meaningless if you display more than one currency at a time.

To review vouchers in both domestic and foreign currency amounts, set the corresponding processing option on the Display tab for the Supplier Ledger Inquiry program.

Dates That Affect the Transaction Amounts You View

Before you review foreign currency invoices and vouchers, you need to understand the different dates that affect the amounts displayed on the Work with Customer Ledger Inquiry and the Supplier Ledger Inquiry forms. By understanding these dates and how the inquiry programs use them, you help to ensure that you specify the correct date when reviewing your invoices and vouchers. The dates that affect the transaction amounts that you view are:

- The effective date on the Revise Currency Exchange Rates form. The inquiry program searches for the most recent effective date for a currency and uses the corresponding exchange rate.
- The “from” and “thru” dates on the Work with Customer Ledger Inquiry or the Supplier Ledger Inquiry form. This date range determines which transactions appear on the form.
- The “as of” date in the processing options. If the “as of” date is blank, the system uses the “thru” date that you enter on the inquiry form. The “thru” date does not override the “as of” date in the processing options.

“As If” Currency Processing

The As Of Date field on the inquiry form works in conjunction with the As If Currency field. The system calculates open amounts for the “as if” currency based on the “as of” date.

If a receipt or payment has been applied, the system compares the “as of” date with the G/L date of the receipt or payment to determine the invoice or voucher amount that was open as of that date.

See *Reviewing Invoices in an “As If” Currency* and *Reviewing Vouchers in an “As If” Currency* in the *Multicurrency Guide* for information about “as if” currency processing.

► **To review vouchers in a foreign currency**

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

1. On Supplier Ledger Inquiry, complete any of the fields in the header area of the form to limit your search and click Find.

PeopleSoft

Standard Voucher Entry - Supplier Ledger Inquiry

Select Find Add Copy Delete Close Form Row Tools

Supplier Number *

Date From 06/05/05 Thru 06/05/05 Invoice G/L

Recurring Summarize Paid Open Withheld All

Batch Number * Currency Code *

Records 1 - 6

	Document Number	Doc Type	Doc Co	Invoice Date	G/L Date	Foreign Amount	Due Date	Gross Amount
<input type="checkbox"/>	1564	PV	00001	06/05/05	06/30/05		06/15/05	1,500.00
<input type="checkbox"/>	3091	PV	00050	06/05/05	06/15/05		07/05/05	1,500.00
<input type="checkbox"/>	3159	PV	00070	06/05/05	06/12/05	3,600.00	07/05/05	2,765.96
<input type="checkbox"/>	3159	PV	00070	06/05/05	06/12/05	390.00	07/05/05	299.64
<input type="checkbox"/>	3166	PV	00001	06/05/05	06/30/05	10,000.00	07/05/05	8,460.00
								14,525.60

2. Review the totals for the gross and foreign amounts and note the following:
 - The system displays foreign amount totals only if you limit your search to invoices with the same transaction currency. It does not display foreign amount totals if the transaction currencies are not the same.
 - The system displays meaningful gross amount totals only if you limit your search to invoices with the same base currency. The system displays a hash total if the base currencies are not the same.
3. To further limit your search, enter a value in any field in the QBE row and click Find.
For example, to review vouchers entered for a specific company, enter the company number in the Doc Co field and the system displays a meaningful total for the gross amount.



Standard Voucher Entry - Supplier Ledger Inquiry

Select Find Add Copy Delete Close Form Row Tools

Supplier Number *

Date From 06/05/05 Thru 06/05/05 Invoice G/L

Recurring Summarize Paid Open Withheld All

Batch Number * Currency Code *

Records 1 - 3

	Document Number	Doc Type	Doc Co	Invoice Date	G/L Date	Foreign Amount	Due Date	Gross Amount
<input type="checkbox"/>	3159	PV	00070	06/05/05	06/12/05	3,600.00	07/05/05	2,765.96
<input type="checkbox"/>	3159	PV	00070	06/05/05	06/12/05	390.00	07/05/05	299.64
								3,065.60

- To review detailed information for a voucher, choose the voucher and click Select.



Standard Voucher Entry - Enter Voucher - Payment Information

OK Delete Cancel Form Row Tools

Document No/Typ/Co 3159 PV 00070 Batch No 5998 Prev Doc

Company 00070 Luxe de France

Supplier Number 4003 Alpine Industries Business Unit 1

Invoice Number 454771 Discount % Default Payment Terms

Invoice Date 06/05/05 G/L Date 06/12/05 Service/Tax Date 06/12/05

Currency CAD Exchange Rate Base EUR Foreign

Records 1 - 3

	Pay Itm	Pymt Terms	Gross Amount	Foreign Gross ...	Domestic Gros...	Remark
<input checked="" type="radio"/>	001		3,600.00	3,600.00	2,765.96	Computer
<input type="radio"/>	002		390.00	390.00	299.64	Software
<input type="radio"/>	3.0					

Gross 3,990.00 Disc Tax Taxable

5. On Enter Voucher – Payment Information, click the Foreign option to toggle between the foreign and domestic currency amounts and review the amount in the following field:
 - Gross

Processing Multicurrency Batch Vouchers

To successfully upload batch voucher entries from an external source and process them in your PeopleSoft system, you must first create a custom program that provides proper data to fields in the following tables:

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

To successfully process batch vouchers, you should be aware of the types of information the Batch Voucher Processor program (R04110Z) requires from the F0411Z1 and F0911Z1 tables. You should also understand the relationship between the Currency Mode, Currency Amount, and Exchange Rate fields in the F0411Z1 table, the fields required by the R04110Z program, and the way in which amounts are calculated.

Guidelines for Amount, Exchange Rate, and Currency Mode Fields for Batch Vouchers

Observe the following guidelines to determine how to enter amounts, exchange rates, and currency modes for domestic and foreign transactions when processing batch vouchers in a multicurrency environment.

Type of Transaction	Description of Values for Multicurrency Fields
Domestic	<p>If the currency code of the transaction (identified by the value in the Currency Code field, VLCRCO) is equal to the currency code of the company, the transaction is a domestic transaction.</p> <p>Enter the transaction amount in the Gross Amount field (VLGA) and enter D in the Currency Mode field (VLCRRM). Do not enter an exchange rate.</p> <p>If you are entering discount information, complete the Discount Available field (VLADSC).</p> <p>If you are entering tax information, complete the Taxable Amount (VLATXA), Non-Taxable Amount (VLATXN), and Tax Amount (VLSTAM) fields.</p>

Type of Transaction	Description of Values for Multicurrency Fields
Foreign	<p>If the currency code of the transaction (identified by the value in the Currency Code field, VLCRCD) is different from the currency code of the company, the transaction is a foreign transaction.</p> <p>Enter the transaction amount in the Currency Amount field (VLACR) and enter F in the Currency Mode field (VLCRRM). The system calculates the domestic amount based on the Exchange Rate field (VLCRR).</p> <p>If you are entering discount information, complete the Foreign Discount Available field (VLCDS).</p> <p>If you are entering tax information, complete the Foreign Taxable Amount (VLCTXA), Foreign Non-Taxable Amount (VLCTXN), and Foreign Tax Amount (VLCTAM) fields.</p>
Domestic side of a foreign transaction	<p>If the currency code of the transaction (as identified by the value in the Currency Code field, VLCRCD) is different from the currency code of the company, enter the domestic amount in the Gross Amount field (VLAG).</p> <p>Unlike a foreign transaction, you do not enter an amount in the Currency Amount field.</p> <p>Enter F in the Currency Mode field (VLCRRM). The system calculates the foreign amount based on the exchange rate (VLCRR).</p> <p>If you are entering discount information, complete the Foreign Discount Available field (VLCDS).</p> <p>If you are entering tax information, complete the Foreign Taxable Amount (VLCTXA), Foreign Non-Taxable Amount (VLCTXN), and Foreign Tax Amount (VLCTAM) fields.</p>
Foreign and domestic transactions using currency mode 3	<p>If you know both the foreign and domestic amounts, you can bypass system calculations. Enter the foreign currency amount in the Currency Amount field (VLACR) and enter the domestic currency amount in the Gross Amount field (VLAG). Enter 3 in the Currency Mode field (VLCRRM). You must complete the Exchange Rate field (VLCRR); however, the system will not validate the exchange rate against the amounts entered or against the Currency Exchange Rates table (F0015).</p> <p>Mode 3 does not calculate discounts and taxes.</p> <p>If the Currency Mode field (VLCRRM) is 3 and you want to process discounts, you must complete the discount information in the Discount Available field (VLADSC) and Foreign Discount Available field (VLCDS). The system will not calculate discounts based on the payment term.</p> <p>If the Currency Mode field (VLCRRM) is 3 and you want to process taxes, you must complete all tax fields. The system will not calculate tax amounts based on the Tax Rate/Area (VLTXA1) and Tax Explanation Code (VLEXR1) fields.</p>

See Also

- ❑ *Required Fields for Voucher Transactions* in the *Accounts Payable Guide* for complete information about processing batch vouchers, including non-currency specific fields required in the F0411Z1 table

Multicurrency Fields Required in the F0411Z1 and F0911Z1 Tables

Before you process batch vouchers, review the following tables for a list of the multicurrency fields required in the Voucher Transactions – Batch Upload (F0411Z1) and Journal Entry Transactions – Batch File (F0911Z1) tables.

Multicurrency Fields Required in the F0411Z1 Table

For some fields, blank is a valid value.

Field Name	Alias	Type	Length	Definition
Currency Mode	VLCRRM	Alpha or Number	1	<p>A code that indicates whether the voucher is domestic or foreign. This field is used in conjunction with the Currency Code (VLCRCD), Gross Amount (VLAG), Currency Amount (VLACR), and Exchange Rate (VLCRR) fields to calculate required amounts for the transaction.</p> <p>Enter D, F, or 3, depending on other information provided in the transaction.</p> <p>If you leave this field blank, the system determines the currency mode value based on other information provided in the transaction. The system updates this field when the voucher is processed.</p>
Currency Code	VLCRCD	Alpha	3	<p>A code that identifies the currency of the voucher. The value that you enter in this field must exist in the Currency Codes table (F0013).</p>
Currency Amount	VLACR	Number	15	<p>Enter the transaction amount only if the value of the Currency Code field (VLCRCD) is different from the currency code of the company, as defined in the Company Constants table (F0010).</p> <p>If you process transactions using currency mode 3, you must enter a value in both the Currency Amount and Gross Amount fields.</p>

Field Name	Alias	Type	Length	Definition
Exchange Rate	VLCRR	Number	15	<p>An amount that specifies the exchange rate for calculating the domestic or foreign amount of the voucher.</p> <p>If you leave this field blank and the currency mode (VLCRRM) is not 3, the system retrieves the exchange rate from the Currency Exchange Rates table (F0015).</p> <p>Enter an exchange rate if you want to override the exchange rate in the F0015 table or if an exchange rate does not exist. If you set the processing option in the Voucher Entry MBF Processing Options (P0400047) to activate tolerance checking, the system validates the exchange rate that you enter. If you do not have tolerance checking activated, no validation is performed.</p> <p>If the Currency Mode field (VLCRRM) is 3, you must enter an exchange rate in this field. However, the exchange rate is not validated against the F0015 table or the amounts on the transaction.</p>
Foreign Discount Available	VLCDS	Number	15	<p>Enter an amount, or leave this field blank if you want the system to calculate the discount based on the Payment Terms Code field (VLPTC). If the Payment Terms Code field is blank, but a payment term exists in the Supplier Master table (F0401), the system calculates the discount based on the payment term in the F0401 table.</p> <p>If the currency mode (VLCRRM) is 3 and a discount is available, you must enter amounts in the Foreign Discount Available (VLCDS) and Discount Available (VLADSC) fields. The system will not perform any calculations.</p>

Field Name	Alias	Type	Length	Definition
Foreign Taxable Amount	VLCTXA	Number	15	<p>The system updates this field based on information in the Tax Rate/Area (VLTXA1), Tax Explanation Code (VLEXR1), and Currency Amount (VLACR) fields.</p> <p>Do not complete both the Currency Amount (VLACR) and the Foreign Taxable Amount (VLCTXA) fields. If you enter a value in the Currency Amount field, the system calculates the Foreign Taxable Amount field, and vice versa.</p> <p>If the currency mode (VLCRRM) is D, do not complete the currency amount (VLACR) or foreign taxable amount (VLCTXA) field. Instead, complete the Taxable Amount (VLATXA), Non-Taxable Amount (VLATXN), and Tax Amount (VLSTAM) fields.</p> <p>If the currency mode (VLCRRM) is 3 and the transaction has taxes, the system will not perform any calculations. You must complete all tax fields, both foreign and domestic.</p>
Foreign Non-Taxable Amount	VLCTXN	Number	15	<p>The system updates this field based on information in the Tax Rate/Area (VLTXA1), Tax Explanation Code (VLEXR1), and Currency Amount (VLACR) fields.</p> <p>Do not complete both the Currency Amount (VLACR) and the Foreign Taxable Amount (VLCTXA) fields. If you enter a value in the Currency Amount field, the system calculates the Foreign Taxable Amount field, and vice versa.</p> <p>If the currency mode (VLCRRM) is D, do not complete the Currency Amount (VLACR) and Foreign Taxable Amount (VLCTXA) fields. Instead, use the Taxable Amount (VLATXA), Non-Taxable Amount (VLATXN), and Tax Amount (VLSTAM) fields.</p> <p>If the currency mode (VLCRRM) is 3 and the transaction has taxes, you must complete all tax fields, both foreign and domestic. If the currency mode is 3, the system will not perform any calculations.</p>

Field Name	Alias	Type	Length	Definition
Foreign Tax Amount	VLCTAM	Number	15	<p>The system updates this field based on information in the Tax Rate/Area (VLTXA1), Tax Explanation Code (VLEXR1), and Currency Amount (VLACR) fields.</p> <p>Do not complete both the Currency Amount (VLACR) and the Foreign Taxable Amount (VLCTXA) fields. If you enter a value in the Currency Amount field, the system calculates the Foreign Taxable Amount field, and vice versa.</p> <p>If the currency mode (VLCRRM) is D, do not complete the Currency Amount (VLACR) or Foreign Taxable Amount (VLCTXA) field. Instead, complete the Taxable Amount (VLATXA), Non-Taxable Amount (VLATXN), and Tax Amount (VLSTAM) fields.</p> <p>If the currency mode (VLCRRM) is 3 and the transaction has taxes, you must complete all tax fields, both foreign and domestic. If the currency mode is 3, the system will not perform any calculations.</p>
Domestic Entry w/Mult Currency Distr	VLDMCD	Alpha	1	<p>If the distribution accounts in the F0911Z1 table are for a company that has a different currency than the company in the F0411Z1 table, enter 1 in this field and activate the Allow Multi-Currency Intercompany Transaction option in the General Accounting Constants program (P0000).</p> <p>If you do not allow multicurrency intercompany transactions, leave this field blank.</p>
Foreign Open Amount	VLACR	Number	15	<p>Leave this field blank. The system updates this field when the transaction is processed.</p>
Foreign Discount Taken	VLDSA	Number	15	<p>Leave this field blank. The system updates this field when a payment containing an amount in the Foreign Discount Available field (VLCDS) is issued for a voucher.</p>

Multicurrency Fields Required in the F0911Z1 Table

Field Name	Alias	Type	Length	Definition
Amount	VNAA	Number	15	For domestic only transactions. If the transaction is in the domestic currency, enter the amount in this field.
Currency Amount	VNACR	Number	15	For foreign currency transactions. If the transaction is in a foreign currency, enter the amount in this field.
Ledger Type	VNLT	Alpha	2	Enter AA in this field or leave it blank. Do not enter CA as a ledger type.
Currency Code	VNCRCD	Alpha	3	The system updates this field based on the value in the corresponding field in the F0411Z1 table.
Currency Mode	VNCRRM	Alpha or Number	1	The system updates this field based on the value in the corresponding field in the F0411Z1 table.
Exchange Rate	VNCRR	Number	15	The system updates this field based on the value in the corresponding field in the F0411Z1 table.

Processing Inbound EDI Vouchers in Multiple Currencies

You can use Electronic Data Interchange (EDI) to process domestic currency vouchers as well as foreign currency vouchers. To process inbound vouchers in multiple currencies, you run a program that converts the EDI information from the format that was sent from your trading partner in the inbound EDI tables (F47041, F47042, and F47044) to the format used by the Voucher Transactions - Batch Upload (F0411Z1) and Journal Entry Transactions - Batch File (F0911Z1) tables.

To process multicurrency vouchers received through EDI, you must understand the mapping requirements for the multicurrency fields required in the following inbound tables:

- EDI Invoice Header - Inbound (F47041)
- EDI Invoice Detail - Inbound (F47042)
- EDI Invoice Summary - Inbound (F47044)

See Also

- *Understanding Mapping Requirements for Processing Inbound EDI Vouchers* in the *Accounts Payable Guide* for complete information about processing EDI vouchers, including non-currency specific fields required in the F47041, F47042, and F47044 tables

Multicurrency Fields Required in the F47041, F47042, and F47044 Tables

The following EDI tables are used to process EDI voucher transmissions:

- EDI Invoice Header - Inbound (F47041)
- EDI Invoice Detail - Inbound (F47042)
- EDI Invoice Summary - Inbound (F47044)

Multicurrency Fields Required in the F47041 Table

Review the following table for a list of the multicurrency fields required in the F47041 table.

Field Name	Alias	Type	Length	Description
Currency Mode	SYCRRM	Character	1	A code that indicates whether the voucher is domestic or foreign. Enter D, F, or 3, depending on other information provided for the transaction.
Currency Code	SYCRCD	Alpha	3	Enter a value in this field only if you enter a value in the Currency Amount field (ACR) in the F47042 and F47044 tables. For each voucher, you must enter the same currency code in the F47041, F47042, and F47044 tables.
Exchange Rate	SYCRR	Number	15	Enter a value in this field only if you enter a value in the Currency Amount field (ACR) in the F47042 and F47044 tables. For each voucher, you must enter the same exchange rate in the F47041, F47042, and F47044 tables.

Multicurrency Fields Required in the F47042 Table

Review the following table for a list of the multicurrency fields required in the F47042 table.

Field Name	Alias	Type	Length	Description
Gross Amount	SZAG	Number	15	If the voucher amount is domestic, enter the domestic amount in this field. Do not enter a value in this field if the voucher amount is foreign. Instead, use the Currency Amount field (SZACR).
Open Amount	SZAAP	Number	15	If the voucher amount is domestic, enter the domestic amount in this field. Do not enter a value in this field if the voucher amount is foreign. Instead, use the Foreign Open Amount field (SZFAP).

Field Name	Alias	Type	Length	Description
Currency Code	SZCRCD	Alpha	3	Enter a value in this field only if you enter a value in the Currency Amount field (ACR) in this table (F47042) and the F47044 table. For each voucher, you must enter the same currency code in the F47041, F47042, and F47044 tables.
Currency Mode	SZCRRM	Character	1	A code that indicates whether the voucher is domestic or foreign. Enter D, F, or 3, depending on other information provided for the transaction.
Exchange Rate	SZCRR	Number	15	Enter a value in this field only if you enter a value in the Currency Amount field (ACR) in this table (F47042) and the F47044 table. For each voucher, you must enter the same exchange rate in the F47041, F47042, and F47044 tables.
Currency Amount	SZACR	Number	15	Enter the foreign amount of the voucher pay item. If the voucher amount is domestic, do not use this field. Instead, use the Gross Amount field (SZAG).
Foreign Open Amount	SZFAP	Number	15	Enter the foreign open amount of the voucher pay item. The value of the foreign open amount must equal the value of the currency amount. You cannot process partially paid vouchers. If the voucher amount is domestic, do not use this field. Instead, use the Open Amount field (SZAAP).

Multicurrency Fields Required in the F47044 Table

Review the following table for a list of the multicurrency fields required in the F47044 table.

Field Name	Alias	Type	Length	Description
Gross Amount	SWAG	Number	15	If the voucher amount is domestic, enter the domestic amount in this field. Do not enter a value in this field if the voucher amount is foreign. Instead, use the Currency Amount field (SZACR).
Open Amount	SWAAP	Number	15	If the voucher amount is domestic, enter the domestic amount in this field. Do not enter a value in this field if the voucher amount is foreign. Instead, use the Foreign Open Amount field (SWFAP).

Field Name	Alias	Type	Length	Description
Currency Mode	SWCRRM	Character	1	A code that indicates whether the voucher is domestic or foreign. Enter D, F, or 3, depending on other information provided for the transaction.
Currency Code	SWCRCD	Alpha	3	Enter a value in this field only if you enter a value in the Currency Amount field (ACR) in this table (F47044) and the F47042 table. For each voucher, you must enter the same currency code in the F47041, F47042, and F47044 tables.
Exchange Rate	SWCRR	Number	15	Enter a value in this field only if you enter a value in the Currency Amount field (ACR) in this table (F47044) and the F47042 table. For each voucher, you must enter the same exchange rate in the F47041, F47042, and F47044 tables.
Currency Amount	SWACR	Number	15	Enter the total foreign amount of the voucher. If the voucher amount is domestic, do not use this field. Instead, use the Gross Amount field (SWAG).
Foreign Open Amount	SWFAP	Number	15	Enter the total foreign open amount of the voucher. The value of the foreign open amount must equal the value of the currency amount. You cannot process partially paid vouchers. If the voucher amount is domestic, do not use this field. Instead, use the Open Amount field (SWAAP).

Reviewing Vouchers in an “As If” Currency

Regardless of whether you enter a voucher in a domestic or foreign currency, you can review amounts as if they were entered in a different currency.

To review amounts in an "as if" currency, you must enter a default currency code and an exchange rate date in the processing options for the A/P Standard Voucher Entry program (P0411). This activates the As If Currency Code field on the Supplier Ledger Inquiry form.

The system retrieves the corresponding exchange rate from the Currency Exchange Rates table (F0015) and calculates the “as if” currency amounts based on the base (domestic) currency of the voucher. For example, assume that you enter foreign currency vouchers for a supplier in U.S. dollars (USD) and the company base currency is Canadian dollars (CAD). You want to review the voucher amounts as if they were entered in the euro (EUR). The system retrieves the CAD to EUR exchange rate from the F0015 table to calculate the “as if” amounts in EUR.

► **To review vouchers in an “as if” currency**

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

1. On Supplier Ledger Inquiry, complete any of the fields in the header area of the form to limit your search and click Find.

Standard Voucher Entry - Supplier Ledger Inquiry

Select Find Add Copy Delete Close Form Row Tools

Supplier Number *

Date From 06/05/05 Thru 06/05/05 Invoice G/L

Recurring Summarize Paid Open Withheld All

Batch Number * Currency Code * As If Curr Code GBP

Records 1 - 11

	Document Number	Doc Co	Invoice Date	Foreign Amount	As If Amount	Due Date	Gross Amount
<input type="checkbox"/>	1564	00001	06/05/05		2,365.56	06/15/05	1,500.00
<input type="checkbox"/>	1589	00001	06/05/05		551.96	06/15/05	350.00
<input type="checkbox"/>	1599	00001	06/05/05	5,000.00	6,670.87	07/05/05	4,230.00
<input type="checkbox"/>	3091	00050	06/05/05		2,365.56	07/05/05	1,500.00
<input type="checkbox"/>	3159	00070	06/05/05	3,600.00	4,551.52	07/05/05	2,765.96
<input type="checkbox"/>	3159	00070	06/05/05	390.00	493.07	07/05/05	299.84
<input type="checkbox"/>	3165	00070	06/05/05	2,000.00	2,528.63	07/05/05	1,536.65
<input type="checkbox"/>	3166	00001	06/05/05	10,000.00	13,341.74	07/05/05	8,460.00
<input type="checkbox"/>	3169	00001	06/05/05	225,000	2,953.64	07/05/05	1,872.90
<input type="checkbox"/>	3169	00001	06/05/05	841,100	11,041.35	07/05/05	7,001.32
					46,863.90		29,516.47

The default currency code in the As If Curr Code field is specified in a processing option.

2. Review the total for the “as if” amounts by scrolling to the bottom of the form, if necessary. The system calculates “as if” amounts based on the base (domestic) currency of the voucher.
3. To further limit your search, type a value in any field in the query-by-example (QBE) row and click Find.



Standard Voucher Entry - Supplier Ledger Inquiry

Select Find Add Copy Delete Close Form Row Tools

Supplier Number *

Date From 06/05/05 Thru 06/05/05 Invoice G/L

Recurring Summarize Paid Open Withheld All

Batch Number * Currency Code * As If Curr Code GBP

Records 1 - 11

<input type="checkbox"/>	<input type="checkbox"/>	Doc Co	Invoice Date	Curr Code	Foreign Amount	As If Amount	Due Date	Gross Amount	As If Open Amount
<input type="checkbox"/>		00001	06/05/05	USD		2,365.56	06/15/05	1,500.00	2,365.56
<input type="checkbox"/>		00001	06/05/05	USD		551.96	06/15/05	350.00	
<input type="checkbox"/>		00001	06/05/05	EUR	5,000.00	6,670.87	07/05/05	4,230.00	6,670.87
<input type="checkbox"/>		00050	06/05/05	USD		2,365.56	07/05/05	1,500.00	2,365.56
<input type="checkbox"/>		00070	06/05/05	CAD	3,600.00	4,551.52	07/05/05	2,765.96	4,551.52
<input type="checkbox"/>		00070	06/05/05	CAD	390.00	493.07	07/05/05	299.64	493.07
<input type="checkbox"/>		00070	06/05/05	CAD	2,000.00	2,528.63	07/05/05	1,536.65	2,528.63
<input type="checkbox"/>		00001	06/05/05	EUR	10,000.00	13,341.74	07/05/05	8,460.00	13,341.74
<input type="checkbox"/>		00001	06/05/05	JPY	225,000	2,953.64	07/05/05	1,872.90	
<input type="checkbox"/>		00001	06/05/05	JPY	841,100	11,041.35	07/05/05	7,001.32	
<input type="checkbox"/>						46,863.90		29,516.47	32,316.95

- Scroll to the right in the detail area, if necessary, to review the following fields for the “as if” currency:
 - As If Amount
 - As If Open Amount
 - As If Disc Avail

Note

The Exchange Rate field, which appears in the detail area of the form, does not display the exchange rate used to calculate “as if” amounts. Instead, it displays the exchange rate used to calculate the foreign to domestic amount.

- To display “as if” amounts in a different currency, change the currency code in the following field in the header area and click Find:
 - As If Curr Code

Multicurrency Processing Options for A/P Standard Voucher Entry (P0411)

Currency Tab

1. As If Currency

Blank = The As If currency grid column does not appear

Or, enter the currency code for As If currency

Use this processing option to view domestic or foreign amounts in a currency other than the currency in which the amounts were originally entered. Specify the currency code in which to view the "as if" currency. For example, to view domestic or foreign U.S. dollar amounts in the euro, specify EUR.

If you leave this processing option blank, the system does not display the As If Currency Code field in the header, nor does it display the As If Amount and As If Open Amount columns in the grid area.

NOTE: "As if" currency amounts are stored in a temporary memory, and are not written to a table.

2. As Of Date

Blank = The system uses the Thru date

Or, enter the As Of date

Use this processing option to specify an "as of" date for the As If Currency processing option. This system uses this date to retrieve the exchange rate from the Currency Exchange Rates table (F0015).

If you specify a currency code in the As If Currency processing option and leave this processing option blank, the system uses the system date.

NOTE: A valid exchange rate between the domestic or foreign currency and the "as if" currency must exist in the F0015 table, based on the "as of" date.

Posting Foreign Currency Vouchers

Use one of the following navigations:

From the Supplier & Voucher Entry menu (G0411), choose Post Vouchers to G/L.

From the Supplier & Voucher Entry menu (G0411), choose Voucher Journal Review and post the vouchers using the Work With Batches program (P0011).

After you enter, review, and approve your foreign currency vouchers, you must post them.

When you post foreign currency vouchers, the pre-post for the General Ledger Post Report program (R09801) retrieves the A/P offset method from the Accounts Payable Constants program (P0000). If the offset method is B (batch), the system verifies that there are no foreign currency vouchers in the batch. If there is at least one foreign currency voucher, the pre-post changes the A/P offset method for the batch to S (pay item) and continues processing. The pre-post does this because you cannot post using offset method B if one or more vouchers in a batch are in a foreign currency.

The voucher post program performs the tasks described in the following table, regardless of whether you use multicurrency processing. For information specific to posting vouchers in a multicurrency environment, review the information under Multicurrency Considerations.

Task Performed by Voucher Post	Multicurrency Considerations
Selects unposted voucher transactions from the Accounts Payable Ledger table (F0411).	
Verifies that a corresponding F0911 record exists and that the amounts balance to the voucher amount.	
Verifies that the batch has an approved status.	
Creates automatic offset entries to credit the A/P trade account and, if applicable, tax accounts in the Account Ledger table (F0911).	Creates automatic offset entries to credit the A/P trade account for the AA (domestic) and CA (foreign) ledgers in the F0911 table.
Creates entries in the Account Balances table (F0902) as follows: <ul style="list-style-type: none"> • Debits the expense account • Credits the A/P trade account and, if applicable, tax accounts 	
Detailed currency restatement does not apply to non-multicurrency environments.	Updates the alternate currency ledger (XA) and, if applicable, the YA and ZA ledgers and produces a separate post report if you enter a version of the Detailed Currency Restatement program (R11411) in the processing options.
Updates vouchers to a posted (D) status in the F0411 table.	
Updates corresponding records to a posted status (P) in the F0911 table.	
Updates the batch control record to a posted (D) status in the Batch Control Records table (F0011).	

Multicurrency Payments

You can process payments in a domestic, foreign, or alternate currency. Specifically, you can process a payment in any currency and apply it to vouchers in any currency as long as the company base currency on the payment *is the same as* the domestic currency of the voucher.

For example, assume your company base currency is Canadian dollars (CAD) and you want to issue a payment in CAD. The domestic currency of the vouchers to which you want to apply the payment is U.S. dollars (USD). The company base currency of the payment (CAD) is not the same as the domestic currency of the vouchers (USD); therefore, the system will not accept the payment entry.

Voucher	Voucher Domestic Currency	Voucher Foreign Currency
224	USD	USD
226	USD	CAD

In this example, the following applies:

- You cannot issue a CAD payment to pay the domestic amount of voucher 224 (USD).
- You cannot issue a CAD payment to pay the foreign amount of voucher 226 (CAD).

In both cases, the company base currency on the payment (USD) is not the same as the domestic currency of the vouchers.

To complete the payment entry, you must change the company number on the payment to a company with a base currency of USD.

Review the following examples to understand how the system determines whether a payment is a domestic, foreign, or an alternate currency payment. For the examples, the company base currency on the payment is the same as the domestic currency of the vouchers.

Example: Domestic Currency Payments

A domestic currency payment is a payment that is in the same currency as the base currency of the voucher.

Voucher	Domestic Currency Voucher	Foreign Currency Voucher	Domestic Currency Payment
221	CAD	CAD	CAD
222	CAD	EUR	CAD

In this example, the company base currency is CAD. The following applies:

- You can issue a CAD payment to pay the domestic amount of voucher 221 (CAD).
- You can issue a CAD payment to pay the domestic amount of voucher 222 (EUR).

The payments, which are in the base currency of the company (CAD), pay the domestic amount of the vouchers even though one of the vouchers has a foreign currency amount (EUR). The system does not calculate a gain or loss on domestic currency payments.

Example: Foreign Currency Payments

A foreign currency payment is a payment that is in the same currency as the foreign currency of the voucher.

Voucher	Domestic Currency Voucher	Foreign Currency Voucher	Foreign Currency Payment
223	CAD	EUR	EUR
224	CAD	USD	USD

In this example, the company base currency is CAD. The following applies:

- You can issue a EUR payment to pay the foreign amount of voucher 223 (EUR).
- You can issue a USD payment to pay the foreign amount of voucher 224 (USD).

In both cases, the company base currency on the payment is the same as the domestic currency of the vouchers; therefore, the system allows you to issue payments in the foreign currency.

The payments, which are in the foreign currency of the vouchers (EUR and USD, respectively), pay the foreign amounts of the vouchers. A gain or loss might be calculated if the exchange rate changes between the time the voucher was entered and the payment is issued.

Example: Alternate Currency Payments

An alternate currency payment is a payment that is in a currency different from the foreign or domestic currency of a voucher.

Voucher	Domestic Currency Voucher	Foreign Currency Voucher	Alternate Currency Payment
225	CAD	CAD	EUR
226	CAD	USD	JPY

In this example, the company base currency is CAD. The following applies:

- You can issue a EUR payment to pay the domestic amount of voucher 225 (CAD).

Note

If a voucher is domestic-only and the payment is not domestic, the payment is considered an alternate currency payment, not a foreign currency payment.

- You can issue a JPY payment to pay the foreign amount of voucher 226 (USD).

In both cases, the base currency of the company is the same as the domestic currency of the vouchers; therefore, the system allows you to issue payments in an alternate currency.

The payments, which are not in the foreign or domestic currency of the vouchers, pay the domestic (CAD) and foreign (USD) currency amounts of the vouchers. A gain or loss might be calculated if the exchange rate changes between the time that the voucher was entered and the time that the payment is issued.

Programs for Foreign and Alternate Currency Payments

The following table lists the programs you can use to process payments in multiple currencies, and indicates whether the program can be used for foreign currency payments only or both foreign and alternate currency payments.

Menu Option and Program Number	Menu	Foreign Currency	Alternate Currency
Payment With Voucher Match (P0413M)	G0412	x	x
Payment Without Voucher Match (P0411)	G0412	x	
Create Payment Control Groups (R04570)	G0413	x	x
Work with Payment Groups (P04571)	G0413	x	x
Payment With Voucher Match (P0413M) - manual drafts	G0412	x	
Create Payment Control Groups (R04570) - automatic drafts	G0413	x	

Payment Programs and Multicurrency Intercompany Settlements

The payment programs in the Accounts Payable system do not support multicurrency intercompany settlements. If you enter a multicurrency intercompany payment, the system issues an error message. You cannot post the entry.

Cash Requirements Report for Payments in a Foreign Currency

From the Automatic Payment Processing menu (G0413), choose Cash Requirements Report.

The Cash Requirements Report (R04431) lists vouchers by supplier in three aging columns, provides a total for each supplier and each bank account, and shows the total amount needed to pay open vouchers. Depending on the type of bank account, the report includes the following currency code and amount information:

- If the bank account is a monetary account, the currency code printed on the header of the report is the bank account currency. The currency code printed in the currency code column is the domestic currency of the voucher. The amounts to the right of the currency code column are in the domestic currency and the amounts to the left of the currency code column are in the bank account currency.
- If the bank account is a non-monetary account, the currency code printed on the header of the report is the domestic currency. The currency code printed in the currency code column is the foreign currency of the voucher. The amounts to the right of the currency code column are in the foreign currency and the amount to the left of the currency code column are in the domestic currency.

See Also

- *Determining Cash Requirements* in the *Accounts Payable Guide* for detailed, non-currency specific information about the Cash Requirements Report

Entering Manual Payments in a Foreign Currency

A foreign currency payment is a payment that is in the foreign (transaction) currency of the voucher. You specify the foreign currency of a payment at the time you enter the payment. When you enter a foreign currency payment, the following criteria must be met for the system to process the payment:

- The foreign currency of a payment must be the same as the transaction currency of the voucher.
- The base currency of the payment must be the same as the domestic (base) currency of the voucher.

For example, assume the domestic currency of a voucher is U.S. dollars (USD). The foreign currency payment you issue must be for a company with a base currency code of USD and the payment and the transaction currency of the voucher must be the same. If the bank account is a monetary account, the company currency for the bank account must also be USD. If the company currency for the bank account is different from the base currency of the payment, the system issues an error message and you cannot continue entering the payment.

When you enter a manual payment in a foreign currency, the system converts the selected vouchers to the domestic currency amount based on the exchange rate in the Currency Exchange Rates table (F0015) or, if applicable, a spot rate entered on the payment record.

To enter a manual payment in a foreign currency, you typically match the payment to an existing voucher or group of vouchers using the A/P Manual Payments program (P0413M). If no voucher exists, you use the A/P Standard Voucher Entry program (P0411). You can print a manual payment when you enter it in a foreign currency.

Speed Payment Entry Program

You cannot use the Speed Payment Entry program (P0411SV) when entering manual payments in a foreign currency. This program has several limitations, including that it does not calculate currency amounts or gains and losses.

Prerequisites

- ❑ Ensure that the following AAIs are set up:
 - ❑ PGxxx – foreign currency realized gains
 - ❑ PLxxx – foreign currency realized losses

See *AAIs for Realized Gains and Losses on Foreign Currency Payments* in the *Multicurrency Guide*.

► To enter manual payments in a foreign currency

From the Manual Payment Processing menu (G0412), choose *Payment With Voucher Match*.

1. On Work with Payments, click Add.

The screenshot shows the PeopleSoft interface for 'Payment With Voucher Match - Manual Payment Entry'. The form contains the following fields and values:

- Payment Number: 23478967
- Supplier Number: 4002
- Bank Account Number: 1.1110.BEAR
- Payment Amount: (empty)
- Payment Date: 06/28/05
- Currency Code: EUR
- Exchange Rate: 1.1820331
- Base: USD
- Foreign:
- Batch Number: 28859
- Supplier Name: Aluminium de Rhone
- Bank Name: Bear Creek National Bank
- Print Payment:
- Remark: (empty)

Below the form is a table with the following columns: Doc Type, Document Number, Company, Doc Pay Item, Invoice Number, File Line Identifier, Due Date, and Foreign Amount Open. The table header indicates 'Records 1 - 1'. The 'Company' column has a search icon. At the bottom right, there is a 'Remaining Amount' field.

2. On Manual Payment Entry, complete the fields in the header area as usual.
3. Complete the following field, if necessary:
 - Payment Amount

Complete this field only if the Enter Payment Amount processing option specifies that you must enter payment amounts manually. Otherwise, leave the field blank and the system will calculate the payment amount automatically later in the task.

4. Enter the currency code of the foreign currency payment in the following field:

- Currency Code

The default value is the currency code from the supplier record.

5. Complete the following field:

- Exchange Rate

The default exchange rate, which is retrieved from the Currency Exchange Rates table (F0015), is the exchange rate between the voucher currency (Currency Code field) and the base company currency (Base field).

To override the exchange rate in the F0015 table or if no exchange rate exists, enter a value in this field.

Note

To see the default currency code and exchange rate now, place your cursor in the detail area of the form. Otherwise, the system will display the default values after you select open pay items and return to this form.

6. Choose Pay Items from the Form menu.

Supplier Number *Aluminium de Rhone*

Records 1 - 3							
<input type="checkbox"/>	Payment Type	Document Number	Doc Co	Pay Item	Due Date	Foreign Amount Open	Foreign Disc Taken
<input checked="" type="checkbox"/>	PV	3151	00001	001	07/15/05	2,000.00	
<input checked="" type="checkbox"/>	PV	3151	00001	002	07/15/05	580.00	
<input type="checkbox"/>	PV	3151	00001	003	07/15/05	210.00	

Summarize

7. On Select Open Pay Items, choose the pay items that you want to pay in a foreign currency and click Select.



Payment With Voucher Match - Manual Payment Entry

OK Delete Cancel Form Row Tools

Payment Number	23478967	Prev Payment		Batch Number	28859
Supplier Number	4002	Aluminium de Rhone		<input type="checkbox"/> Print Payment	
Bank Account Number	1.1110.BEAR	Bear Creek National Bank			
Payment Amount	2,580.00	Remark			
Payment Date	06/28/05				
Currency Code	EUR	Exchange Rate	1.1820331	Base	USD <input checked="" type="checkbox"/> Foreign

Records 1 - 3									
	Doc Type	Document Number	Company	Doc Pay Item	Invoice Number	File Line Identifier	Due Date	Foreign Amount Open	
<input type="radio"/>	PV	3151	00001	002	50114		07/15/05	580.00	
<input checked="" type="radio"/>	PV	3151	00001	001	50114		07/15/05	2,000.00	
<input type="radio"/>									

Remaining Amount

8. On Manual Payment Entry, verify the foreign currency amounts for the pay items.
9. To select additional pay items, do one of the following:
 - If the processing option is set for the system to automatically calculate the payment amount *and* you want to select additional pay items, do not clear the Payment Amount field on Manual Payment Entry. Instead, choose Pay Items from the Form menu. On Select Open Pay Items, choose the pay items and click Select. On Manual Payment Entry, the system recalculates the payment amount to include the pay items that you just added.
 - If the processing option is set for you to enter the payment amount manually and you want to select additional pay items, clear the Payment Amount field on Manual Payment Entry. Choose Pay Items from the Form menu. On Select Open Pay Items, choose the pay items and click Select. On Manual Payment Entry, enter the new payment amount.
10. On Manual Payment Entry, click OK to accept the entry.

Multicurrency Processing Options for A/P Manual Payments (P0413M)

Currency Tab

1. Activate Alternate Payment
Blank = Do not activate Alternate Payment
1 = Activate Alternate Payment

Use this processing option to specify whether the system activates Alternate Payment on

the Form menu.

Valid values are:

Blank Do not activate Alternate Payment on the Form menu.

1 Activate Alternate Payment on the Form menu. This allows you to enter alternate payments on the Alternate Currency form.

The Alternate Currency form allows you to pay a voucher in a currency other than the domestic or foreign currency of the voucher. For example, a foreign currency voucher is entered in Canadian dollars (CAD) and has a domestic currency of U.S. dollars (USD). You can pay the voucher in an alternate currency, such as euros (EUR) or any other currency other than CAD or USD.

2. Exchange Rate Date Edit

Blank = Do not edit Exchange Rate Date

1 = Edit Exchange Rate Date

Use this processing option to specify whether the system validates that the effective date of the exchange rate is within the same G/L reporting period in the Company Constants.

Valid values are:

Blank The system does not perform the validation; it accepts any date.

1 The system performs the validation and issues a warning message if the effective date is not within the same G/L reporting period.

3. Exchange Rate Tolerance Limit

Enter a whole number percent

Use this processing option to specify an exchange rate tolerance limit. During payment entry you can manually override the exchange rate that exists in the Currency Exchange Rate table (F0015). The Exchange Rate Tolerance Limit processing option places limits on how far the exchange rate you enter manually can differ from the exchange rate in the F0015 table.

Valid values are whole numbers that indicate a percent of the exchange rate in the F0015 table. For example, if you enter 5, you can manually override the exchange rate that exists in the F0015 table with a number that is plus or minus 5 percent of the table value.

Entering Manual Payments in an Alternate Currency

An alternate currency payment is a payment that is in a currency different from the domestic or foreign currency of the voucher to which it applies.

With alternate currency payment processing, you can enter a voucher in one currency and issue payment in a currency that is different from the transaction currency of the voucher and the domestic currency of your company. This prevents you from having to void the original voucher and enter a new voucher in same currency as the payment.

For example, a Canadian company that enters voucher in the euro (EUR) can pay in Japanese yen (JPY). Similarly, a French company that enters a voucher in JPY can pay in Canadian dollars (CAD). In both examples, the Canadian and French companies must set up their systems to process alternate currency payments.

Most of the processing for alternate currency payments is based on the setup that you do before you actually enter the payments. You activate alternate currency processing in a processing option in the A/P Manual Payments program (P0413M).

To enter a manual payment in an alternate currency, you must apply the payment to existing vouchers using the A/P Manual Payments program. You specify the alternate currency code in which you want to pay when you enter the manual payment. The Payment with Voucher Match program converts the selected vouchers to the alternate currency amount to that you can apply the alternate currency payment. To convert the voucher amount, the program uses the exchange rate between the voucher currency and the alternate currency in the Currency Exchange Rates table (F0015) or, if applicable, a spot rate entered on the payment record.

The system does not print manual payments in alternate currencies. You must write alternate currency payments manually.

When you enter a manual payment in an alternate currency, the bank account currency does not have to be the same as the transaction currency of the voucher if the voucher was assigned a monetary bank account.

Speed Payment Entry Program

You cannot use the A/P Speed Voucher Entry program (P0411SV) to enter manual payments in an alternate currency. This program does not calculate currency amounts or gains and losses.

Prerequisites

- ❑ Ensure that the following AAIs are set up:
 - ❑ PYxxx – alternate currency realized gains
 - ❑ PZxxx – alternate currency realized losses
 - ❑ P7 – clearing account for alternate currency payments

See AAIs for Realized Gains and Losses on Alternate Currency Payments and AAIs for the Clearing Account for Alternate Currency Payments in the Multicurrency Guide.

- ❑ Activate the processing option that allows you to enter alternate currency payments in the A/P Manual Payments program (P0413M). After you activate this processing option, you can access the Alternate Currency Entry form, which is used to enter manual payments in an alternate currency.

► To enter manual payments in an alternate currency

Entering manual payments in an alternate currency is similar to entering manual payments in a foreign currency. The differences are described in the following steps.

From the Manual Payment Processing menu (G0412), choose Payment With Voucher Match.

1. On Work with Payments, click Add.



Payment With Voucher Match - Manual Payment Entry



Payment Number	7876723	Prev Payment		Batch Number	28860
Supplier Number	4002	Aluminium de Rhone		<input type="checkbox"/> Print Payment	
Bank Account Number	1.1110.BEAR	Bear Creek National Bank			
Payment Amount		Remark			
Payment Date	06/28/05				
Currency Code	EUR	Exchange Rate	1.1820331	Base	USD <input checked="" type="checkbox"/> Foreign

Records 1 - 1									
	Doc Type	Document Number	Company	Doc Pay Item	Invoice Number	File Line Identifier	Due Date	Foreign Amount Open	
<input type="checkbox"/>									

Remaining Amount

2. On Manual Payment Entry, complete the fields in the header area as usual.

3. Complete the following field, if necessary:

- Payment Amount

Complete this field only if the Enter Payment Amount processing option specifies that you must enter payment amounts manually. Otherwise, leave the field blank and the system will calculate the payment amount after you accept the entry.

4. Enter the currency code of the voucher in the following field:

- Currency Code

Do not enter the currency of the alternate currency payment in this field. The default value is the currency code from the supplier record.

5. Complete the following field:

- Exchange Rate

The default exchange rate, which is retrieved from the Currency Exchange Rates table (F0015), is the exchange rate between the voucher currency (Currency Code field) and the base company currency (Base field).

To override the exchange rate in the F0015 table or if no exchange rate exists, enter a value in this field.

Note

To see the default currency code and exchange rate now, place your cursor in the detail area of the form. Otherwise, the system will display the values after you select open pay items and return to this form.

6. Choose Pay Items from the Form menu.

Supplier Number Aluminium de Rhone

Records 1 - 3							
<input type="checkbox"/>	Payment Type	Document Number	Doc Co	Pay Item	Due Date	Foreign Amount Open	Foreign Disc Taken
<input checked="" type="checkbox"/>	PV	3151	00001	001	07/15/05	2,000.00	
<input checked="" type="checkbox"/>	PV	3151	00001	002	07/15/05	580.00	
<input type="checkbox"/>	PV	3151	00001	003	07/15/05	210.00	

Summarize

7. On Select Open Pay Items, choose the pay items that you want to pay in an alternate currency and click Select.
8. On Manual Payment Entry, choose Alternate Payment from the Form menu.
9. On Alternate Currency Entry, leave the following field blank:
- Alternate Payment Amount

The system calculates the payment amount automatically after you complete the remaining fields on the form and click OK.

10. Complete the following field:
- Alternate Currency Code
11. Complete the following fields only if a spot rate applies:
- Alternate to Domestic
 - Foreign to Alternate

The default exchange rates are retrieved from the Currency Exchange Rates table (F0015). You cannot enter an exchange rate in either of these two fields if triangulation is set up and the Allow Spot Rate flag for the currency relationship is turned off on the Revise Currency Exchange Rates form.

12. Click OK.
13. To review the alternate payment amount and exchange rates, choose Alternate Payment from the Form menu.

PeopleSoft®

Payment With Voucher Match - Alternate Currency Entry

OK Cancel Tools

Alternate Payment Amount 4245.52

Alternate Currency Code GBP

Alternate to Domestic 0.6341000

Foreign to Alternate 0.6077000

14. Click Cancel.
15. On Manual Payment Entry, verify the foreign currency amounts for the pay items selected.
The system does not display the alternate currency amount on this form.
16. To select additional pay items, do one of the following:
 - If the processing option is set for the system to automatically calculate the payment amount *and* you want to select additional pay items, do not clear the Payment Amount field on Manual Payment Entry. Instead, choose Pay Items from the Form menu. On Select Open Pay Items, choose the pay items and click Select. On Manual Payment Entry, the system recalculates the payment amount to include the pay items that you just added.
 - If the processing option is set for you to enter the payment amount manually and you want to select additional pay items, clear the Payment Amount field on Manual Payment Entry. Choose Pay Items from the Form menu. On Select Open Pay Items, choose the pay items and click Select. On Manual Payment Entry, enter the new payment amount.
17. On Manual Payment Entry, click OK to accept the entry.

After you accept the entry, you can review the alternate currency amount on the Work with Payments form. On the Work with Payments form, the system displays the alternate currency amount in the Payment Amount field and the alternate currency code in the Currency Code field.

Writing Automatic Payments in a Foreign or Alternate Currency

You can write automatic payments in the foreign (transaction) currency of a voucher or in an alternate currency, which is a currency different from the domestic or foreign currency of a voucher.

With the flexibility of alternate currency payment processing, you can enter a voucher in one currency and issue payment in a currency that is different from the transaction currency of the voucher and the domestic currency of your company. For vouchers that are domestic currency only and for vouchers that are foreign currency, this prevents you from having to void the original voucher and enter a new voucher in the same (alternate) currency as the payment.

Most of the processing considerations for foreign and alternate currency payments are based on the AAI and processing option setup that you do before you actually write the payments. The ability to write automatic payments in a foreign or alternate currency is controlled by processing options in the following programs:

- Create Payment Control Groups (R04570)
- Automatic Payment Groups (P04571)

You designate the foreign or alternate currency in which you want to create payments in the processing options for the Create Payment Control Groups (R04570). For alternate currency payments, the system converts the selected vouchers to the alternate currency amount using the exchange rate for the domestic to alternate currency or the foreign to alternate currency in the Currency Exchange Rates table (F0015).

If a voucher is assigned a monetary bank account, the bank account currency does not have to be the same as the transaction currency of the voucher when you process automatic payments in an alternate currency.

Creating Payment Groups in a Foreign or Alternate Currency

From the Automatic Payment Processing menu (G0413), choose Create Payment Control Groups.

Before you write payments, you must create payment groups using the Create Payment Control Groups program (R04570). For foreign and alternate currency payments, you use processing options to group your vouchers by the following:

- Bank account assigned to the voucher or an override bank account.
- Payment currency (domestic, foreign, or alternate)
- Payment instrument

By grouping your vouchers in this way, you can create a payment group that includes different currencies and bank accounts. Additionally, you can create payment groups and pay them from a bank account that deals specifically in a foreign or alternate currency.

Alternate Currency Error Messages

If an error occurs when you create a payment group, a message prints on the Create Payment Control Groups report. For example, an error message prints if you try to create a payment group in the euro using a Canadian bank account.

The following error messages are specific to alternate currency payments:

- *Alternate currency clearing account is invalid or is a monetary account*
- *Alternate currency clearing account company is not the same as the transaction company*
- *AAI for alternate gain/loss account is invalid*
- *Alternate currency gain/loss account company is not the same currency as transaction company*
- *The currency of the alternate payment did not match the currency of the bank account*

Currency Methods for Automatic Payments

When you create payment groups, you specify one of the following currency methods to use for your automatic payments:

- Bank Account's Monetary Unit
- Voucher Domestic Currency
- Voucher Foreign Currency
- Current Domestic Amount
- Alternate Currency Amount

You specify the method in the Payment Currency processing option for the Create Payment Control Groups program (R04570).

Bank Account's Monetary Unit

When you choose the Bank Account's Monetary Unit method, the currency in which you pay vouchers depends on whether the bank account assigned to the voucher is a monetary or non-monetary account.

Type of Bank Account	Description
Monetary bank account	<p>A monetary bank account is an account that is assigned a currency code. For vouchers assigned a monetary bank account, you pay in the currency of the bank account.</p> <p>For example, you enter a foreign currency voucher in CAD for a company that has a base currency of USD. The bank account that you assign to the voucher is a monetary account with a currency code of CAD. If you choose the Bank Account's Monetary Unit method, you pay the foreign amount of the voucher in the foreign currency (CAD).</p> <p>The system might calculate a gain or loss between the foreign and domestic currency amounts based on one of the following:</p> <ul style="list-style-type: none">• The G/L date specified in the processing option for the Automatic Payment Groups program (P04571). The system uses this date to locate the exchange rate in the Currency Exchange Rates table (F0015).• The exchange rate effective date specified in the processing option for the Automatic Payment Groups program. If you leave this processing option blank, the system uses the G/L date.
Non-monetary bank account	<p>A non-monetary bank account is an account that is not assigned a currency code (the currency code for the bank account is blank). For vouchers that are assigned a non-monetary bank account, you pay the foreign amount of the voucher in the domestic currency.</p> <p>For example, you enter a foreign currency voucher in CAD for a company that has a base currency of USD. The bank account that you assign to the voucher is not a monetary account. If you choose the Bank Account's Monetary Unit method, you pay the domestic amount of the voucher in the domestic currency (USD).</p> <p>The system does not calculate a gain or loss because the voucher is paid in the domestic currency.</p>

Voucher Domestic Currency

When you choose the Voucher Domestic Currency method, you pay in the domestic currency of the voucher.

For example, you enter a foreign currency voucher in CAD for a company that has a base currency of USD. You enter a domestic currency voucher in USD for the same company. If you choose this method, you pay the domestic amount of both vouchers in the domestic currency (USD).

The system does not calculate a gain or loss because the vouchers are paid in the domestic currency.

Voucher Foreign Currency

When you choose the Voucher Foreign Currency method, you pay in the foreign currency of the voucher.

For example, you enter a foreign currency voucher in CAD for a company that has a base currency of USD. You enter another foreign currency voucher in CAD for a company that has a base currency of GBP. If you choose this method, you pay the foreign amount of both vouchers in the foreign currency (CAD).

The system calculates a gain or loss between the foreign and domestic currency based on one of the following:

- The G/L date specified in the processing option for the Automatic Payment Groups program (P04571). The system uses this date to locate the exchange rate in the F0015 table.
- The exchange rate effective date specified in the processing option for the Work with Payment program. If you leave this processing option blank, the system uses the G/L date.

Current Domestic Amount

When you choose the Current Domestic Amount method, you pay the current domestic amount of the voucher in the domestic currency.

For example, you enter a voucher in USD for a company that has a base currency of CAD. If you choose the Current Domestic Amount method, you pay the domestic amount of the voucher in the domestic currency (CAD). Unlike the Voucher Domestic Currency method, which does not calculate a gain or loss, the system calculates a gain or loss if the exchange rate at the time that you enter the voucher is different from the exchange rate at the time that you pay the voucher.

Unlike some other methods, the system does not use the processing option for the G/L date or the exchange rate effective date. Instead, it uses the current (the system date) exchange rate in the F0015 table. If a current exchange rate is not set up, the system uses the previous exchange rate as illustrated in the following example:

Date	Exchange Rate
6/01/05	1.5
6/15/05	2.0
6/30/05	2.5

If you pay the voucher on 6/10/05 (current date), the system uses the exchange rate for 6/01/05 (1.5), because no exchange rate for 6/10/05 exists. Similarly, if you pay the voucher on 6/29/05, the system uses the exchange rate for 6/15/05 (2.0). In both examples, the system uses the exchange rate associated with the previous date.

Alternate Currency Amount

When you choose the Alternate Currency Amount method, you do not pay in the domestic or foreign currency of the voucher; instead, you pay in an alternate currency.

For example, you enter a foreign currency voucher in CAD for a company that has a base currency of USD. You specify JPY in the Alternate Currency processing option. You pay the voucher in JPY, which is neither the foreign currency (CAD) nor the domestic currency (USD).

When you pay a voucher in an alternate currency, you pay the transaction amount of the voucher. The transaction amount is the foreign amount if the voucher is foreign and the domestic amount if the voucher is domestic only.

The system might calculate a gain or loss based on one of the following:

- The G/L date specified in the processing option for the Automatic Payment Groups program (P04571). The system uses this date to locate the exchange rate in the F0015 table.
- The exchange rate effective date specified in the processing option for the Work with Payment program. If you leave this processing option blank, the system uses the G/L date.

Multicurrency Processing Options for Create Payment Control Groups (R04570)

Amounts Tab

2. Currency Code for Range Amounts

Use this processing option to enter a code that specifies the currency for the values you entered in the Payment Amount Range processing option fields. If necessary, the system converts these amounts to the payment currency of each payment control group. For example, if you enter ranges of 100 to 5000 in USD, the system converts those USD amounts to EUR for an EUR payment group, to GBP for a GBP payment group, and so on. The conversion allows for the correct minimum and maximum comparisons for all payment groups created each time you run this program.

Printing Tab

4. Payment Currency

Use this processing option to specify the currency method that the program uses for payment.

Valid values are:

Blank

You pay in the currency of the general ledger bank account. For monetary accounts, this is the currency assigned to the general ledger bank account in the Account Master table (F0901). For nonmonetary accounts, this is the currency assigned to the company in which the business unit of the general ledger bank account resides. For example, the currency associated with the general ledger bank account 1.1110.BEAR is U.S. dollars (USD) because business unit 1 belongs to company 00001, for which the currency is USD. If you enter vouchers in the euro (EUR) for company 00001, you can either pay the vouchers from the monetary bank account in EUR, or you can pay them from a bank account that belongs to a company for which the base currency is USD.

1

You pay the domestic amount of the voucher in the domestic currency. For example, if you entered the voucher in EUR for company 00001, for which the base currency is USD, the voucher is paid in USD.

2

You pay the foreign amount of the voucher in the foreign currency. For example, if you

entered the voucher in EUR for company 00001, for which the base currency is USD, the vouchers are paid in EUR. Vouchers that do not have a foreign currency are paid in the domestic currency.

3

You pay the current domestic amount of a foreign voucher in the domestic currency. For example, if you entered the voucher in EUR for company 00001, for which the base currency is USD, the foreign amount is converted to the current domestic amount based on today's effective exchange rate, and the voucher is paid in USD.

4

You pay the voucher in an alternate currency that is neither the domestic amount nor foreign currency of the voucher. For example, if you entered the voucher in EUR for company 00001, for which the base currency is USD, but you want to pay the voucher in Canadian dollars (CAD), the voucher is paid in the alternate currency. Designate the payment currency in the Alternate Currency Code processing option.

Exchange Rate Notes: When you make payments in the current domestic currency, the Create Payment Groups program (R04570) calculates the domestic amounts being paid using the exchange rate that is effective on that day. This rate might be different from the exchange rate that is effective when you actually make the payment.

Note: When you specify 2, 3, or 4 in this processing option, the program calculates a gain or loss if the exchange rate of the voucher is different from the exchange rate of the payment.

5. Alternate Currency Code

Use this processing option to enter the code for the alternate currency amount. You enter a value in this processing option only if you specified 4 in the Payment Currency processing option.

Data Sequence for Create Payment Control Groups

To produce payments that are grouped properly, ensure that the data sequence is set as follows:

1. G/L Bank Account
2. Payment Instrument
3. Check Routing Code
4. Currency Code

Writing Payments in a Foreign or Alternate Currency

From the Automatic Payment Processing menu (G0413), choose Work with Payment Groups.

When you write payments in a foreign currency using the Automatic Payment Groups program (P04571), the system calculates each payment amount by adding the total amount of the vouchers in the transaction currency.

When you write payments in an alternate currency, the system calculates the payment amount as follows:

- It adds the total amount of the vouchers in the transaction currency. The transaction currency can be either domestic or foreign.
- It uses the exchange rate between the transaction currency and the payment currency to calculate the alternate currency amount. This rate is retrieved from the Currency Exchange Rates table (F0015).

For example, a French company receives an invoice for 2,000.00 Canadian dollars (CAD) and pays in U.S. dollars (USD), an alternate currency. To calculate the payment amount, the voucher (supplier's invoice) is divided by the exchange rate (1.514692) as follows:

$$2,000.00 / 1.514692 = 1,320.40 \text{ USD}$$

Alternate currency payment amounts are stored in the Accounts Payable - Matching Document table (F0413). The currency in the F0413 table will be different from the currency in the Accounts Payable Matching Document Detail table (F0414) because an alternate currency payment is involved. The historical exchange rate stored in the F0414 table contains the exchange rate that is used to calculate the alternate currency amount from the foreign currency.

If an error occurs when you write payments, a message appears after you enter the payment date. The error message that is specific to foreign and alternate currency payments is *Currency exchange rate not found*.

Currency Symbols on Automatic Payments

When you write payments, the system prints amounts either with or without a dollar currency symbol (\$) depending on the print program assigned to the default payment instrument.

The dollar currency symbol prints only on payments in which the Print Automatic Payments – Standard Format (R04572) print program is assigned to the default payment instrument. The R04572 print program is hard coded to print the dollar currency symbol. All other print programs print amounts without a currency symbol. For example, assume payment instrument R is set up for French payments and calls the R04572F2 print program. The system will print the payment with euro amounts but no currency symbol.

When you assign a print program to a payment instrument, you assign the program number with the prefix P instead of R, for example P04572, P04572F2, and so on. P04572 and R04572 refer to the same program; R04572 is the UBE which actually prints the payment.

Dates and Exchange Rates for Automatic Payments

When you write automatic payments, you specify the exchange rate to use based on one of the following:

- Payment G/L date and corresponding rate
- Specific effective date and corresponding rate
- Voucher exchange rate

You specify the date and exchange rate in the processing options for the Automatic Payment Groups (P04571).

Payment G/L Date

The system retrieves the exchange rate for the G/L payment date from the Currency Exchange Rates table (F0015). A gain or loss might be calculated.

In the following example, the G/L payment date is 6/15/05 and the exchange rate for that date is 2.27542.

Transaction	Foreign Amount	Exchange Rate	Domestic Amount
Voucher	500.00 GBP	2.27650	1,138.25 CAD
Payment	500.00 GBP	2.27542	1,137.71CAD

The domestic voucher amount is 1,138.25 CAD and the domestic payment amount is 1,137.71 CAD, which results in a realized gain of + 0.54 CAD.

Specific Effective Date

The system retrieves the exchange rate for the date you specify from the F0015 table. A gain or loss might be calculated.

In the following example, you specify an effective date of 6/30/05 and the exchange rate for that date is 2.28551.

Transaction	Foreign Amount	Exchange Rate	Domestic Amount
Voucher	500.00 GBP	2.28478	1,142.39 CAD
Payment	500.00 GBP	2.28551	1,142.76 CAD

The domestic voucher amount is 1,142.39 CAD and the domestic payment amount is 1,142.76 CAD, which results in a realized loss of - 0.37 CAD.

Voucher Exchange Rate

The system uses the exchange rate that was in effect at the time you entered the voucher. There is no gain or loss calculated because the voucher domestic amount is equal to the payment domestic amount.

In the following example, the exchange rate for the voucher is 2.67823. That same exchange rate is used for the payment.

Transaction	Foreign Amount	Exchange Rate	Domestic Amount
Voucher	500.00 GBP	2.67823	1,339.12 CAD
Payment	500.00 GBP	2.67823	1,339.12 CAD

Prerequisites

- ❑ For foreign currency payments, ensure that the following AAIs are set up:
 - ❑ PGxxx – foreign currency realized gains
 - ❑ PLxxx – foreign currency realized losses

See *AAIs for Realized Gains and Losses on Foreign Currency Payments* in the *Multicurrency Guide*.

- ❑ For alternate currency payments, ensure that the following AAIs are set up:
 - ❑ PYxxx – alternate currency realized gains
 - ❑ PZxxx – alternate currency realized losses
 - ❑ P7 – alternate currency clearing account

See *AAIs for Realized Gains and Losses on Alternate Currency Payments* and *AAIs for the Clearing Account for Alternate Currency Payments* in the *Multicurrency Guide*.

- ❑ Set up country-specific payment instruments. See *Setting Up Payment Instruments* in the *Accounts Payable Guide*.

Multicurrency Processing Options for Automatic Payment Groups (P04571)

Display Tab

Currency Code

Use this processing option to specify the payment currency that was originally assigned to the PCG by Create Payment Control Groups (R04570). If you specify a preloaded value for this field, you limit the initial inquiry to the PCGs with this currency code. You can change the selection criteria on the Additional Selection Criteria form. You can enter a specific payment currency code (data item CRCD), or leave this processing option blank to search on all payment currencies (default).

Display Alternate Currency Amounts

Use this processing option to specify whether you want the system to display the payment control group (PCG) amounts in the alternate currency. This conversion is for display purposes only, affecting the amounts on the Work With Payment Groups form. For writing foreign payments, complete the processing options on the Currency tab.

Valid values are:

- Blank Do not display PCG amounts in the alternate currency.
- 1 Display PCG amounts in the alternate currency.

Alternate Currency Effective Date

Use this processing option to specify the effective date for the alternate currency's exchange rate. Enter the effective date for the currency's exchange rate, or leave this processing option blank to use the system date (default).

Currency Tab

Effective Date

Use this processing option to specify the date to use to retrieve the exchange rate when you write foreign or alternate currency payments. If you leave this processing option blank, the system uses the payment G/L date.

If you create a payment group using the domestic amount of a voucher instead of the foreign amount, the system calculates a currency gain or loss based on the pay date exchange rate. The payment is not a foreign currency payment because it is made in the domestic currency.

Note: If you enter an effective date for which there is no corresponding exchange rate in the Currency Exchange Rates table (F0015), the system uses the exchange rate on the voucher and, therefore, does not create a gain or loss.

Use Voucher's Rate

Use this processing option to specify the voucher's exchange rate when you are writing foreign payments.

Blank Use the exchange rate for the specified effective date.

1 Use the voucher's exchange rate.

Updating the Accounts Payable Ledger

When you update a payment group, a Payment Register prints if no errors occurred. If errors occurred, a message prints on the Update Payments Error Report.

The following error messages are specific to foreign and alternate currency payments:

- *Currency exchange rate not found*
- *Exchange rate cannot be changed between writing and updating payments*

Reviewing Payments in a Foreign or Alternate Currency

Regardless of whether you enter payments manually or process them automatically, you can review payment information on any of the following forms:

- Supplier Ledger Inquiry
- Work with Payments
- Work with Batches

Supplier Ledger Inquiry

From the Supplier & Voucher Entry menu (G0411), choose Supplier Ledger Inquiry.

PeopleSoft®

Supplier Ledger Inquiry - Supplier Ledger Inquiry

Select Find Add Copy Delete Close Form Row Tools

Supplier Number 4002 Aluminium de Rhone

Date From Thru Invoice G/L

Recurring Summarize Paid Open Withheld All

Batch Number * Currency Code *

Records 1 - 3

	Doc Co	Invoice Date	Curr Code	Foreign Amount	Due Date	Gross Amount	Pay Stat	Open Amount
<input type="checkbox"/>	00001	06/15/05	EUR	2,250.00	07/15/05	1,903.50	P	
<input type="checkbox"/>	00075	06/15/05	EUR	65,800.00	07/15/05	85,641.23	P	
<input type="checkbox"/>						87,544.73		

To review the history for a specific payment, choose the payment. From the Row menu, choose Payment History.

Work with Payments

From the Supplier & Voucher Entry menu (G0411), choose Supplier Payment Inquiry.

PeopleSoft®

Supplier Payment Inquiry - Work with Payments

Select Find Add Delete Close Form Row Tools

Supplier Number 4002 Aluminium de Rhone

Payment Number * Currency Code *

Bank Account Number * *

From Date * Thru Date *

Records 1 - 4

	Payment Type	Payment Number	Payment Date	Supplier Number	Payment Amount	Post Status	Pay Inst	Curr Code
<input checked="" type="radio"/>	PK	1246	08/01/05	4002	85,641.23-	D		CAD
<input type="radio"/>	PN	88711	06/30/05	4002	2,250.00-			EUR
<input type="radio"/>	Σ				85,641.23-			CAD
<input type="radio"/>	Σ				2,250.00-			EUR

Work with Batches

Use one of the following navigations:

From the Manual Payment Processing menu (G0412), choose Review Payments.

From the Automatic Payment Processing menu (G0413), choose Automatic Payment Review.

The Work With Batches form appears with one of the following default batch types, depending on which menu selection you chose:

- M (manual payments with voucher match)
- W (manual payments without voucher match)
- K (automatic payments)

Posting Foreign and Alternate Currency Payments

Depending on whether you are posting manual or automatic payments, use one of the following navigations:

From the Manual Payment Processing menu (G0412), choose Post Manual Payments to G/L.

From the Automatic Payment Processing menu (G0413), choose Post Payments to G/L.

You can also post manual or automatic payments using the Review Payments or Automatic Payment Review form.

After you enter manual payments or process automatic payments, you must post them.

When you post foreign or alternate currency payments, the pre-post for the General Ledger Post Report program (R09801) retrieves the A/P offset method from the Accounts Payable Constants program (P0000). If the offset method is B (batch), the system verifies that there are no foreign or alternate currency payments in the batch. If there is at least one foreign or alternate currency payment, the pre-post changes the A/P offset method for the batch to S (pay item) and continues processing. The pre-post does this because you cannot post using offset method B if one or more payments in a batch are in a foreign or alternate currency.

The General Ledger Post Report program performs the tasks described in the following table in sequential order, regardless of whether you use multicurrency processing. For information specific to posting payments in a multicurrency environment, review the information under *Multicurrency Considerations*.

Task Performed by Payment Post	Multicurrency Considerations
Selects unposted payment transactions from the Accounts Payable - Matching Document (F0413) and Accounts Payable Matching Document Detail (F0414) tables.	
Verifies that the batch has an approved status.	
Creates automatic offset entries to credit the appropriate bank account for the payment amount in the F0911 table.	
Creates automatic offset entries to debit the A/P trade account for the payment amount in the F0911 table.	Creates automatic offset entries to debit the A/P trade account for the AA (domestic) and CA (foreign) ledgers in the F0911 table.
Currency gains and losses do not apply to non-multicurrency environments.	Creates automatic entries for foreign currency and alternate currency gains and losses.
Detailed currency restatement does not apply to non-multicurrency environments.	Updates the alternate currency ledger (XA) and, if applicable, the YA and ZA ledgers and produces a separate post report if you enter a version of the Detailed Currency Restatement program (R11411) in the processing options.

Task Performed by Payment Post	Multicurrency Considerations
Updates balances in the Account Balances table (F0902).	
Marks records as posted (P) in the Account Ledger table (F0911).	
Marks records as posted (D) in the F0413 and F0414 tables.	
Changes records in the Batch Control Records table (F0011) to D (posted).	

Prerequisites

- ❑ Verify the offset method in the Accounts Payable Constants program (P0000). See *Setting Up the Offset Method in the Constants* in the *Multicurrency Guide*.
- ❑ Before posting foreign currency payments, ensure that the following AAI items are set up:
 - ❑ PGxxx – foreign currency realized gains
 - ❑ PLxxx – foreign currency realized losses

See *AAIs for Realized Gains and Losses on Foreign Currency Payments* in the *Multicurrency Guide*.
- ❑ Before posting alternate currency payments, ensure that the following AAI items are set up:
 - ❑ PYxxx – alternate currency realized gains
 - ❑ PZxxx – alternate currency realized losses

See *AAIs for Realized Gains and Losses on Alternate Currency Payments* in the *Multicurrency Guide*.
- ❑ P7 – alternate currency clearing account

See *AAIs for the Clearing Account for Alternate Currency Payments* in the *Multicurrency Guide*.

Slight Rounding Differences Recorded by the Payment Post

When you post foreign or alternate currency payments, the system might create journal entries for slight rounding differences. These slight rounding differences are created when a foreign or alternate currency payment is applied to a voucher and the domestic amount of the voucher is not the same as the domestic amount of the payment. The rounding difference, which is immaterial, is recorded in a realized gain or loss account even though the amounts are not caused by fluctuations in exchange rates.

Typically, rounding differences occur on transactions that involve multiple vouchers and one payment, or multiple payments and one voucher. For these transactions, a rounding difference might occur when the system converts amounts between a foreign and a domestic currency, or an alternate and a domestic currency.

To record the rounding difference, the system creates an offset journal entry in the realized gain or loss account as defined by AAI items PG and PL (for foreign currency payments) and PY and PZ (for alternate currency payments) when you post the payment.

Example: Slight Rounding Differences Recorded by the Payment Post

In the following example, a slight rounding difference is recorded on a foreign currency payment. The exchange rate is 1 USD = 1.59570 CAD.

A Canadian company enters three foreign currency vouchers for 750.00 USD each (1,196.78 CAD each). The Canadian company issues payment for 2,250.00 USD (3,590.33 CAD). When the company applies the domestic payment amount (3,590.33 CAD) to the domestic vouchers (1,196.78 x 3 = 3,590.34 CAD), the system records a slight rounding difference of – 0.01 CAD.

Processing Accounts Payable Drafts in a Foreign Currency

A draft is a promise to pay a debt. When a voucher is processed for draft payment, the draft document that you submit to the payee notifies them that your bank will process the draft and transfer the funds on a specified date.

You can process drafts in a foreign currency as long as the transaction currency of the voucher is the same currency as the draft. The transaction currency of a voucher determines the currency that is used throughout the draft process. For this reason, you cannot process drafts in an alternate currency.

To process accounts payable drafts, you can use either the manual or automatic payment program.

Manual Payment Drafts in a Foreign Currency

When you enter a manual draft and the transaction currency of the voucher is foreign, the system activates the Foreign option on the Manual Payment Entry form. You must activate the Draft option on the same form.



Payment With Voucher Match - Manual Payment Entry

OK Delete Cancel Form Row Tools

Payment Number	2346788	Prev Payment		Batch Number	28861
Supplier Number	4002	Aluminium de Rhone		<input type="checkbox"/> Print Payment	
Bank Account Number	1.1110.BEAR	Bear Creek National Bank			
Payment Amount	10,000.00	Remark			
Payment Date	06/28/05			<input checked="" type="checkbox"/> Draft	
Currency Code	EUR	Exchange Rate	1.1820331	Base	USD <input checked="" type="checkbox"/> Foreign

Records 1 - 2							
	Doc Type	Document Number	Company	Doc Pay Item	Foreign Payment Amount	Invoice Number	Due Date
<input checked="" type="radio"/>					10,000.00		
<input type="radio"/>							

Remaining Amount

You match the draft to the foreign side of the voucher. The draft is paid in the foreign amount and recorded in a drafts payable account instead of a bank account.

When you update the Accounts Payable ledger for foreign currency drafts, the system creates a matching document with a document type of P1 to close the voucher.

Automatic Payment Drafts in a Foreign Currency

To process foreign currency automatic payments using drafts, you create a payment group based on the foreign amount of the vouchers using the Create Payment Control Groups program (R04570). When writing and updating the payment group, the system creates the paper draft with the foreign currency amount.

Prerequisites

- For manual drafts, set the Display Draft Entry processing option for the A/P Manual Payments program (P0413M) to display the Draft option on the Manual Payment Entry form.
- For automatic drafts, set the Payment Currency processing option for the Create Payment Control Groups program (R04570) to the voucher’s foreign currency.

See Also

- Accounts Payable Draft Processing* in the *Accounts Payable Guide* for detailed, non-currency specific information about the draft process

Currency Gains and Losses for Accounts Payable

Currency gains and losses are based on exchange rate fluctuations that occur on transactions that involve more than one currency. Two types of gains and losses exist:

- Unrealized gains and losses
- Realized gains and losses

Unrealized gains and losses are calculated on unpaid vouchers as well as the open portion of partially paid vouchers at the end of a fiscal period, whereas realized gains and losses are calculated at the time of payment.

Calculating Unrealized Gains and Losses

To record unrealized gains and losses on open foreign currency invoices and vouchers, you can enter the gain and loss amounts manually in a journal entry or have the system create the gain and loss entries automatically.

Unrealized gains and losses apply to unpaid invoices and vouchers or the open portion of a partially paid invoice or voucher. If you work with multiple currencies, you record unrealized gains and losses at the end of each fiscal period to revalue your open foreign transactions. This gives you an accurate picture of your cash position so that you can forecast and manage your cash flow.

To have the system create your gain and loss entries automatically, you run the A/R Unrealized Gain/Loss Report (R03B426) or A/P Unrealized Gain/Loss Report (R04425), which does the following:

- Revalues your open foreign invoices or vouchers
- Analyzes your unrealized gains and losses in detail
- Records your unrealized gains and losses

Prerequisites

- ❑ Enter new exchange rates on the Revise Currency Exchange Rates form. See *To set up exchange rates for the inverse method* or *To set up exchange rates for the no inverse method* in the *Multicurrency Guide*.
- ❑ Create a different version of the A/P Unrealized Gain/Loss Report for each company that has a different base currency.
- ❑ Ensure that the following AAIs are set up:
 - ❑ PVxxx – unrealized foreign currency gains
 - ❑ PWxxx – unrealized foreign currency losses
 - ❑ PRxxxx – unrealized foreign currency gain/loss offsets

See *AAIs for Unrealized Gains and Losses on Foreign Currency Vouchers* in the *Multicurrency Guide*.

Running the A/P Unrealized Gain/Loss Report

From the Monthly Valuation menu (G1121), choose A/P Unrealized Gain/Loss Report.

You run the A/P Unrealized Gain/Loss Report (R04425) to calculate unrealized gains and losses. The system produces a report that shows the following:

- Base company currency and the transaction currency of each voucher
- Voucher number and due date
- Original and current domestic amount calculated for each voucher
- Foreign amount of each voucher
- Unrealized gain or loss for each open voucher
- Discount amounts for the voucher
- Pay status of the voucher

To produce the report, the system uses information from the following tables:

- Accounts Payable Ledger (F0411)
- Accounts Payable Matching Document Detail (F0414)

You specify whether you want the system to create journal entries for gains or losses, or both, in a processing option. The system assigns journal entries for unrealized gains and losses a document type of JX. This is the only document type that can be used to adjust the domestic side of a monetary (currency-specific) account. The system creates only one journal entry per company. If you leave the processing option blank, the system does not create journal entries.

If you mix currencies when you run the A/P Unrealized Gain/Loss Report, the foreign grand total and any other subtotals appear as ****NA**** (not applicable) because totals for more than one currency are meaningless. To prevent this, set up a different version for each company that has a different base currency. Setting up a separate version for each company has the added advantage of reducing the size of the report.

Run the A/P Unrealized Gain/Loss Report first without creating journal entries. Review the report and correct any exchange rates, if necessary. Continue to run the program without creating journal entries until you have corrected all exchange rates, and then run the program to create journal entries for your unrealized gains and losses.

Caution

To avoid duplicate journal entries, do not set the processing option to create journal entries more than one time per fiscal period.

Example: Unrealized Gain/Loss on a Foreign Currency Voucher

In the following example, a Canadian company calculates an unrealized gain/loss amount on an open foreign currency voucher in the euro (EUR).

Because of the exchange rate risk, the potential exists for an unrealized gain or loss at the end of the fiscal period when the open voucher (EUR) is revalued against the Canadian dollar (CAD).

Description	Currency	Amount	Exchange Rate 1 January 2005	Exchange Rate 31 January 2005
Voucher (domestic)	CAD	1,394.25	1 EUR = 1.39425 CAD	
Voucher (foreign)	EUR	1,000.00		
Open voucher (domestic)	CAD	1,392.21		1 EUR = 1.39221 CAD
Unrealized gain/loss	CAD	+ 2.04		

The foreign currency voucher on 1 January 2005 is 1,000.00 EUR, or 1,394.25 CAD in the domestic currency.

$$\text{Calculation: } 1,000.00 \text{ EUR} \times 1.39425 = 1,394.25 \text{ CAD}$$

The foreign currency voucher remains open on 31 January 2005 and is revalued against the Canadian dollar.

$$\text{Calculation: } 1,000.00 \text{ EUR} \times 1.39221 = 1,392.21 \text{ CAD}$$

Unrealized Gain/Loss

The unrealized gain/loss is + 2.04 CAD. This amount is based on exchange rate fluctuations between the time that the voucher was created and the end of the fiscal period, when the voucher remained open.

Transaction Amount (CA Ledger)	Original Exchange Rate	Current Exchange Rate	Domestic Amount (AA Ledger)	Gain (+)/ Loss (-)
1,000.00 EUR	1.39425		1,394.25 CAD	
1,000.00 EUR		1.39221	1,392.21 CAD	+ 2.04

$$1,000.00 \text{ EUR} \times 1.39425 \text{ (exchange rate on voucher date)} = 1,394.25 \text{ CAD}$$

$$1,000.00 \text{ EUR} \times 1.39221 \text{ (exchange rate at end of fiscal period)} = 1,392.21 \text{ CAD}$$

$$\text{Calculation: } 1,394.25 - 1,392.21 = + 2.04 \text{ CAD}$$

Processing Options for A/P Unrealized Gain/Loss Report (R04425)

As Of Date

1. Enter the "As Of" date for processing the current exchange rate. Default of blank will process rate using today's date.

Hold Payment

2. Enter a '1' to bypass suppliers with a hold payment code of 'Y' or '1'. Default of blank will show all suppliers.

Journal Entry

3. Enter a '1' to create journal entries for both gains and losses. Enter a '2' to create journal entries only for accounts with a calculated loss. Enter a '3' to create journal entries only for calculated gains. Default of blank will not create journal entries.

G/L date

4. Enter the G/L date. Default of blank will use the last day of the current period.

Approved status

5. Enter a '1' to create the journal entry batches in an Approved status regardless of the value in the Management Approval of Input general constant. Default of blank will not override the settings.

Ledger Type

6. Enter the ledger type for entry. If left blank, ledger type AA will be used.

Zero Amounts

7. Enter a '1' to omit the creation of journal entry line items with zero amounts and no units. This may be useful when creating journal entries from models.

Calculating Realized Gains and Losses

Depending on whether you want to calculate realized gains and losses for receipts or payments, use one of the following navigations:

From the Manual Receipts Processing menu (G03B12) or Automated Receipts Processing menu (G03B13), choose Post Receipts to G/L.

From the Automatic Payment Processing menu (G0413), choose Post Payments to G/L.

To calculate realized gains and losses, you must post your receipts and payments. Realized gains and losses are based on exchange rate fluctuations that occur between transactions that involve a foreign or alternate currency receipt or payment. When you post receipts and payments, the system calculates gains and losses based on whether the exchange rates changed from the date of the invoice or voucher to the date of the receipt or payment. If exchange rates changed, the system creates journal entries for the gains and losses.

If a foreign currency receipt or payment is involved, the potential exists for a standard gain or loss on a transaction. The gain or loss is based on exchange rate fluctuations between the foreign (transaction) currency and the domestic currency at the time the payment was received or issued. To calculate the gain or loss, the system multiplies or divides the invoice or voucher amount by the difference in the exchange rate from the time the invoice or voucher was entered and the time the payment was received or issued.

If an alternate currency receipt or payment is involved, the potential exists for two gains or losses on a transaction:

- Standard gain/loss. An amount based on exchange rate differences between the foreign (transaction) currency and the domestic currency from the transaction date to the receipt or payment date.
- Alternate currency gain/loss. An amount based on exchange rate differences between the alternate (payment) currency and the domestic currency. This gain or loss is the difference between the following amounts:
 - The amount calculated by converting the alternate currency receipt or payment directly to the domestic currency (this is the amount that is actually deposited to or paid from the bank account)
 - The amount calculated by converting the alternate currency receipt or payment to the foreign currency to the domestic currency

Document Types for Realized Gains and Losses

The document types for realized gains and losses are different for the Accounts Receivable and Accounts Payable systems. The system uses document type RC for receivables and PG for payables. The document type and the description Realized Gain or Realized Loss appear on the post reports.

Prerequisites

- Enter new exchange rates on the Revise Currency Exchange Rates form. See *To set up exchange rates for the inverse method* or *To set up exchange rates for the no inverse method* in the *Multicurrency Guide*.
- For foreign currency payments, ensure that the following AAI's are set up:
 - PGxxx – realized foreign currency gains
 - PLxxx – realized foreign currency losses

See *AAI's for Realized Gains and Losses on Foreign Currency Payments* in the *Multicurrency Guide*.

- For alternate currency payments, ensure that the following AAI's are set up:
 - PYxxx – realized alternate currency gains
 - PZxxx – realized alternate currency losses
 - P7 – alternate currency clearing account

See *AAI's for Realized Gains and Losses on Alternate Currency Payments* in the *Multicurrency Guide*.

Example: Realized Gain/Loss on Foreign Currency Voucher and Payment

In the following example, a French company enters a voucher in Canadian dollars (foreign currency) and pays it in CAD (foreign currency).

Because of the exchange rate risk, the potential exists for one gain or loss based on the fluctuation of exchange rates between the domestic currency and the foreign currency at the time of payment.

Description	Currency	Amount	Exchange Rate 1 January 2005	Exchange Rate 1 February 2005
Voucher (domestic)	EUR	717.61		
Voucher (foreign)	CAD	1,000.00	1 CAD = 0.71761 EUR	
Payment (foreign)	CAD	1,000.00		1 CAD = 0.71767 EUR
Standard gain/loss	EUR	- 0.06		

The foreign currency voucher on 1 January 2005 is 1,000.00 CAD, which is 717.61 EUR in the domestic currency.

$$\text{Calculation: } 1,000.00 \text{ CAD} \times 0.71761 = 717.61 \text{ EUR}$$

The foreign currency payment on 1 February 2005 is 1,000.00 CAD

Standard Gain/Loss

The standard gain/loss is - 0.06 EUR. This amount is based on the exchange rate fluctuations from the voucher date to the payment date.

$$1,000.00 \text{ CAD} \times 0.71761 \text{ (exchange rate on voucher date)} = 717.61 \text{ EUR}$$

$$1,000.00 \text{ CAD} \times 0.71767 \text{ (exchange rate on payment date)} = 717.67 \text{ EUR}$$

$$\text{Calculation: } 717.61 - 717.67 = - 0.06 \text{ EUR}$$

Example: Realized Gain/Loss on Foreign Voucher and Alternate Currency Payment

In the following example, a Canadian company enters a voucher in U.S. dollars (foreign currency) and pays the voucher in the euro (alternate currency).

Because of the exchange rate risk, the potential exists for two gains or losses: one between Canadian dollar (CAD) and U.S. dollar (USD) and the other between EUR, USD, and CAD.

Description	Currency	Amount	Exchange Rate 1 January 2005	Exchange Rate 1 February 2005
Voucher (domestic)	CAD	794.30		
Voucher (foreign)	USD	500.00	1 USD = 1.58860 CAD	
Payment (alternate)	EUR	575.07		1 USD = 1.58798 CAD 1 EUR = 1.38176 CAD 1 EUR = 0.86980 USD
Standard gain/loss	CAD	+ 0.31		
Alternate currency gain/loss	CAD	+ 0.30		

The foreign currency voucher on 1 January 2005 is 500.00 USD, which is 794.30 CAD in the domestic currency.

$$\text{Calculation: } 500.00 \text{ USD} \times 1.58860 = 794.30 \text{ CAD}$$

The alternate currency payment on 1 February 1 2005 is 575.07 EUR

The foreign currency amount applied to the voucher is 500.20 USD.

$$\text{Calculation: } 575.07 \text{ EUR} \times 0.86980 = 500.20 \text{ USD}$$

The domestic currency amount applied to the voucher is 793.99 CAD.

$$\text{Calculation: } 500.00 \text{ USD} \times 1.58798 = 793.99 \text{ CAD}$$

The domestic currency amount of the payment is 728.20 CAD.

$$\text{Calculation: } 575.07 \text{ EUR} \times 1.38176 = 794.61 \text{ CAD}$$

Standard Gain/Loss

The standard gain/loss is + 0.31 CAD. This amount is based on the exchange rate fluctuations from the voucher date to the payment date:

$$500.00 \text{ USD} \times 1.58860 \text{ (exchange rate on voucher date)} = 794.30 \text{ CAD}$$

$$500.00 \text{ USD} \times 1.58798 \text{ (exchange rate on payment date)} = 793.99 \text{ CAD}$$

$$\text{Calculation: } 794.30 - 793.99 = + 0.31 \text{ CAD}$$

Alternate Currency Gain/Loss

The alternate currency gain/loss is + 0.30 CAD. This amount is calculated using exchange rates on the payment date. It is based on the difference between converting the alternate currency directly to the domestic currency and converting the alternate currency to the foreign currency to the domestic currency.

$$575.07 \text{ EUR} \times 1.38176 = 794.61 \text{ CAD}$$

$$(575.07 \text{ EUR} \times 0.86980 = 500.20 \text{ USD}) \times 1.58798 = 794.31 \text{ CAD}$$

$$\text{Calculation: } 794.61 - 794.31 = + 0.30 \text{ CAD}$$

Multicurrency Reports for Accounts Payable

The Accounts Payable system provides both standard and analytical reports for multicurrency processing. Depending on the report you choose, you can review open A/P detail information in both domestic and foreign currency amounts, aging amounts in the transaction currency, and so on.

Be aware that the grand totals on any of the multicurrency reports are hash totals and are meaningless when you print more than one currency at a time. To avoid this, set up different versions of the report and use the processing options and data selection to limit the information on the report to one currency.

See Also

- ❑ *Accounts Payable Integrity Reports* in the *Accounts Payable Guide* for information about identifying problems and inconsistencies with your data. Integrity reports are beneficial for all clients, regardless of whether they work in a multicurrency environment.

Open A/P Detail Reports for Multiple Currencies

From the Accounts Payable Reports menu (G0414), choose Open A/P with Foreign Amounts.

To review open accounts payable detail for suppliers with multiple currencies, print the Open A/P with Foreign Amounts report. For foreign currency totals, this report uses the decimals of the currency of the last transaction that appears on the report before the total.

Six different reports are available for Open A/P with Foreign Amounts report:

Report	Description
Currency Detail - Foreign and Domestic (R04427A)	Print this report to review a detailed list of open A/P items with both foreign and domestic currency amounts, based on the Accounts Payable Ledger table (F0411).
Currency Detail - Aging (R04427B)	<p>Print this report to review a detailed list of open A/P items with foreign currency amounts, based on the F0411 table. If no foreign currency transactions exist, the system prints domestic amounts.</p> <p>You set a processing option to age the open A/P amounts as of a specific date.</p> <p>Note</p> <p>If a supplier has multiple currencies, be aware that the supplier, company, and report totals are meaningless because the totals include more than one currency. To avoid this, run the report multiple times and specify a different currency code in the data selection each time. The report will print totals in the specified currency for the supplier, company, and report.</p>

Report	Description
Open A/P Detail w/Foreign Currency Aging (R04427C)	<p>Print this report to review a detailed list of open A/P items with foreign amounts, based on the F0411 table, for specific aging dates and methods. If no foreign currency transactions exist, the system prints domestic amounts.</p> <p>You set a processing option to age the open A/P amounts as of a specific date.</p>
“As Of” Currency Detail – Foreign and Domestic (R04427D)	<p>Identical to the Currency Detail - Foreign and Domestic report (R04427A), except that this report is based on the WF – “As Of” Accounts Payable Ledger table (F0411A).</p> <p>The “as of” date that is used for aging is the “as of” date associated with the F0411A record in the A/P “As Of” Date workfile (F0490).</p> <p>The processing options for this report are the same as those for the Currency Detail – Foreign and Domestic report (R04427A).</p>
“As Of” Currency Detail – Aging (R00427E)	<p>Identical to the Currency Detail – Aging report (R04427B), except that this report is based on the F0411A table.</p> <p>The “as of” date that is used for aging is the “as of” date associated with the F0411A record in the F0490 workfile.</p> <p>The processing options for this report are the same as those for the Currency Detail – Aging report (R04427B).</p>
“As Of” Open A/P Detail w/Foreign Currency Aging (R04427F)	<p>Identical to the Open A/P Detail w/Foreign Currency Aging report (R04427C), except that this report is based on the F0411A table.</p> <p>The “as of” date that is used for aging is the “as of” date associated with the F0411A record in the F0490 workfile.</p> <p>The processing options for this report are the same as those for the Open A/P Detail w/Foreign Currency Aging report (R04427C).</p>

Processing Options for Currency Detail – Foreign and Domestic (R04427A)

Print

1. Hold Payment

Blank = Print all suppliers

1 = Exclude suppliers on hold

Processing Options for Currency Detail – Aging (R04427B)

Aging

1. Aging Specifications

Blank = Use the aging processing options

1 = Age on due date using A/P Constants' aging days

2. Aging Date

3. Date Type

Blank = Due date

D = Due date

G = G/L date

I = Invoice date

4. Aging Method

Blank = Aging days

1 = Aging days

2 = Fiscal periods

3 = Calendar months

5. Aging Days

Aging Category 1

Aging Category 2

Aging Category 3

Aging Category 4

6. Age Credits

Blank = Apply credits to the Current aging column

1 = Age credits

Print

1. Hold Payment

Blank = Print all suppliers

1 = Exclude suppliers on hold

Processing Options for Open A/P Detail w/Foreign Currency Aging (R04427C)

Aging

1. Aging Specifications

Blank = Use the aging processing options

1 = Age on due date using A/P Constants' aging days

2. Aging Date

3. Date Type

Blank = Due date

D = Due date

G = G/L date

I = Invoice date

4. Aging Method

Blank = Aging days

1 = Aging days

2 = Fiscal periods

3 = Calendar months

5. Aging Days

Aging Category 1

Aging Category 2

Aging Category 3

Aging Category 4

6. Age Credits

Blank = Apply credits to the Current aging column

1 = Age credits

Print

1. Hold Payment

Blank = Print all suppliers

1 = Exclude suppliers on hold

Data Sequence for Open A/P Detail Reports for Multiple Currencies

The report totals are dependent on the following sequence, which should not be changed:

1. Company
2. Alpha Name
3. Address Number
4. Currency Code

Open A/P Summary Reports for Multiple Currencies

From the Accounts Payable Reports menu (G0414), choose Open A/P Summary Report.

The Open A/P Summary Report consists of four different reports, two of which are used for multicurrency processing:

- A/P Summary with Currency (R04413A)
- “As of” – A/P Summary with Currency (R04413D)

The processing options for these two reports are the same.

The Open A/P Summary Report prints information about open voucher balances and aging. You control the date from which you want to age the vouchers and the aging categories that you want to appear on these summary reports. Depending on the results you want, set up your aging specifications using one of the following:

- **A/P Constants.** The system calculates aging based on the Accounts Payable Constants program (P0000). You specify the number of days in each time interval for the columns on your aging reports. For example, you can specify 30, 60, 90, and 120 days and more.
- **Processing Options.** The system calculates aging based on processing options for the report. The processing options override the intervals that you specify in the Accounts Payable Constants program. You can specify aging by due date, invoice date, or G/L date, and by one of the following aging methods:
 - Aging days
 - Fiscal periods
 - Calendar

Processing Options for A/P Summary with Currency (R04413A)

Aging

1. Aging Specifications

Blank = Use the aging processing options

1 = Age on due date using A/P Constants' aging days

2. Aging Date

3. Date Type

Blank = Due date

D = Due date

G = G/L date

I = Invoice date

4. Aging Method

Blank = Aging days

1 = Aging days

-
- 2 = Fiscal periods
 - 3 = Calendar months
 - 5. Aging Days
 - Aging Category 1
 - Aging Category 2
 - Aging Category 3
 - Aging Category 4
 - 6. Age Credits
 - Blank = Apply credits to the Current aging column
 - 1 = Age credits
- Print
- 1. Hold Payment
 - Blank = Print all suppliers
 - 1 = Exclude suppliers on hold
-

Data Sequence for Open A/P Summary Reports for Multiple Currencies

The report totals are dependent on the following sequence, which should not be changed:

1. Company
2. Address Number
3. Currency Code

A/P Detail by Approver with Foreign Currency Aging

From the Other Voucher Entry Methods menu (G04111), choose Voucher Detail Report.

The Voucher Detail Report consists of three different reports, one of which is used for multicurrency processing.

The A/P Detail by Approver with Foreign Currency Aging report (R04428C) prints open foreign currency aging amounts by approver number and shows due dates and expense suspense accounts along with the open amount. This report is similar to the Open A/P Detail w/Foreign Currency Aging Report (R04427C).

Processing Options for A/P Detail By Approver with Foreign Currency Aging (R04428C)

Aging Tab

1. Aging Specifications

Use this processing option to retrieve aging specifications from the General Constants table (F0009) instead of the aging processing options. Valid values are:

Blank

The system ages transactions based on the information set up in the processing options.

1

The system ages transactions based on the due date using the aging days in the accounts payable constants.

2. Aging Date

Use this processing option to specify the date that the system uses to age open balances. The system compares the date in the processing option to the date on the voucher to determine the aging category in which to place each transaction. If you leave this option blank, the system compares the current date to the date on the voucher to determine the aging category.

3. Date Type

Use this processing options to specify which date on the voucher the system uses to age open balances if the aging specifications processing option is set to use the aging processing options. The system compares this date to the aging date to determine the aging period in which to place each transaction. Valid values are:

Blank or D

Use the due date to age vouchers.

G

Use the G/L date to age vouchers.

I

Use the invoice date to age vouchers.

4. Aging Method

Use this processing option to specify which aging periods the system uses if the aging specifications processing option is set to use the aging processing options.

If the aging specifications processing option is set to retrieve aging specifications from the accounts payable constants, the system ignores the values in this processing option. Valid values are:

Blank or 1
Aging days
2
Fiscal periods
3
Calendar months

Aging Category 1

Use this processing option in conjunction with the other three Aging Category processing options to specify the aging intervals. For example, if the values specified in the Aging Category processing options are 30-, 0, 30, and 60, then the four aging columns of the report will be Current, 1-30, 31-60, and Over 60.

This processing option applies only if you have left the Aging Specifications processing option blank to use the aging processing options and you have left the Aging Method processing option blank to use aging days.

Aging Category 2

Use this processing option in conjunction with the other three Aging Category processing options to specify the aging intervals. For example, if the values specified in the Aging Category processing options are 30-, 0, 30, and 60, then the four aging columns of the report will be Current, 1-30, 31-60, and Over 60.

This processing option applies only if you have left the Aging Specifications processing option blank to use the aging processing options and you have left the Aging Method processing option blank to use aging days.

Aging Category 3

Use this processing option in conjunction with the other three Aging Category processing options to specify the aging intervals. For example, if the values specified in the Aging Category processing options are 30-, 0, 30, and 60, then the four aging columns of the report will be Current, 1-30, 31-60, and Over 60.

This processing option applies only if you have left the Aging Specifications processing option blank to use the aging processing options and you have left the Aging Method processing option blank to use aging days.

Aging Category 4

Use this processing option in conjunction with the other three Aging Category processing options to specify the aging intervals. For example, if the values specified in the Aging Category processing options are 30-, 0, 30, and 60, then the four aging columns of the report will be Current, 1-30, 31-60, and Over 60.

This processing option applies only if you have left the Aging Specifications processing option blank to use the aging processing options and you have left the Aging Method processing option blank to use aging days.

6. Age Credits

Use this processing option to specify how the system ages credits. Valid values are:

Blank

Apply credits to the Current aging column.

1

Age credits.

Print Tab

1. Hold Payment

Use this processing option to specify whether to exclude suppliers for which a payment hold is in effect. The hold status of the supplier is specified in the Hold Payment Code field in the Supplier Master table (F0401). Valid values are:

Blank

Print all suppliers.

1

Exclude suppliers that are on payment hold.

Other Accounts Payable Reports for Multicurrency

Report	Description
Supplier Analysis Report (R04602)	Before you print the Supplier Analysis Report, specify the currency in which you want to state amounts in the processing option. If the system cannot find an exchange rate, it prints an * for the amount on the report.
A/R and A/P Netting Report – Detail (R03B466)	The A/R and A/P Netting Report – Detail lists transactions by customer and supplier and is aged by currency. You can review foreign currency amounts on this report, or domestic currency only amounts.

Multicurrency Journal Entries

Multicurrency journal entries are foreign currency transactions that are entered in a currency that is different from the base currency associated with the company. When you enter a journal entry in a foreign currency, the system calculates the domestic currency amount. It retrieves the exchange rate from the Currency Exchange Rates table (F0015) unless you override the rate on the Journal Entry form at the time of entry.

The system writes foreign transaction amounts to the CA (foreign currency) ledger and domestic amounts to the AA (actual amounts) ledger. If you use detailed currency restatement, the system also creates transactions in the XA (alternate) ledger. The ledger type indicates which ledger or set of books is updated by the transaction.

Multicurrency Batch Totals

For flexibility in data entry, you can enter transactions with different currencies in the same batch. If you set up your Accounts Receivable, Accounts Payable, and General Accounting Constants to require batch control, the debit amounts of the entries are added to obtain the batch total. Batch amounts are not currency sensitive.

If you enter invoices, vouchers, or journal entries with different currencies in the same batch, the system does not adjust for the decimal places of the different currencies. As a result, the totals for the batch are meaningless. For this reason, many users prefer to enter transactions with different currencies in separate batches.

To determine the expected total for a batch with currencies that have different decimal places, add the amounts without using a decimal point and enter the amount in the Total Expected field on the Batch Control form (P0011).

For example, you enter transactions for 10,535.00 EUR and 16,433,500 JPY in the same batch. The system disregards the decimal point in the euro amount and calculates a hash total. The total amount entered, which appears in the Total Entered field on the Batch Control form, is 17,487,000 (1053500 plus 16433500).

The system displays decimals in the Total Entered field on the Batch Control form based on data dictionary item AICU (Input Total). Using the amounts in the example, if you set the Display Decimals field for item AICU to 0 (zero), the system displays 17,487,000. If you set the field to 2, the system displays 174,870.00.

Entering Journal Entries in a Foreign Currency

A foreign currency journal entry is a transaction that is in a currency that is different from the base currency associated with the company.

When you enter a foreign currency journal entry, the two currency code fields that appear on the Journal Entry form work as follows:

- **Base Currency.** The company associated with the account number on the first line of a journal entry determines the base (domestic) currency of the transaction and the document company.
- **Currency.** Unless you enter a specific currency code in the Currency field, the account number on the first line of the journal entry determines the transaction currency as follows:
 - If the account is a non-monetary account, the transaction currency is the currency of the company associated with the account.
 - If the account is a monetary account, the transaction currency is the currency assigned to the account.

When these two currency fields contain different currency codes, the journal entry is a foreign currency journal entry.

► To enter journal entries in a foreign currency

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

1. On *Work With Journal Entries*, click *Add*.

The screenshot shows the PeopleSoft Journal Entry form. At the top, the PeopleSoft logo is visible. Below it, the title "Journal Entry - Journal Entry" is displayed. A toolbar contains icons for OK, Delete, Cancel, Form, Row, and Tools. The form fields are as follows:

- Batch Number: 28863
- Model:
- Percent:
- Reverse:
- Doc Type/No/Co: [] [] 00001
- G/L Date: 06/30/05
- Explanation: interest earned
- Ledger Type: CA MXP
- Currency: MXP
- Exchange Rate: 9.0475000
- Base Currency: USD
- Foreign:

Below the form fields is a table titled "Records 1 - 3". The table has the following columns: Account Number, Foreign Amount, Account Description, Subledger Type, and Subledger.

Account Number	Foreign Amount	Account Description	Subledger Type	Subledger
1.1110.FIB	1,000.00	First Interstate Bank		
9.9120	1,000.00-	Interest Income		
[]	[]	[]	[]	[]

At the bottom of the form, there is a "Remaining Amount" field with a value of [] and a "Remaining Amount" label.

2. On Journal Entry, complete the following fields in the header area of the form:

- Company
- G/L Date
- Explanation

3. Enter the foreign currency in the following field:

- Currency

The system changes the Ledger Type field to CA and turns on the Foreign option in the header area. The Foreign Amount field appears in the detail area.

If you leave this field blank, the system uses the currency of the account that you specify on the first line of the journal entry.

4. Complete the following field if a spot rate applies:

- Exchange Rate

If you leave this field blank, the system retrieves the rate from the Currency Exchange Rates table (F0015).

5. Complete the fields in the detail area of the form as usual and click OK.

Related Tasks for Journal Entries in a Foreign Currency

<p>Changing currency codes and exchange rates</p>	<p>You cannot change the currency code or exchange rate on an existing journal entry. Instead, you must do one of the following:</p> <ul style="list-style-type: none"> • If you have not posted the journal entry, delete it on the Work with Journal Entries form and enter a new journal entry with the correct currency code and exchange rate. • If you have posted the journal entry, void it and enter a new journal entry with the correct currency code and exchange rate.
<p>Voiding journal entries in a foreign currency</p>	<p>If you void a journal entry in a foreign currency, the system creates a reversing journal entry for ledger types AA (actual amounts) and CA (foreign currency amounts).</p>
<p>Entering model journal entries in a foreign currency</p>	<p>The system will not allow you to enter a model journal entry with a foreign currency (CA) ledger type. The system cannot create CA ledger entries for models because models do not contain a G/L date. The G/L date is needed to retrieve an exchange rate.</p> <p>You can enter a model journal entry in the domestic currency only.</p>
<p>Entering journal entries with tax in a foreign currency</p>	<p>You use the Journal Entries with VAT program (P09106) to enter foreign currency journal entries with tax. The multicurrency fields in the P09106 program are the same as</p>

	the fields in the Journal Entry program (P0911).
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See Also

- ❑ *Entering Journal Entries with VAT* in the *Tax Reference Guide* for detailed, non-currency specific information about the Journal Entries with VAT program

► **To review journal entries in a foreign currency**

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

1. On Work With Journal Entries, click Find to display all journal entries, or limit your search by completing any of the fields in the header area or the QBE row, and click Find.
2. Choose the journal entry that you want to review and click Select.

PeopleSoft

Journal Entry - Journal Entry

OK Delete Cancel Form Row Tools

Batch Number: 5906 Model Percent Reverse

Doc Type/No/Co: JE 3772 00001 G/L Date: 06/30/05

Explanation: Record office expense adj Ledger Type: CA EUR

Currency: EUR Exchange Rate: 1.1820331 Base Currency: USD Foreign

Records 1 - 3						
<input type="checkbox"/>	<input type="checkbox"/>	Account Number	Foreign Amount	Account Description	Subledger Type	Subledger
<input type="checkbox"/>	<input type="checkbox"/>	1.1110.BEAR	100.00-	Bear Creek National Bank		
<input type="checkbox"/>	<input type="checkbox"/>	2.8700	100.00	Miscellaneous Expenses		
<input type="checkbox"/>	<input type="checkbox"/>					

Remaining Amount:

3. On Journal Entry, review the following fields:
 - Ledger Type
 - Base Currency

- To toggle between the foreign and domestic currencies, click the Foreign option.

PeopleSoft®

Journal Entry - Journal Entry

OK Delete Cancel Form Row Tools

Batch Number 5906 Model Percent Reverse

Doc Type/No/Co JE 3772 00001 G/L Date 06/30/05

Explanation Record office expense adj Ledger Type AA USD

Currency EUR Exchange Rate 1.1820331 Base Currency USD Foreign

Records 1 - 3

<input type="checkbox"/>	<input type="checkbox"/>	Account Number	Amount	Account Description	Subledger Type	Subledger
<input type="checkbox"/>		1.1110.BEAR	84.60-	Bear Creek National Bank		
<input type="checkbox"/>		2.8700	84.60	Miscellaneous Expenses		
<input type="checkbox"/>						

Remaining Amount

Multicurrency Batch Journal Entry Processing

To successfully process multicurrency batch journal entries, you must understand what type of information the Journal Entries Batch Processor program (R09110Z) requires from the Journal Entry Transactions – Batch File table (F0911Z1). The relationship between the currency mode and currency amount fields and the way that amounts are calculated depend on the type of transaction that you enter.

In addition to batch journal entry processing, you can process batches of journal entries using the store and forward process or the PC journal entry upload process.

Guidelines for Amount, Exchange Rate, and Currency Mode Fields for Batch Journal Entries

Observe the following guidelines to determine how to enter amounts, exchange rates, and currency modes for domestic and foreign transactions when processing batch journal entries in a multicurrency environment.

Type of Transaction	Description
Domestic	<p>If the currency code of the transaction (as identified by the value in VNCRCDD of the first journal entry line) is equal to the currency code of the company, the transaction is a domestic transaction.</p> <p>Enter the transaction amount in the Amount field (VNAA) and enter D in the Currency Mode field (VNCRRM). Do not enter an exchange rate.</p>
Foreign	<p>If the currency code of the transaction (as identified by the value in VNCRCDD of the first journal entry line) is different from the currency code of the company, the transaction is a foreign transaction.</p> <p>Enter the transaction amount in the Currency Amount field (VNACR) and enter F in the Currency Mode field (VNCRRM). The system calculates the domestic amount, based on the exchange rate (VNCRR).</p>
Domestic side of a foreign transaction	<p>If the currency code of the transaction (as identified by the value in VNCRCDD of the first journal entry line) is different from the currency code of the company, but the Amount field (VNAA) contains an amount, the transaction is a foreign transaction.</p> <p>Enter F in the Currency Mode field (VNCRRM). The system calculates the foreign amount, based on the exchange rate (VNCRR).</p>
Foreign and domestic transactions using currency mode 3	<p>If you know both the foreign and domestic amounts, you can bypass system calculations by entering 3 in the Currency Mode field (VNCRRM) and entering amounts in both the Amount field (VNAA) and the Currency Amount field (VNACR). If you leave the Exchange Rate field (VNCRR) blank, the system calculates the exchange rate, based on the two amounts.</p>

See Also

- ❑ *Batch Journal Entry Processing* in the *General Accounting Guide* for complete information about processing batch journal entries, including non-currency specific fields required in the F0911Z1 table
- ❑ *Storing and Forwarding Journal Entries* in the *General Accounting Guide* for information about another way in which to process batch journal entries

Multicurrency Fields Required in the F0911Z1 Table

Before you process batch journal entries, review the following table for a list of the multicurrency fields required in the Journal Entry Transactions – Batch File table (F0911Z1).

For some fields, blank is a valid value.

Field Name	Alias	Type	Length	Description
Currency Code	VNCRCD	Alpha	3	<p>A code that specifies the currency of the transaction. The value in this field must exist in the Currency Codes table (F0013).</p> <p>If you complete this field, the system uses the value from the first journal entry line for all of the lines of the transaction. The system ignores values in subsequent lines. For example, if the VNCRCD field for line 1 is CAD and the VNCRCD field for line 2 is EUR, the system ignores EUR and uses CAD for the entire transaction.</p> <p>If you leave this field blank, the system uses the currency code of the company that is assigned to the first journal entry line.</p> <p>Note You can assign only one currency code to a journal entry regardless of the number of line items that the journal entry contains.</p>
Currency Mode	VNCRRM	Alpha	1	<p>A code that specifies whether the transaction is domestic or foreign. This field is used in conjunction with the Currency Code field (VNCRCD), the Amount field (VNAA), the Currency Amount field (VNACR), and the Exchange Rate field (VNCRR) to calculate the information that is required for the transaction.</p> <p>Depending on other information provided in the transaction, enter D (domestic), F (foreign), or 3 (domestic and foreign). If you enter 3, you must enter both the domestic and foreign amounts; the system does not perform any calculations.</p> <p>If you leave this field blank, the value is determined by the other information that is provided for the transaction and the field is updated when the journal entry is processed.</p> <p>Note You can assign only one currency mode to a journal entry regardless of the number of line items that the journal entry contains.</p>

Field Name	Alias	Type	Length	Description
Currency Amount	VNACR	Number	15	Enter the transaction amount in this field only if the currency code (VNCRCR) is different from the currency code that is assigned to the company, as defined in the Company Constants table (F0010). Enter the amount in the format that your database accepts. Some databases accept a decimal identifier while others do not.
Exchange Rate	VNCRR	Number	15	<p>This value is the exchange rate that is used to calculate either the domestic or foreign amount, depending on the information provided.</p> <p>If you leave this field blank and the currency mode (VNCRRM) is not 3, the system uses the exchange rate from the Currency Exchange Rates table (F0015). Complete this field if you want to override the rate that is established in the table or if an exchange rate does not exist in the table.</p> <p>If you activated tolerance checking with a processing option in the Journal Entry MBF Processing Options program (P0900049), the system validates the exchange rate that you enter. If you did not activate tolerance checking, the system does not validate the exchange rate.</p> <p>Note You can assign only one exchange rate to a journal entry regardless of the number of line items that the journal entry contains.</p>
Ledger Type	VNLT	Alpha	2	<p>You can leave this field blank, or enter AA or any other valid ledger type in UDC 00/LT <i>except</i> CA. Never enter CA in this field.</p> <p>The system determines whether the transaction is foreign based on the currency code, currency mode, and amount fields.</p> <p>Note You can assign only one ledger type to a journal entry regardless of the number of line items that the journal entry contains.</p>

Posting Multicurrency Journal Entries

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

After you enter, review, and approve multicurrency journal entries, you post them to the general ledger. The post program selects unposted journal entries from the Account Ledger table (F0911), posts them to the Account Balances table (F0902), and then updates the transaction in the F0911 table with a posted code of P (posted).

The post program performs the tasks described in the following table in sequential order, regardless of whether you use multicurrency processing. For information specific to posting G/L transactions in a multicurrency environment, review the information in the *Multicurrency Considerations* column.

Task Performed by G/L Post	Multicurrency Considerations
Selects data to post	Selects foreign amounts in the CA (foreign currency) ledger and posts them.
Validates information and performs error processing	Verifies that intercompany settlements are properly set up for a multicurrency environment, regardless of whether the batch contains journal entries between companies. Also verifies that detailed currency restatement, if used, is properly set up.
Creates automatic entries	Creates transactions for automatic offsets that are required for intercompany settlements. The system uses the Ledger Type Master File table (F0025) to determine the ledgers that require intercompany settlements.
Updates the posted codes	
Updates the Taxes table (F0018)	
Updates the batch status	
Updates fields in the F0911 table	For multicurrency intercompany adjusting entries, updates the Line Extension Code field with AM in the Account Ledger table (F0911).
Runs programs specified in the processing options	If specified to do so, runs the Detailed Currency Restatement program (R11411), which updates the XA ledger and, if applicable, the YA and ZA ledgers. You specify the version of the Detailed Currency Restatement program in the processing options.

The post program generates the following reports:

Report	Description
Post Detail Error Report	For transactions in a foreign currency, this report lists AA and CA ledger amounts that are out of balance. The AA amounts represent the domestic side of an entry. The CA amounts represent the foreign side of an entry. Both the AA and CA ledgers must be in balance.
General Ledger Post Report	For transactions in a foreign currency, this report lists both the CA ledger and converted AA amounts. Additionally, it lists the currency code of the CA ledger amount and the domestic currency of the company for the AA ledger amount. If you use detailed currency restatement, the program produces a separate General Ledger Post Report.

How Balance Amounts Are Stored in the F0902 Table

Amounts are stored differently in the Account Balances table (F0902) depending on the following:

- Whether you post account balances by currency or post summarized balances
- Whether the account to which you post is a monetary account (currency-specific) or non-monetary account

The following examples illustrate the differences. In the examples, the base currency for company 100 is U.S. dollars (USD).

Example: Balances by Currency

Account	Company	Ledger Type	Amount	Transaction Currency (CRCD)	Company (Denominated) Currency (CRCX)
1.1210	100	AA	4,502.00	EUR	USD
1.1210	100	CA	5,000.00	EUR	EUR
1.1210	100	AA	1,917.00	CAD	USD
1.1210	100	CA	3,000.00	CAD	CAD
1.1210	100	AA	3,500.00	USD	USD
1.1210	100	CA			

Note

No corresponding CA record exists when the AA record is in the base (company) currency.

Example: Summarized Balances

Account	Company	Ledger Type	Amount	Transaction Currency (CRCD)	Company (Denominated) Currency (CRCX)
1.1210	100	AA	6,419.00	<blank>	USD
1.1210	100	CA	8,000.00	<blank>	USD

Example: Monetary Accounts

Account	Company	Ledger Type	Amount	Transaction Currency (CRCD)	Company (Denominated) Currency (CRCX)
1.1110	100	AA	4,502.00	EUR	USD
1.1110	100	CA	5,000.00	EUR	EUR

Example: Non-Monetary Accounts

Account	Company	Ledger Type	Amount	Transaction Currency (CRCD)	Company (Denominated) Currency (CRCX)
1.1210	100	AA	4,502.00	<blank>	USD
1.1210	100	CA	5,000.00	<blank>	USD

Multicurrency Intercompany Settlements

If your organization allows transactions between its companies, and those companies have different base currencies, the companies will be out of balance unless you create and post balancing entries. These balancing entries ensure that the net balance for each company equals zero; that is, debits equal credits.

For example, assume your organization consists of companies in France, Canada, and the United States with base currencies of EUR, CAD, and USD respectively. You create a U.S. dollar (USD) transaction that is distributed to general ledger accounts in the French company (EUR) and Canadian company (CAD). The journal entry distribution crosses company and currency boundaries and, therefore, balancing entries must be created for the multicurrency intercompany settlements.

You can enter and distribute invoices, vouchers, and journal entries to multiple companies with different base currencies. The post program makes currency adjustments as well as automatic entries for the intercompany settlements.

To perform intercompany settlements between companies with different base currencies, you must use the detail method (2) or configured hub method (3) for intercompany settlements and turn on the option in the General Accounting Constants program (P0000) to allow multicurrency intercompany transactions. For method 3, you can have companies with different base currencies within the *same* configured hub, which uses a common currency.

Receipts and Payments

The Account Receivable receipts and Account Payable payment programs do not support multicurrency intercompany settlements. If you enter a multicurrency intercompany receipt or payment, the system issues an error message. You cannot post the entry.

See Also

- ❑ *Setting Up Multicurrency Constants* in the *Multicurrency Guide* for more information about intercompany settlement methods 2 and 3
- ❑ *Intercompany Settlements* in the *General Accounting Guide* for detailed, non-currency specific information about intercompany settlement methods

AAIs for Multicurrency Intercompany Settlements

Two AAIs (ICCC and ICH) are available for intercompany settlements. AAI item ICCC is the only AAI used by intercompany settlement methods 2 (detail) and 3 (configured hub), which are the methods allowed for multicurrency processing.

AAI item ICCC defines the accounts that the system uses to create automatic entries between companies with intercompany journal entries.

The following applies to AAI item ICCC:

- The system uses the account assigned to ICCC to create automatic entries when you post journal entries for intercompany settlements.
- You must set up a separate AAI item ICCC for each company, regardless of whether the company is involved in intercompany settlements.
- The company of the account must be the same as the company specified in the AAI.
- The business unit and object account are required.

Intercompany Journal Entries with Multiple Currencies

The base currency of an intercompany journal entry is typically determined by the currency of the company that is associated with the G/L account on the first line of the document. The transaction currency on the journal entry is compared with the company currency to determine whether the journal entry is domestic or foreign. Unlike journal entries, the base currency of accounts receivable and accounts payable transactions is determined by the company entered in the header portion of the transaction.

For intercompany journal entries, you can enter the amount in either the domestic or foreign currency. When you enter a domestic amount, the system creates the amount with the number of decimals of the company base currency. When you enter a foreign amount, the system creates the amount with the number of decimals of the transaction currency. The number of decimals for each currency is stored in the Currency Codes table (F0013). When you enter an intercompany journal entry with multiple currencies, the system updates the GLALT1 field in the Account Ledger table (F0911) with 1.

When you post intercompany journal entries, the post program creates an adjusting entry in the F0911 table to balance the domestic amounts (AA ledger) of the non-base currency accounts. The non-base currency accounts are the accounts on the second and successive lines of a journal entry; the base currency account is typically the account on the first line. The adjusting entry is identical to the original AA ledger record except that:

- The amount is an adjusting debit or credit.
- The system updates the Line Extension Code field (GLEXTL) with AM to make it a unique record; otherwise, a duplicate key problem would exist. This AM record appears only on the General Ledger Post Report and in the Universal Table Browser (UTB) for F0911.

The original journal entry and its associated adjusting entry net to the correct amount for the actual base currency of the non-base currency account.

Revising Intercompany Journal Entries That Include Multiple Currencies

After you post a batch of intercompany journal entries for companies with multiple currencies, you cannot revise the posted journal entries, but you can add journal entries to the batch.

When you first enter a batch of intercompany journal entries that include multiple currencies, the system uses the currency of the company associated with the G/L account on the first line of the document to determine the base currency of the document. It stores the base currency in the Account Ledger table (F0911). When you add journal entries to a posted batch, the system compares the base currency of the document, which is stored in the F0911 table, with the currency of the journal entries that you add to determine whether the entries are intercompany journal entries for companies with multiple currencies.

Example: Multicurrency Intercompany Settlements

In the following example, you create a journal entry for 1,000.00 USD to transfer funds from a U.S. company (company 1) to a French company (company 70). The exchange rate is 1 USD = 1.08596 EUR.

Journal Entry

You enter transaction amounts in USD for both companies 1 and 70. The currency is USD and the mode is D (domestic). The transaction is considered a domestic transaction because the currency of the journal entry is the same as the company currency of the account on the first line of the entry.

The system creates entries in the AA (actual amounts) ledger as follows:

Account	Amount	Ledger Type
1.1110.BEAR	- 1,000.00	AA
70.1110.FRANCE	1,000.00	AA

The system identifies this journal entry as an intercompany transaction between two companies that have different base currencies and uses an exchange rate of 1. When the exchange rate is 1, the system also creates an entry for the transactions in the foreign currency (CA) ledger.

In the CA ledger, the value for company 70 (the French company) is the foreign amount (USD) of the transaction. The value for company 1 keeps the CA ledger in balance.

The system creates entries in the CA ledger as follows:

Account	Amount	Ledger Type
1.1110.BEAR	- 1,000.00	CA
70.1110.FRANCE	1,000.00	CA

Adjusting Entry and the Post

When you post the journal entry, the system creates an adjusting entry of 85.96 EUR to correct the AA amount of the non-base currency. The line extension code for the adjusting entry is AM. This AM record appears only on the General Ledger Post Report and in the Universal Table Browser (UTB) for F0911.

Account	Amount	Ledger Type
1.1110.BEAR	- 1,000.00 USD	AA
70.1110.FRANCE	1,000.00 EUR	AA
70.1110.FRANCE	85.96 EUR	AA
1.1110.BEAR	- 1,000.00 USD	CA
70.1110.FRANCE	1,000.00 USD	CA

The 85.96 EUR adjusting entry is the net amount of the following calculation:

(Foreign value of the transaction x exchange rate) – value of transaction already posted

$$(1,000.00 \times 1.08596) - 1,000.00 = 85.96 \text{ EUR}$$

The total EUR amount is 1,085.96 (1,000.00 x 1.08596).

The system does not display the adjusting entry on the Journal Entry form. However, the system adds the original entry and the adjusting entry and displays the total on the Account Ledger Inquiry form and on all printed journals and G/L reports.

Intercompany Settlement and the Post

The system creates the final journal entries that complete the intercompany settlement and keep companies 1 and 70 in balance.

Account	Amount	Ledger Type
1.1291	1,000.00 USD	AA
70.1291	- 1,085.96 EUR	AA
1.1291	1,000.00 EUR	CA
70.1291	- 1,000.00 USD	CA

Example: T-Accounts for Multicurrency Intercompany Settlements

The following T-accounts are based on *Example: Multicurrency Intercompany Settlements*. In the example, a journal entry is created for 1,000 USD to transfer funds from a U.S. company (company 1) to a French company (company 70).

Journal Entry

You create a journal entry to credit the cash account for company 1 and debit the cash account for company 70. The system records these entries in U.S. dollars (USD), as entered, in both the actual amount (AA) and foreign currency (CA) ledgers.

1.1110.BEAR		70.1110.FRANCE	
	1,000.00 AA	1,000.00 AA	
	1,000.00 CA	1,000.00 CA	

Adjusting Entry and the Post

When you post the journal entry, the system creates an adjusting entry in the AA ledger to convert the USD amount to EUR for company 70. The exchange rate is 1 USD = 1.08596 EUR. The system has already debited 1,000.00 from company 70, so it debits an additional 85.96.

1.1110.BEAR		70.1110.FRANCE	
	1,000.00 AA	1,000.00 AA	
	1,000.00 CA	1,000.00 CA	
		85.96 AA	

Intercompany Settlement and the Post

The system creates additional automatic entries to transfer the money between the companies. The intercompany accounts receivable account is 1291.

1.1291		70.1291	
1,000.00 CA		1,085.96 AA	
1,000.00 AA		1,000.00 CA	

Intercompany Accounts in Balance Report

The Intercompany Accounts in Balance integrity report (R097011) uses information from the Account Balances table (F0902) to compare the balances among various intercompany settlement accounts within a single company. These accounts should be in balance. If they are not, the report lists the accounts, their balances, and the amount required to balance each account.

If you have multiple companies with different base currencies, do not use this integrity report to verify that your intercompany accounts are in balance. This integrity report does not accommodate different base currencies.

For example, Company 70 has a balance of 50,000.00 euro (EUR) in its intercompany settlement account. Company 71 has a balance of 69,624.00 Canadian dollars (CAD) in its intercompany settlement account. The 50,000.00 EUR balance is equal to the 69,624.00 CAD balance because of the EUR to CAD exchange rate (1.39248). This integrity report shows that the two companies are out-of-balance because it does not allow for the different base currencies.

Note

To determine whether batches within your company are out of balance, run the Company by Batch Out of Balance integrity report (R09706).

See Also

- *Running the Company By Batch Out of Bal Report in the General Accounting Guide*

Unrealized Gains and Losses for General Accounting

If you work with foreign currencies, you need to revalue your monetary accounts to reflect current exchange rates by running the Monetary Account Valuation program (R09415). Monetary accounts, which are typically bank accounts, are accounts that accept only transactions in a specific currency.

The Monetary Account Valuation program calculates unrealized gains and losses due to currency fluctuations. Typically, you will run this program during your period-end processing.

Unrealized Gains and Losses for Accounts Receivable and Accounts Payable

The following reports provide information for monthly valuation of open invoices and vouchers, but do not calculate unrealized gains and losses:

- Open A/R Details (P03B429)
- Open A/P Details (P04427)

For more information, see *Open A/R Detail Reports for Multiple Currencies* and *Open A/P Detail Reports for Multiple Currencies* in the *Multicurrency Guide*.

The following reports calculate unrealized gains and losses on open invoices and vouchers:

- A/R Unrealized Gain/Loss Report (R03B426)
- A/P Unrealized Gain/Loss Report (R04425)

For more information, see *Running the A/R Unrealized Gain/Loss Report* and *Running the A/P Unrealized Gain/Loss Report* in the *Multicurrency Guide*.

Monetary Account Valuation

You use the Monetary Account Valuation program (R09415) to calculate the current domestic value of a foreign currency amount and determine the unrealized gain or loss due to exchange rate fluctuations. The calculation shows what the gain or loss would have been if you had converted the foreign balance to your domestic currency. Typically, you run this program on the balances of foreign bank accounts.

The Monetary Account Valuation program calculates unrealized gains and losses as follows:

1. Compares the currency code of selected accounts with the currency code of the company with which the account is associated. Stated another way, it compares foreign balances in the foreign currency (CA) ledger with domestic balances in the actual amounts (AA) ledger.
2. Retrieves an exchange rate from the Currency Exchange Rates table (F0015) based on the comparison, using the "as of" date specified in a processing option.
3. Multiplies or divides the original foreign balance by the exchange rate to compute the new domestic balance.

- Compares the new domestic balance with the original domestic balance to calculate the unrealized gain or loss.

The Monetary Account Valuation program creates a journal entry to record the unrealized gains and losses as follows:

- The journal entry document type is JX (foreign currency revaluation). This document type adjusts only the domestic side (AA ledger) of a monetary account and leaves the foreign side (CA ledger) unchanged.

PeopleSoft

Account Ledger Inquiry - Work With Account Ledger

Select Find Close Form Row Report Tools

Account: 9.9144.GAIN *Unrealized Gain*

Ledger Type 1: AA USD *General Ledger* From Date: 01/01/05

Thru Date: 06/30/05

Type/Subledger: * Currency Code: *

Posted Unposted All YTD

Records 1 - 6									
<input type="checkbox"/>	<input type="checkbox"/>	Do Ty	Doc Number	Doc Co	G/L Date	Explanation	LT 1 Amount	LT 1 Debit	P C
<input type="checkbox"/>		JX	3584	00001	06/30/05	Unrealized Gain/Loss	0.01-		
<input type="checkbox"/>		JX	3774	00001	06/30/05	Unrealized Gain	8,451.75-		
<input type="checkbox"/>						Column Total	8,451.76-		
<input type="checkbox"/>						Ledger Total	8,451.76-		
<input type="checkbox"/>						Posted Total			
<input type="checkbox"/>						Unposted Total	8,451.76-		

- The journal entry contains the currency code of the company.
- The journal entry is a reversing entry because the gain or loss is not realized. It applies to the end of the period only.

In many countries, accounting rules specify that you report unrealized losses, but not unrealized gains. You can set a processing option in the Monetary Account Valuation program to create journal entries only for losses. You can also set the processing option to create journal entries for gains only, or for both gains and losses.

In the United States, accounting rules (SFAS 52) specify that you report both unrealized gains and unrealized losses.

Example: Monetary Account Valuation

For this example, assume that your company is located in Great Britain and its base currency is British pounds (GBP). You need to pay several suppliers in Hong Kong dollars (HKD), so you establish a monetary bank account in HKD.

At the end of the month, you have 1,000,000.00 HKD in the bank account in Hong Kong. The account balance in the actual amounts (AA) ledger is 80,268.00 GBP. This account balance is based on the exchange rates of the individual transactions in the AA ledger. You must revalue the foreign bank account balance in your company currency using the exchange rate that is in effect at the end of the month, which is 1 HKD = 0.078996 GBP.

When you run the Monetary Account Valuation program, the system creates a reversing journal entry for an unrealized loss of 1,272.00 GBP. The account balance in the AA ledger is now 78,996.00 GBP. On the first day of the following month, the system will reverse the journal entry and you can revalue the account again.

Calculating Unrealized Gains and Losses on Monetary Accounts

From the Monthly Valuation menu (G1121), choose Monetary Account Valuation.

Typically, you run the Monetary Account Valuation program (R09415) at period end and calculate your unrealized gains and losses prior to running financial statements. The program creates journal entries with a document type of JX (foreign currency revaluation) for the unrealized gains and losses.

The Monetary Account Valuation program prints a report that lists:

- Domestic (AA) and foreign (CA) ledger balances as of the transaction date
- Current domestic value of the ledger balances using the "as of" date that is specified in the processing options
- Unrealized gain or loss amount

You can set the level of detail in a processing option and use this report as a trial balance that shows both foreign and domestic amounts. Be aware that if the report includes more than one currency, no total amount exists for the foreign ledger balance column. The amount would be meaningless because of the mixed currencies.

The Monetary Account Valuation program sends error messages to the Employee Work Center unless you set a processing option to print the error messages on a report.

Use version XJDE0001 to perform monetary account valuation on monetary accounts. (Version XJDE0002 is used for non-monetary accounts for posting balances by currency.)

Caution

If you rerun the Monetary Account Valuation program, ensure that the journal entries created by the program are posted or the program will create duplicate journal entries.

Prerequisites

- ❑ Enter new exchange rates on the Revise Currency Exchange Rates form. See *Setting Up Exchange Rates for the Inverse Method* or *Setting Up Exchange Rates for the No Inverse Method* in the *Multicurrency Guide*.
- ❑ Verify that AAI items GV, GW, and GR are set up correctly. See *AAIs for Unrealized Gains and Losses on Monetary Bank Accounts* in the *Multicurrency Guide*.
- ❑ Verify that monetary accounts are set up correctly. See *Assigning Currency Codes to Monetary Accounts* in the *Multicurrency Guide*.

Processing Options for Monetary Account Valuation (R09415)

LOD Tab

1. Account Level of Detail

Blank = Print all account levels of detail

Use this processing option to specify the lowest account level of detail to print on the report. Your choices are:

- o Enter a specific account level of detail between 3 and 9 (for example, 3)
- o Leave the field blank to print all account levels of detail (levels 3 through 9)

For example, if you specify level 7 as the lowest level of detail and your chart of accounts includes levels 8 and 9, level 7 will include the totals for accounts that have amounts at levels 8 and 9, but the detail for levels 8 and 9 will not print.

Level 1 represents the company level, and level 2 represents the business unit level. Levels 1 and 2 always print on the report.

For rollup from one level of detail to the next to occur accurately, you cannot skip levels of detail when you set up the chart of accounts. Skipping a level of detail will produce unpredictable results.

Period Tab

1. Fiscal Year

Blank = Use current fiscal year

Use the Fiscal Year field to identify the last two digits of the fiscal year for which the system will perform monetary account valuation. For example, enter 05 for 2005.

If you complete this field, you must also specify the period number in the Period Number field.

If you leave this field blank, the system uses the current fiscal year and period defined for General Accounting on the Company Setup form and recorded in the Company Constants table (F0010) for the company of each account that is processed.

2. Period Number

Blank = Use current period

Use the Period Number field to identify the period for which the system will perform monetary account valuation.

If you complete this field, you must also specify the fiscal year for the monetary account valuation in the Fiscal Year field.

If you leave this field blank, the system uses the current fiscal year and period defined for General Accounting on the Company Setup form and recorded in the Company Constants table (F0010) for the company of each account that is processed.

Print Tab

1. Account Number Format

1 = Standard account number (business unit.object.subsidiary)

2 = Account ID

3 = Free-form (third account number)

Default (blank) = Standard account number

Use this processing option to specify the format for printed account numbers. Valid values are:

1

Standard account number. The default format is business unit.object.subsidiary.

2

Account ID. The system assigns this number when the account is entered.

3

Free-form (third account number). Your organization assigns this number during account setup. If you leave this field blank, the system uses the standard account number.

2. Suppress Zero Balances

Blank = Print all accounts

1 = Do not print accounts with zero balances

Use this processing option to omit printing accounts with zero balances. Valid values are:

Blank

Print all accounts

1

Do not print accounts with zero balances

Note: Only accounts that have associated currency codes will print, regardless of how you set this processing option.

Subledger Tab

1. Subledger

Subledger number = Process only accounts with this subledger

* = Process all accounts

Blank = Process only accounts without subledgers

Use this processing option to select accounts with subledgers for monetary account valuation. Valid values are:

A specific subledger number.

The system will process all accounts with this subledger.

*

The system will process all accounts.

Blank.

The system will process only accounts without subledgers.

If you complete the Subledger field but do not complete the Subledger Type field, the system will disregard what you enter in the Subledger field and will process only accounts without subledgers, unless you enter * in the Subledger field. If you enter * in the Subledger field, the system will process all accounts and all subledgers.

If you complete both the Subledger field and the Subledger Type field, but the subledger type that you enter is not a valid subledger type for the subledger that you enter, the system will disregard what you enter and will process only accounts without subledgers.

2. Subledger Type

Use this processing option to specify the user defined code (00/ST) for the table that contains the subledger numbers. For example, subledger type A identifies the Address Book Master table (F0101). You can use the visual assist in this field to select the subledger type.

If you complete the Subledger Type field but do not complete the Subledger field, the system will disregard what you enter in the Subledger Type field and will process only accounts without subledgers.

If you complete both the Subledger field and the Subledger Type field, but the subledger type that you enter is not a valid subledger type for the subledger that you enter, the system will disregard what you enter and will process only accounts without subledgers.

As Of Tab

1. As Of

Blank = Use last day of period on Period tab

If blank, use current period

Use this processing option to specify the date of the exchange rate that the system will use to perform monetary account valuation for the company of each account that is processed.

The system uses the exchange rate in the Currency Exchange Rates table (F0015) for the date that you specify. If a company has more than one currency code assigned to its monetary accounts, the system uses the specific exchange rate for each currency.

If you leave this field blank, the system uses the exchange rate for the last day of the period that you entered in the Period Number field on the Period tab. If the Period Number

field is blank, the system uses the last day of the current period defined for General Accounting on the Set Up Company form and recorded in the Company Constants table (F0010) for the company of each account that is processed.

Journal Entries Tab

1. Gains/Losses

1 = Create JEs for calculated gains and losses

2 = Create JEs only for calculated losses

3 = Create JEs only for calculated gains

Blank = Do not create JEs

Use this processing option to specify whether the system will create journal entries for accounts with calculated gains or losses from monetary account valuation. AAI item GVxxx determines the accounts in which the system will create journal entries for calculated gains, and AAI item GWxxx determines the accounts in which the system will create journal entries for calculated losses. Valid values are:

1

Create journal entries for accounts with both calculated gains and calculated losses

2

Create journal entries only for accounts with calculated losses

3

Create journal entries only for accounts with calculated gains

Blank

Do not create journal entries

2. Reversing Entries

Blank = Create reversing JEs

1 = Do not create reversing JEs

Use this processing option to specify whether the system will create reversing journal entries for accounts with calculated gains or losses. Valid values are:

Blank

Create reversing journal entries for accounts with calculated gains or losses

1

Do not create reversing journal entries for accounts with calculated gains or losses

If you leave the Gains/Losses field blank, the system will not create reversing journal entries, even if you leave the Reversing Entries field blank.

3. G/L Date

Blank = Use last day of period on Period tab

If blank, use current period

Use this processing option to specify the date to be used for the journal entries that the system creates during monetary account valuation. If you leave this field blank, the system uses the last day of the period that you entered in the Period Number field on the Period tab.

If the Period Number field is blank, the system uses the last day of the current period as defined for General Accounting on the Set Up Company form and recorded in the Company Constants table (F0010) for the company of each account that is processed.

If you leave the Gains/Losses field blank, the system will not create journal entries, even if you enter a date in the G/L Date field.

4. Approve Batches

1 = Create batches in approved status

Blank = Use "Management Approval of Input" constant

Use this processing option to create the batches of journal entries with a status of approved, regardless of the setting of the "Management Approval of Input" constant on the General Accounting Constants form. If you leave the Approve Batches field blank, the system uses the value of the "Management Approval of Input" constant to determine whether management approval is required. Valid values are:

1

Create journal entry batches in approved status

Blank

Use the value of the "Management Approval of Input" constant on the General Accounting Constants form to determine whether management approval is required.

If you set the Gains/Losses field to create journal entries, you can use this field to automatically approve the journal entry batches. Otherwise the system ignores this field.

Errors Tab

1. Print Errors

1 = Print error messages on report

Blank = Send error messages to Employee Work Center

Use this processing option to print error messages on the report. If you leave the field blank, the system will send error messages to the Employee Work Center. Valid values are:

1

Print error messages on the report.

Blank

Send error messages to the Employee Work Center.

Data Selection for Monetary Account Valuation

PeopleSoft recommends that you use the selection criteria provided in the version XJDE0001 (Currency Code - From is not equal to blank).

Realized Gains and Losses for Bank Statement Processing

When you initially enter a receipt or payment, the system records the current exchange rate on the transaction. Later when the receipt or payment clears the bank, the bank records a different exchange rate. To account for the difference in exchange rates, you run the Bank Journal Statement Process program (R09170), and the system creates a gain/loss record. Gain/loss records are created only for cleared receipts (transaction code CR) and payments (transaction code CK).

To create a gain or loss, the system compares the CA ledger amounts in the Bank Statement Detail table (F0917) with the CA ledger amounts in the Account Ledger table (F0911). If the CA ledger amounts are the same, the system creates a gain/loss entry based on the AA ledger amounts. If the CA ledger amounts are different, the system creates tolerance variance entries as well as a gain/loss entry based on the AA ledger amounts.

CA Ledger Amounts Are the Same

If the CA ledger amounts are the same, the system compares the AA ledger amounts in the F0911 and F0917 tables. If they are different, the system creates a realized gain or loss.

In the following example, the CA ledger amounts are the same.

Table	CA Ledger	AA Ledger
F0911	1,000.00 EUR	1,560.00 CAD
F0917	1,000.00 EUR	1,550.95 CAD

The standard gain/loss is + 9.05.

Calculation: AA (F0911) – AA (F0917) = AA difference

$$1,560.00 - 1,550.95 = + 9.05 \text{ CAD}$$

Currency Loss	Bank Account
9.05 CAD	9.05 CAD

CA Ledger Amounts Are Different

If the CA ledger amounts are different, the system calculates the difference. It then divides the CA amount by the AA amount in the F0917 table to derive an exchange rate. Next, it multiplies the CA difference by the exchange rate to calculate an AA difference. Using the CA and AA differences, the system creates two tolerance variance entries.

Finally, the system subtracts the AA difference from the AA amount in the F0911 table to create an adjusted AA amount in the F0911 table. It then subtracts the AA amount in the F0917 table from the AA adjusted amount in the F0911 table to calculate the currency gain or loss.

In the following example, the CA ledger amounts are different:

Table	CA Ledger	AA Ledger
F0911	2,015.00 EUR	3,125.16 CAD
F0917	2,000.00 EUR	3,120.00 CAD

For variance tolerance entries, the calculations are as follows:

Calculation: CA (F0911) – CA (F0917) = CA difference

$$2,015.00 - 2,000.00 = 15.00 \text{ EUR}$$

Calculation: AA (F0917) / CA (F0917) = exchange rate

$$3,120.00 / 2,000.00 = 1.56$$

Calculation: CA difference x exchange rate = AA difference

$$15.00 \times 1.56 = 23.40 \text{ CAD}$$

Variance Account	Bank Account
15.00 EUR (CA)	15.00 EUR (CA)
23.40 CAD (AA)	23.40 CAD (AA)

For gain/loss entries, the calculations are as follows:

Calculation: AA (F0911) – AA difference = Adjusted AA amount (F0911)

$$3,125.16 - 23.40 = 3,101.76 \text{ CAD}$$

Calculation: Adjusted AA amount (F0911) – AA (F0917) = gain/loss

$$3,101.76 - 3,120.00 = - 18.24 \text{ CAD}$$

Currency Gain	Bank Account
18.24 CAD	18.24 CAD

See Also

- *Bank Statement Processing* in the *General Accounting Guide* for detailed, non-currency specific information about the bank statement process

Multicurrency Considerations for Bank Statement Processing

You use the Bank Statement Entry program (P09160) to track all banking activity, such as electronic funds transfers, direct deposits, and drafts. The following information is specific to multicurrency bank statement processing only.

In a multicurrency environment, you can enter up to three different currencies for each transaction line on the statement.

PeopleSoft

Bank Statement Entry - Enter Statement

OK Delete Cancel Form Row Tools

Bank Account: 1.1110.BEAR Batch Number: 28865

Statement Date: 06/30/05 Lines Entered: 3

Statement Number: 6237862 Incomplete Transactions: 3

Default G/L Date: 06/30/05 Total Withdrawal:

Beginning Balance: 18,000.00 Total Deposit: 7,556.27

Ending Balance: 25,556.27 Remaining Amount:

Incomplete Transactions Only

Records 1 - 4									
<input type="checkbox"/>	<input type="checkbox"/>	TR CD	Amount	Value Date	G/L Date	Pmt/Rcpt Number	Ty	Curr Code	Sequence
<input type="checkbox"/>	<input type="checkbox"/>	JE	1,306.27	06/30/05	06/30/05		JE	CAD	1.00
<input type="checkbox"/>	<input type="checkbox"/>	CK	1,250.00	06/30/05	06/30/05		PN	EUR	2.00
<input type="checkbox"/>	<input type="checkbox"/>	CR	5,000.00	06/30/05	06/30/05		RC	EUR	3.00
<input type="checkbox"/>	<input type="checkbox"/>								

Each transaction line on the Enter Statement form contains an Amount, Currency Code, and Foreign Amount field. The value that you enter in each of these fields depends on the currencies of the bank account, company, and transaction as described below:

- Amount. Enter an amount in this field as follows:
 - For a monetary bank account, enter an amount if the transaction currency and bank account currency are the same.
 - For a non-monetary bank account, enter an amount if the transaction currency and the company currency associated with the bank account are the same.

- **Currency Code.** Enter the currency code of the transaction. If you enter an amount in the Amount field, the default currency code is retrieved from the monetary bank account or the company associated with the non-monetary bank account.
- **Foreign Amount.** Enter an amount in this field only if both of the following apply:
 - The bank account is a non-monetary bank account. (If the bank account is a monetary bank account, leave this field blank.)
 - The transaction currency is *not* the same currency as the company associated with the non-monetary bank account.

If you enter a foreign amount, you must also enter the domestic amount, which is converted by the bank and appears on your statement, in the Amount field.

Payments and Receipts

If the currencies of a company, bank account, and payment (transaction code CK) or receipt (transaction code CR) are different, you must assign a non-monetary transit account to the transaction. This also applies if the company and payment or receipt currencies are the same, but the bank account currency is different.

For the account on each transaction line on the Enter Statement form, the system displays decimals as follows:

- For a monetary bank account, decimals are displayed in the currency of the bank account.
- For a non-monetary bank account and a domestic currency transaction, decimals are displayed in the company currency.
- For a non-monetary bank account and a foreign currency transaction, decimals are displayed in the transaction currency

Review the following examples to further understand how the Amount, Currency Code, and Foreign Amount fields on the Enter Statement form work in combination with the currencies of the company, bank account, and transaction.

Example: Different Company Currency

In this example, the monetary bank account and transaction currencies are the same (USD), but the company currency is different (CAD). A non-monetary transit account is optional.

On the Enter Statement form, enter values in the fields as indicated:

Field	Value	Explanation
Amount	USD	The transaction amount, which is the same currency as the monetary bank account.
Currency Code	USD	The currency code of the transaction. The default is the currency code of the monetary bank account (USD).
Foreign Amount	blank	Not applicable.

When you run the Bank Journal Statement Process program (R09170), the system creates the following, if applicable for the transaction type:

- AA ledger entry in CAD (company currency)
- CA ledger entry in USD (transaction currency)

Example: Different Bank Account Currency

In this example, the company and transaction currencies are the same (CAD), but the monetary bank account currency is different (USD). A non-monetary transit account is required.

On the Enter Statement form, enter values in the fields as indicated:

Field	Value	Explanation
Amount	USD	The transaction amount, converted by the bank to the currency of the monetary bank account.
Currency Code	CAD	The currency code of the original transaction.
Foreign Amount	CAD	The original transaction amount, which is <i>not</i> the same currency as the bank account.

When you run the Bank Journal Statement Process program, the system creates the following, if applicable for the transaction type:

- AA ledger entry in CAD (company currency)
- CA ledger entry in CAD (transaction currency)

Example: Different Transaction Currency

In this example, the bank account is a non-monetary bank account, the company currency is CAD, and the transaction currency is USD. A non-monetary transit account is optional.

On the Enter Statement form, enter values in the fields as indicated:

Field	Value	Explanation
Amount	CAD	The transaction amount, converted by the bank to the currency of the company associated with the non-monetary bank account.
Currency Code	USD	The currency code of the original transaction.
Foreign Amount	USD	The original transaction amount, which is <i>not</i> the same currency as the currency of the company associated with the non-monetary bank account.

When you run the Bank Journal Statement Process program, the system creates the following, if applicable for the transaction type:

- AA ledger entry in CAD (company currency)
- CA ledger entry in USD (transaction entry)

Example: Different Company, Bank Account, and Transaction Currencies

In this example, the currencies are different for the company (CAD), monetary bank account (USD), and transaction (EUR). A non-monetary transit account is required.

On the Enter Statement form, enter values in the fields as indicated:

Field	Value	Explanation
Amount	USD	The transaction amount, converted by the bank to the currency of the monetary bank account.
Currency Code	EUR	The currency code of the original transaction.
Foreign Amount	EUR	The original transaction amount, which is <i>not</i> the same currency as the bank account.

When you run the Bank Journal Statement Process program, the system creates the following, if applicable for the transaction type:

- AA ledger entry in CAD (company currency)
- CA ledger entry in EUR (transaction currency)

See Also

- *Entering Cleared Receipt Transactions in the General Accounting Guide*
- *Entering Cleared Payment Transactions in the General Accounting Guide*

Currency Restatement

Most organizations that use multiple currencies perform some method of restatement at the end of each period. Currency restatement is typically used to convert financial information into the currency of a parent company or into a stable currency for consolidations and reporting purposes. With currency restatement, you can restate amounts into:

- A different currency at the transaction level. This is called detailed currency restatement and is useful for you if your company is operating in highly inflationary economy because it allows you to maintain a second set of transactions in a stable currency for reporting purposes.
- A different currency at the balance level. This is called balance restatement and is useful for restating balance amounts into another currency that is used for reporting purposes.
- The same currency using an exchange rate associated with a specific date, as if that rate and date applied to all transactions. This is called “as if” currency restatement and it eliminates fluctuations in exchange rates over a period of time for comparison purposes.

Indexed Allocations

Indexed allocations allow you to restate amounts from one currency to another for consolidated reporting; however, PeopleSoft recommends that you use one of the currency restatement methods instead of allocations. Rounding problems occur when you use indexed allocations to convert and restate amounts.

Currency Restatement Methods

Before you set up your companies for currency restatement, determine which method you will use for reporting and governmental requirements.

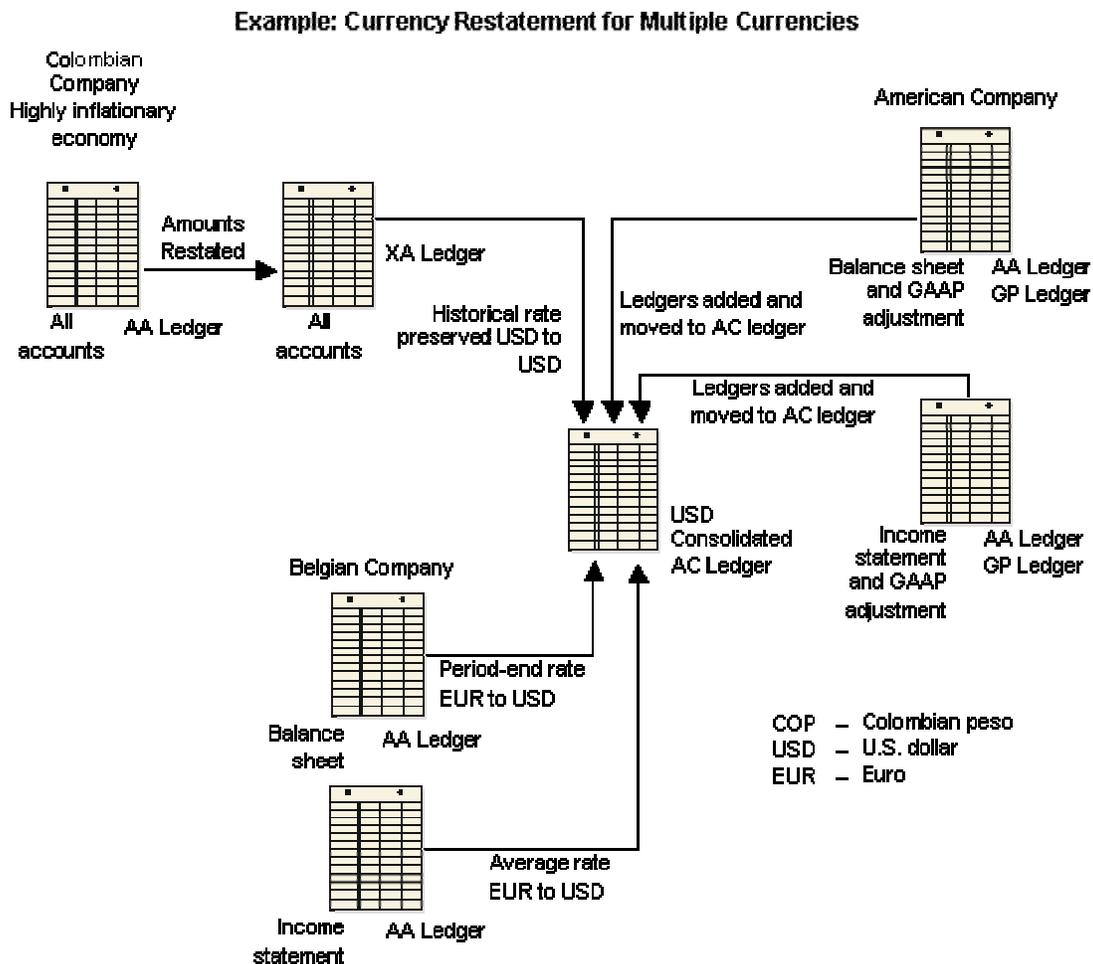
Currency restatement involves recalculating amounts from one currency to another currency. The primary objective is to produce consolidated reporting across companies and currencies. If you are not required to produce consolidated reports, you might not need to set up your system for currency restatement.

PeopleSoft provides the following currency restatement methods. You can use one, two, or all three methods for a company.

Restatement Method	Description
Detailed currency restatement	<p>Use this method if either of the following apply:</p> <ul style="list-style-type: none"> • Your company operates in a highly inflationary economy. This method allows you to maintain a second set of transactions in a stable currency for reporting purposes. For example, by restating transactions from Colombian pesos (COP) to U.S. dollars (USD), a Colombian company can generate meaningful comparisons of current to historical amounts by using the more stable U.S. dollar. • Your company needs to maintain transactions in two base currencies in the Account Ledger table (F0911) for all accounts or a range of accounts. This situation means that for every domestic transaction, a transaction in an alternate currency exists. <p>Detailed currency restatement records are posted to the F0911 table. If you use detailed currency restatement, you must have adequate disk space to handle the increased number of records in the F0911 table.</p> <p>You specify whether a company uses detailed currency restatement in the Company Names & Numbers program (P0010).</p>
Balance restatement	<p>Use this method to complete consolidated financial reports based on balances in the Account Balances table (F0902). Balance currency restatement records are updated in the F0902 table.</p> <p>The balance restatement method restates balances into a single currency for consolidated reporting purposes. For example, by restating U.S. dollars to Canadian dollars, you can consolidate reporting with other Canadian companies.</p> <p>You identify the computation ID for balance restatement for each company in the Company Names & Numbers program, or in a processing option when you run the Compute Restated Balances program (R11414). If you enter a computation ID in the processing option, it overrides the ID set up for the company in the Company Names & Numbers program.</p>
"As if" restatement	<p>Use this method if your company needs to eliminate fluctuations in currency exchange rates over a period of time for comparison purposes.</p> <p>“As if” restatement restates account balances using a single exchange rate. For example, by reposting U.S. dollar transactions using a single exchange rate, a Canadian company doing a project in France can compare actual income and expenses against budgeted amounts for a year ago.</p> <p>You cannot use "as if" restatement for consolidations.</p>

Example: Currency Restatement

The following graphic shows a consolidation of three companies that operate in different parts of the world. The Colombian company, which operates in a highly inflationary economy, uses detailed currency restatement. The American and Belgian companies use balance currency restatement. In this example, GP is a user-defined ledger type for Generally Accepted Accounting Principles (GAAP) adjustments.



Detailed Currency Restatement

Detailed currency restatement allows you to maintain a second set of books in an alternate (stable) currency in the Account Ledger table (F0911). You set up detailed currency restatement for a company in the Company Names & Numbers program (P0010). Detailed currency restatement is typically used for one of the following reasons:

- A company operating in a highly inflationary currency needs to maintain a second set of books in an alternate (stable) currency for financial analysis and reporting.
- A company needs to report final results *at the transaction level* in both the local currency and the currency of the parent company.
- A company needs to maintain dual reporting for certain classes of general ledger accounts, such as fixed assets, inventory, and equity accounts, to meet accounting standards.

Typically, the Detailed Currency Restatement program (R11411) uses amounts in the domestic currency ledger (AA) and restates them in an alternate currency ledger (XA). However, if amounts in the foreign currency ledger (CA) are in the same currency as the XA ledger, the program instead copies the CA ledger amounts to the XA ledger; it does not restate the AA amounts.

The Detailed Currency Restatement program creates a corresponding transaction in the alternate currency in the XA ledger for every transaction in the domestic currency that is within the range or ranges of accounts specified in the automatic accounting instructions (AAIs). Although uncommon, some clients also use ledger types YA (domestic origin) and ZA (foreign origin) for detailed currency restatement.

Detailed currency restatement is integrated into the General Accounting, Accounts Receivable, Accounts Payable, and Fixed Assets systems. This restatement method includes special functionality for voids, reversals, and gain and loss calculations.

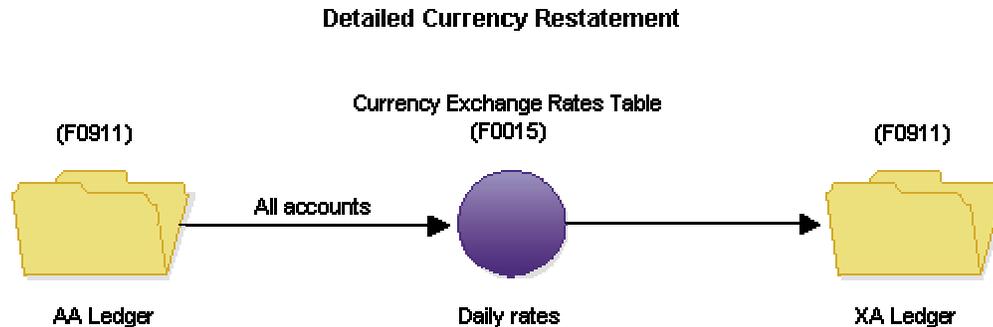
Note

Before you restate your base currency amounts in another currency, determine whether you really need those amounts restated at a detail level. Restating amounts at the detail level has sizing implications. For example, if you enter approximately 2,000 records on a monthly basis, you will have 4,000 records after you run detailed currency restatement. This increase can have a considerable impact on your system disk resources.

Detailed Currency Restatement and Ledgers Used

You must set up the alternate currency (XA) ledger for detailed currency restatement and, optionally, the domestic origin (YA) and foreign origin (ZA) ledgers. The detailed currency restatement program is designed to use only these ledgers.

The following graphic shows the XA ledger and the tables used for detailed currency restatement:



The XA, YA, and ZA ledgers, which are hard coded, are described in the following table:

Ledger Type	Description
XA (alternate currency)	<p>This ledger is required and contains a partial or complete chart of accounts with transactions in the alternate currency. The alternate currency of the XA ledger is typically a currency that does not fluctuate as compared with the domestic currency of a company. Each transaction in the actual amount (AA) ledger is restated into its alternate currency (XA) equivalent by using the exchange rate that is effective on the date of the transaction. The exception to this is when amounts in the foreign currency ledger (CA) are in the same currency as the XA ledger. In this case, the program copies the CA ledger amounts to the XA ledger; it does not restate the AA amounts.</p> <p>Assign the currency code of the alternate (stable) currency to ledger type XA. This must be the same currency code as company 00000.</p> <p>If you do not set up this ledger and run the Detailed Currency Restatement program (R11411), the system exits the program without processing records.</p>

Ledger Type	Description
YA (domestic origin)	<p>This ledger is optional and contains a partial chart of accounts with transactions that originated in the domestic currency (AA ledger), restated into the alternate ledger (XA).</p> <p>Do not assign a currency code to this ledger type. The system uses the domestic currency of the company on the transaction.</p> <p>This ledger is typically used for analysis purposes and shows the amount of the XA ledger that was created by original domestic transactions.</p>
ZA (foreign origin)	<p>This ledger is optional and contains a partial chart of accounts with transactions that originated in the foreign currency (CA ledger), restated into the alternate ledger (XA).</p> <p>Assign the currency code of the alternate currency to ledger type YA. (This must be the same currency code assigned to the XA ledger.)</p> <p>This ledger is typically used for analysis purposes and shows the amount of the XA ledger that was created by original foreign transactions.</p>

You set up these ledgers in UDC 09/LT and on the Ledger Type Rules Setup form.

If you use the Detailed Currency Restatement program to record transactions by domestic origin and foreign origin, the system updates the YA and ZA ledgers based on the original entry. If the original entry was a domestic transaction, the system updates the YA ledger. If the original entry was a foreign transaction, the system updates the ZA ledger. Review the following table for more information:

Original Entry	Alternate Ledger Updated
Domestic transaction in the AA currency	<p>No foreign currency (CA) amount exists. The system:</p> <ul style="list-style-type: none"> • Restates the AA amount in the XA ledger • Copies the AA amount to the YA ledger
Foreign transaction in the XA currency	<p>The system copies the foreign currency (CA) amount to both the XA and ZA ledgers.</p>
Foreign transaction in a currency other than the XA currency	<p>The system:</p> <ul style="list-style-type: none"> • Restates the AA amount in the XA ledger • Copies the XA amount to the ZA ledger

Example: Detailed Currency Restatement and Ledgers Used

In this example, a Colombian company restates amounts from Colombian pesos (COP) to U.S. dollars (USD) so that they can produce financial statements in USD, a stable currency. The currency code USD is assigned to the alternate currency ledger (XA). The company also uses the YA and ZA ledgers.

The Detailed Currency Restatement program updates amounts in the XA, YA, and ZA ledgers based on the original entry, as described in the following table:

Original Entry	Alternate Ledger Updated
Domestic transaction in COP	For this entry, the transaction currency is the same as the company currency. The system: <ul style="list-style-type: none"> • Restates the AA ledger amount (COP) to the XA ledger (USD) • Copies the AA ledger amount (COP) to the YA ledger (no currency)
Foreign transaction in USD	For this entry, the transaction currency equals the XA ledger currency. The system copies the CA ledger amount (USD) to both the XA and ZA ledgers (USD).
Foreign transaction in CAD	For this entry, the transaction currency is a currency other than the XA ledger currency. The system: <ul style="list-style-type: none"> • Restates the AA ledger amount (COP) to the XA ledger (USD) • Copies the XA ledger amount (USD) to the ZA ledger (USD)

Detailed Currency Restatement Gains/Losses on Domestic Transactions

Depending on whether a receipt or payment is a domestic or foreign transaction, the system uses different calculations to create restatement gain and loss records when you post the receipt or payment.

For domestic transactions, the system calculates the gain or loss amount between the AA (domestic) and XA (alternate) currencies and creates gain and loss records with a document type of RG (receipt gain or loss) or PG (payment gain or loss). This amount is due to exchange rate fluctuations between the invoice and receipt dates or the voucher and payment dates and is written to the XA ledger. The following applies:

- The post program creates records for the domestic currency receipt or payment amount in the AA ledger and the alternate currency gain or loss amount in the XA ledger.
- The Detailed Currency Restatement program creates a record for the alternate currency receipt or payment amount in the XA ledger.

Example: Detailed Currency Restatement Gain/Loss on a Domestic Transaction

In this example, a Colombian company (COP) enters a domestic currency voucher and payment. The company uses detailed currency restatement and restates amounts in the U.S. dollar (USD). The following applies:

- AA = COP
- XA = USD

The example shows how the system calculates a gain/loss amount for the alternate ledger (XA), based on the following information:

Date	Description	AA Ledger (COP)	Exchange Rate (divisor)	XA Ledger (USD)
6/01/05	Voucher	85,000	850	100.00
6/30/05	Payment	85,000	860	98.84

The gain/loss amount in the XA ledger is – 1.16.

The following T-accounts show how the system distributes AA and XA ledger amounts for the voucher and payment.

Journal Entries for Voucher

Expense Account	A/P Trade
85,000 AA	85,000 AA
100.00 XA	100.00 XA

Journal Entries for Payment

A/P Trade	Cash	Realized Gain
85,000 AA	85,000 AA	
100.00 XA	98.84 XA	1.16 XA

Detailed Currency Restatement Gains/Losses on Foreign Transactions

Depending on whether a receipt or payment is a domestic or foreign transaction, the system uses different calculations to create restatement gain and loss records when you post the receipt or payment.

For foreign currency transactions, the system does not calculate the gain or loss amount directly between the CA (foreign) and XA (alternate) currencies. Instead, it performs the following calculations:

- The post program calculates the gain or loss amount between the CA and AA currencies. This amount is due to exchange rate fluctuations between the invoice and receipt dates or the voucher and payment dates and is written to the AA ledger. The post report shows the gain/loss entries in the XA ledger along with the entries in the AA ledger.
- The post program calculates the gain or loss amount between the AA and XA currencies. This amount is due to exchange rate fluctuations between the invoice and receipt dates or the voucher and payment dates and is written to the XA ledger. The post report shows the gain/loss entries in the XA ledger along with the entries in the AA and CA ledger.

Note

The net amount derived from the two previous calculations is the equivalent of what the gain or loss would be if the system calculated the gain or loss amount directly between the CA and XA currencies.

- The Detailed Currency Restatement program restates the foreign amount (CA) of the receipt or payment in the alternate currency (XA) using the exchange rate effective on the receipt or payment date and writes it to the XA ledger.

Example: Detailed Currency Restatement Gains/Losses on a Foreign Transaction

In this example, a Colombian company (COP) enters a foreign currency voucher and payment in Chilean pesos (CLP). The company uses detailed currency restatement and restates amounts in the U.S. dollar (USD). The following applies:

- AA = COP
- CA = CLP
- XA = USD

A gain/loss is calculated between the CA ledger (CLP) and AA ledger (COP) and then between the AA ledger and XA ledger (USD). No gain/loss is calculated directly between the CA and XA ledgers. Instead, the gain/loss amount is based on the net difference between the CA to AA ledger and the AA to XA ledger calculations.

The system calculates gain/loss amounts for the XA ledger based on the following information:

Date	Description	CA Ledger (CLP)	Exchange Rate (multiplier)	AA Ledger (COP)	Exchange Rate (divisor)	XA Ledger (USD)
6/01/05	Voucher	100,000.00	0.75	75,000	750	100.00
6/30/05	Payment	100,000.00	0.76	76,000	800	93.75

The gain/loss amount in the XA ledger is + 5.00. To derive this net amount, the system performs the following steps, in sequential order:

- Calculates a gain/loss amount of – 1.25 between the CA and AA ledgers.

Calculation: $-1,000 \text{ COP} / 800 = -1.25$

The gain/loss amount is recorded in the AA ledger and is based on the difference between the voucher and payment amounts (– 1,000) in the AA ledger. The difference is then converted using the COP to USD exchange rate (800) effective on the payment date.

- Calculates a gain/loss amount of + 6.25 between the AA and XA ledgers.

Calculation: $100.00 - 93.75 = +6.25$

The gain/loss amount is recorded in the XA ledger and is based on the difference between the voucher amount converted using the exchange rate on the voucher date (100.00) and the voucher amount converted using the exchange rate on the payment date (93.75).

Detailed Currency Restatement Setup

Before you can use detailed currency restatement, you must set up certain information that the system uses during processing. This consists of setting up the following:

- Constants
- Companies
- Ledger types and rules
- AAls
- Exchange rates

The Detailed Currency Setup program (P11410) provides a central location for this setup.

After the initial setup, the basic steps for detailed currency restatement are:

1. Update daily exchange rates.
2. Run the Detailed Currency Restatement program (R11411).
3. Review and approve the detailed currency transactions.
4. Post the detailed currency transactions to the general ledger.

► **To set up constants for detailed currency restatement**

From the Financial Restatement menu (G1122), choose Detailed Currency Setup.

1. On Detailed Currency Setup, complete the following field:

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Detailed Currency Setup - Detailed Currency Setup

OK Cancel Form Tools

Multi-Currency Conversion Y

Intercompany Settlements 2

A/R Offset Method Y

A/P Offset Method Y

Company Setup

Currency Code Setup

Ledger Type Setup

AAI's Setup

Exchange Rate Setup

- Intercompany Settlements

Enter 2 (detail) or 3 (configured hub) for detailed currency restatement. No other methods are valid.

2. Complete the following fields with the same value:

- A/P Offset Method
- A/R Offset Method

Enter Y (one offset per transaction) for detailed currency restatement. No other methods are valid.

3. Click OK.

See Also

- *Setting Up Multicurrency Constants* in the *Multicurrency Guide* for detailed information about intercompany settlements and offset methods

► **To set up companies for detailed currency restatement**

From the Financial Restatement menu (G1122), choose Detailed Currency Setup.

1. On Detailed Currency Setup, click Company Setup.
2. On Work With Companies, choose company 00000 and click Select.
3. On Company Setup, click the Currency tab.

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Detailed Currency Setup - Company Setup

OK Cancel Form Tools

Company 00000 Name Worldwide Company

Set Up Company 52 Period Accounting **Currency**

Domestic Currency	USD	U.S. Dollar
Restatement Computation		
Detailed Currency Restatement	1	
Post Account Balances by Currency	<input type="checkbox"/>	

4. On the Currency tab, enter 1 in the following field:
 - Detailed Currency Restatement
5. Click OK.
6. Repeat steps 2 – 5 for each company that will use detailed currency restatement.

Prerequisite

- Ensure that ledger type XA (alternate ledger) and, if applicable, YA (domestic origin) and ZA (foreign origin) exist in UDC 09/LT.

► **To set up ledger type rules for detailed currency restatement**

You must set up the alternate currency (XA) ledger for detailed currency restatement and, optionally, the domestic origin (YA) and foreign origin (ZA) ledgers.

From the Financial Restatement menu (G1122), choose Detailed Currency Setup.

1. On Detailed Currency Setup, click Ledger Type Setup.
2. On Work with Ledger Types, choose the appropriate ledger type and click Select.

PeopleSoft.

Detailed Currency Setup - Ledger Type Rules Setup

OK Cancel Form Tools

Ledger Type XA Alternate Ledger

Units Ledger Type

Financial Rules

<input checked="" type="checkbox"/> Close to Retained Earnings Account	<input type="checkbox"/> Roll Original Budget to Next Year
<input type="checkbox"/> Ledger is Required to Balance	<input type="checkbox"/> Override Budget "Do Not Spread" Code
<input type="checkbox"/> Create Intercompany Settlements	<input checked="" type="checkbox"/> Use as Restatement "To" Ledger
<input type="checkbox"/> Prevent Direct Balance Update	<input type="checkbox"/> Prevent Creation of Journal Entry

Ledger Comparison Column Titles

Upper

Lower

Ledger Currency

Denominated Currency Code USD U.S. Dollar

3. On Ledger Type Rules Setup, turn on the following options for ledger type XA only if you restate your entire chart of accounts:
 - Close to Retained Earnings Account
 - Ledger is Required to Balance

Note

The option for Use as Restatement “To” Ledger does not apply to ledger types XA, YA, and ZA. The detailed currency restatement program is hard-coded for ledger types XA, YA, and ZA; therefore, this option is ignored by the system.

4. Complete the following field for ledger types XA and ZA only:

- Denominated Currency Code

Enter the currency in which you restate amounts in this field for ledger type XA and, if applicable, ZA. A currency code designation for a ledger type applies to all companies using that ledger.

If you use ledger type ZA, you must assign it the same currency code as ledger type XA. Ledger type ZA contains the foreign entries that were restated into the XA ledger; therefore the currency code must be the same.

Ledger type YA does not use this field because amounts are restated in the currency of the domestic AA ledger.

Caution

To maintain the integrity of your ledgers, do not change the currency code that you assign to them after you begin using detailed currency restatement.

5. Click OK.

AAIs for Detailed Currency Restatement

AAI item CRxx defines the account ranges that the system uses for detailed currency restatement. You restate amounts from the AA ledger to the XA ledger and, optionally, the YA and ZA ledgers.

AAI item CR, which is optional, defines the balancing offset account.

AAI Item CRxx (Required)

The following applies to AAI items CRxx:

- The system uses the account ranges assigned to AAI items CRxx to restate amounts in another currency.
- xx is used in pairs and represents the beginning and end of a range. For example, CR01 represents the first account in a range and CR02 represents the last account in that range.
- The business unit is optional. If you leave it blank, the system uses the business unit of the account number on the transaction.
- Ranges cannot be skipped and must be in sequential order, as follows:
 - 01 – 02 = first range of accounts
 - 03 – 04 = second range of accounts

- You can define up to 48 ranges.
- To restate the entire chart of accounts, use only one pair:
 - CR01 = Object account 1000
 - CR02 = Object account 999999.99999999 or 999999.ZZZZZZZZ (depending on your operating system)
- The sequence numbers for AAI items CRxx are 11.620 and 11.630, and they do not fall within the sequence numbers for General Accounting.

AAI Item CR (Optional)

The following applies to AAI item CR:

- The system uses the account assigned to AAI item CR to create balancing entries that might be required due to rounding differences.
- You set up this AAI item only if you restate your entire chart of accounts into the XA ledger (and the YA and ZA ledgers, if applicable) and require the ledger to balance. The account assigned to this AAI item keeps track of the journal entries created to balance the currency restatement ledgers.
- Set up this AAI item only if you set a processing option to create balancing journal entries when you run the Detailed Currency Restatement program. If the processing option is set to create balancing entries and the AAI item does not exist, the system generates an error report when you run the Detailed Currency Restatement program.
- The business unit.object.subsidiary is required.
- The sequence number for AAI item CR is 11.610, and it does not fall within the sequence numbers for General Accounting.

Detailed Currency Restatement Gains and Losses

To calculate gains and losses and restate the amounts in the alternate ledger (XA), the system uses the following AAI items:

- RG – realized gain on foreign currency receipts
 - RL – realized loss on foreign currency receipts
 - PG – realized gain on foreign currency payments
 - PL – realized loss on foreign currency payments
-

See Also

- *AAIs for Realized Gains and Losses on Foreign Currency Receipts and AAI for Realized Gains and Losses on Foreign Currency Payments* in the *Multicurrency Guide*

► **To set up exchange rates for detailed currency restatement**

The system uses exchange rates to convert domestic currency amounts in the AA ledger to alternate currency amounts in the XA ledger. If you do not set up exchange rates with a specific effective date, the Detailed Currency Restatement program (R11411) uses the exchange rate of the last effective date.

From the Financial Restatement menu (G1122), choose Detailed Currency Setup.

1. On Detailed Currency Setup, click Exchange Rate Setup.
2. On Work with Currency Exchange Rates, click Add.

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Detailed Currency Setup - Revise Currency Exchange Rates

OK Cancel Tools

From Currency Code

To Currency Code

Effective Date

Contract (Addr)

Calculation Method

Inverse Method

No Inverse Method

Triangulation Method

Allow Spot Rate

Conversion Method (Y/N) Multiplier Method

Multiplier Rate

Divisor Rate

3. On Revise Currency Exchange Rates, complete the following fields:
 - From Currency Code
Enter the company currency from which you will convert amounts in this field.
 - To Currency Code
Enter the alternate (stable) currency in this field.
 - Effective Date
Enter the date that you will use to restate amounts in this field.
4. Complete the remaining fields as usual and click OK.

Working with Journal Entries for Detailed Currency Restatement

In some situations, you might need to do one of the following tasks before you run the Detailed Currency Restatement program (R11411):

- Override the exchange rate for a journal entry. If you do not override the exchange rate, the system uses the exchange rate in the Currency Exchange Rates table (F0015) to convert the actual amount (AA) to the alternate currency amount (XA) when you run the Detailed Currency Restatement program.
- Prevent an alternate currency (XA) record from being created for a specific journal entry.

► To work with journal entries for detailed currency restatement

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

1. On Work With Journal Entries, click Find to display all journal entries, or limit your search by completing any of the fields in the header area or the QBE row, and click Find.
2. Choose the journal entry and click Select.
3. On Journal Entry, choose Historical Rate from the Form menu.



The screenshot shows the PeopleSoft interface for the 'Journal Entry - Detail Restatement Exch. Rate' form. The form has a title bar with 'Cancel' and 'Tools' buttons. Below the title bar, there are two rows of input fields. The first row is labeled 'From' and contains two fields: 'USD' and 'U.S. Dollar'. The second row is labeled 'To' and contains two fields: 'CAD' and 'Canadian Dollar'. Below these rows, there is a field labeled 'Historical Exchange Rate' with an empty input box. At the bottom of the form, there is a checkbox labeled 'Do Not Create XA Ledger' which is currently unchecked.

If a transaction has been posted, the fields on the Detail Restatement Exch. Rate form are disabled and you cannot change them.

4. On Detail Restatement Exch. Rate, do one of the following:
 - To override the exchange rate for a journal entry, proceed to step 5.
 - To prevent an alternate currency record from being created by the Detailed Currency Restatement program, proceed to step 6.
5. To override the exchange rate between the AA and XA currency codes in the Currency Exchange Rates table (F0015), complete the following field and click OK:
 - Historical Exchange Rate

6. To prevent an alternate currency record from being created, leave the Historical Exchange Rate field blank, turn on the following option, and click OK:
 - Do Not Create XA Ledger

Calculating Detailed Currency Restatement

From the Financial Restatement menu (G1122), choose Detailed Currency Restatement.

You run the Detailed Currency Restatement program (R11411) to apply current exchange rates to transactions when restating amounts from one currency to another. This program creates a second restated ledger of transactions for the alternate currency ledger (XA) only, or for the XA, YA (domestic origin), and ZA (foreign origin) ledgers based on a processing option.

The Detailed Currency Restatement program uses exchange rates to convert domestic currency amounts in the AA (actual amount) ledger to alternate currency amounts in the XA ledger in the Account Ledger table (F0911). The exception to this is when amounts in the foreign currency ledger (CA) are in the same currency as the XA ledger. In this case, the program copies the CA ledger amounts to the XA ledger; it does not restate the AA amounts.

Verify that your exchange rates are updated and that the effective date corresponds to the date that you will restate. If the system does not find a rate with the date that you are restating, it uses the last effective date. If you set up currencies to use the no inverse or triangulation method of exchange rate calculation, the Detailed Currency Restatement program uses that method when restating amounts. It uses the most recent effective exchange rate in combination with the override conversion method, which is designated on the Revise Currency Exchange Rates form.

A company must be set up for detailed currency restatement in the Company Constants table (F0010) for transactions to be restated. If the program finds an error before any processing takes place for a company, it generates an error report and does not update the XA ledger for that company. If the program finds errors within a batch, the message *Batch Completed With Some Errors. See Work Center for Details* appears on the error report. You must resolve the problem and run the program again. If no errors exist, the message *No Errors. Batch Will Post* appears on the error report.

To restate transactions for detailed currency restatement, you can do either of the following:

- Run the Detailed Currency Restatement program from the menu
- Run the Detailed Currency Restatement program from the post program

Multithreaded Job Queues

If your system is set up to run multiple programs through multithreaded job queues, do not run the Detailed Currency Restatement program from the menu. Instead, run it from the General Ledger Post program. The post program processes each batch separately, which allows multiple post programs to run at the same time. This reduces processing time.

Run the Detailed Currency Restatement Program From the Menu

For the Detailed Currency Restatement program, do the following:

- (Optional) Set a processing option to create balancing journal entries for rounding differences.
- (Optional) Set a processing option to run a version of the General Ledger Post program after the Detailed Currency Restatement program creates restated transactions.
- Use data selection to select the companies in which to restate transactions. If you do not select specific companies, the restatement program reads transactions for all companies that are set up for detailed currency restatement. This impacts processing time.

Run the Detailed Currency Restatement program from the Financial Restatement menu (G1122).

The Detailed Currency Restatement program restates transactions for the companies that are set up for detailed currency restatement and, if applicable, creates balancing journal entries. If the Post Version processing option is set appropriately, the post program posts the batch of restated transactions and, if applicable, the balancing journal entries.

Run the Detailed Currency Restatement Program From the Post Program

For the Detailed Currency Restatement version, do the following:

- (Optional) Set a processing option to create balancing journal entries for rounding differences.
- (Optional) Set a processing option to run a version of the General Ledger Post program after the Detailed Currency Restatement program creates restated transactions.

For the General Ledger Post program, do the following:

- Set a processing option to run a version of the Detailed Currency Restatement program after the Post program posts a batch.

Run the Post General Journal program from the Journal Entry, Reports, & Inquiries menu (G0911). Version ZJDE0041 is set up for Detailed Currency Restatement.

The General Ledger Post program posts an individual batch and sends the batch number and type to the Detailed Currency Restatement program. The restatement program restates transactions for the companies within the batch that are set up for detailed currency restatement and, if applicable, creates balancing journal entries. If the Post Version processing option is set appropriately, the post program posts the restated transactions and, if applicable, the balancing journal entries. This cycle is repeated until all batches are posted, all transactions within those batches are restated, and, if applicable, all balancing journal entries are created and all batches of restated and balancing journal entries are posted.

Prerequisites

- ❑ Enter or revise exchange rates. See the task *To set up exchange rates for detailed currency restatement* in the *Multicurrency Guide*.
- ❑ Determine whether to run the General Ledger Post program before or after the Detailed Currency Restatement program and set the processing options accordingly.

Transactions Processed by Detailed Currency Restatement

Based on data selection, the Detailed Currency Restatement program (R11411) selects only those companies that are set up for detailed currency restatement in the Company Constants table (F0010) for processing and ignores all other companies. This has a positive impact on performance and helps improve processing time.

The Detailed Currency Restatement program processes all posted transactions in the actual amount (AA) ledger of the Account Ledger table (F0911) that meet the following criteria:

- The company on the transaction is set up for detailed currency restatement. The Detailed Currency Restatement field is set to 1 for the company in the Company Names & Numbers program (P0010).
- Ledger type XA (alternate currency) and, optionally, YA (domestic origin) and ZA (foreign origin), are set up in UDC 09/LT and on the Ledger Type Rules form.
- The account on the transaction is within the account ranges set up for AAI item CRxx.
- The transaction contains a blank (not processed) in the ALT9 (Currency Update) field in the F0911 table.

For each transaction in the AA ledger that meets the above criteria, the Detailed Currency Restatement program creates a new transaction in the XA ledger of the F0911 table with the same batch number as the original transaction and a batch type XX. For example, for each journal entry (batch type G), the program creates an alternate currency journal entry (batch type XX). You can review the XX batch type records on the Work with Batches form. If amounts in the foreign currency ledger (CA) are in the same currency as the XA ledger, the Detailed Currency Restatement program copies the CA ledger amounts to the XA ledger; it does not restate the AA amounts.

For each transaction, the program updates the ALT9 (Currency Update) field in the AA ledger from blank (not processed) to one of the following values:

- P (processed) – the transaction was processed by the Detailed Currency Restatement program. The program creates a corresponding record in the XA ledger (and optionally, the YA and ZA ledgers) and updates the original AA ledger record with P (processed). The program prints a report with the message *No errors – batch will post*.
- N (not applicable) – the transaction was processed by the Detailed Currency Restatement program, but ignored because the account is not within the account ranges for AAI item CRxx. The program does not create a corresponding record in the XA ledger, but instead updates the AA ledger with N (not applicable).
- Y – the original journal entry was flagged to not create a corresponding record in the XA ledger when processed by the Detailed Currency Restatement program.
- X – The original journal entry was flagged to not create a corresponding record in the XA ledger when processed by the Detailed Currency Restatement program and was subsequently voided.

The ALT9 field is updated with one of these values in the AA ledger only, and never the XA ledger.

Caution

The first time that you run the Detailed Currency Restatement program, processing might require a significant amount of time because the program updates the ALT9 field for all qualified records in the F0911 table. Thereafter, the program updates only new qualified transactions.

Common Error Messages and Causes

The following table lists common error messages that might appear on the error report when you run the Detailed Currency Restatement program (R11411), along with their causes.

Error Message	Cause
Daily Transaction Rate Not Set Up	No current exchange rate and no prior effective date are set up to restate the domestic currency in the alternate currency.
Multicurrency Conversion Not Set Up	The General Accounting constant for Multicurrency Conversion is set to N. Set the constant to Y (multiplier) or Z (divisor) to activate multicurrency processing.
CR01 and/or CR02 AAI Not Set Up	The ranges for AAI items CRxx are not set up, or the setup is incorrect.
CR AAI Account Invalid or Not Set Up	The account number for AAI item CRxx is not in the chart of accounts for the company.
Version of Post Specified Invalid	You entered an invalid version number for the post program in the processing option for the Detailed Currency Restatement program.
XA Ledger Not Defined	The XA ledger is not set up in UDC 09/LT.
Currency Invalid for XA or ZA Ledger	An invalid currency code for the XA or ZA ledger is specified on the Set Up Ledger Type Rules form. (The YA ledger is not assigned a currency code.)
YA or ZA Ledger Not Defined	You set the processing option to create records in the YA and ZA ledgers; however, these ledgers are not set up in UDC 09/LT.

See Also

- ❑ *To set up exchange rates for detailed currency restatement in the Multicurrency Guide*
- ❑ *AAIs for Detailed Currency Restatement in the Multicurrency Guide*
- ❑ *To set up ledger type rules for detailed currency restatement in the Multicurrency Guide*

Processing Options for Detailed Currency Restatement (R11411)

Ledgers Tab

1. Additional Ledgers

1 = Restate amounts in XA, YA, and ZA ledgers

Blank = Restate amounts in XA ledger only

Use this processing option to select the ledgers in which the system restates amounts.

Valid values are:

1

Restate amounts in the XA (Alternate Currency), YA (Domestic Origin), and ZA (Foreign Origin) ledgers

Blank

Restate amounts in the XA ledger only

2. Units Ledger

1 = Do not create entries in units ledgers

Blank = Create entries in units ledgers

Use this processing option to create entries in the units ledgers (XU, YU, and ZU) that correspond to the XA (Alternate Currency), YA (Domestic Origin), and ZA (Foreign Origin) ledgers. Valid values are:

1

Do not create entries in the units ledgers

Blank

Create entries in the units ledgers

Post Tab

1. Post Version

Use this processing option to specify the version of the Post General Journal program that the system should use to post the entries created by this program. PeopleSoft recommends that you use version ZJDE0041. This version of the Post General Journal program is for batch type XX (detailed currencyrestatement).

If you leave this field blank, the system will not post the entries.

Automatic JEs Tab

1. Automatic JEs

1 = Create balancing journal entries

Blank = Do not create balancing journal entries

Use this processing option to automatically create balancing journal entries for rounding differences using the balancing offset account specified by AAI item CR. Valid values are:

1

Automatically create balancing journal entries. The system creates balancing journal entries (document type AE) only in the ledgers that you specify in the Additional Ledgers processing option.

Blank

Do not create balancing journal entries.

Exchange Rate Tab

1. Exchange Rate

1 = Exchange rate in effect on service/tax
date

Blank = Exchange rate in effect on G/L
date

Use this processing option to specify the date of the exchange rate. Valid values are:

1

Use the exchange rate that was in effect on the service/tax date

Blank

Use the exchange rate that was in effect on the G/L date. The service/tax date is the date that the goods or services were purchased or the date that the tax liability was incurred. The system uses the exchange rate in the Currency Exchange Rates table (F0015) for the date that you specify.

Data Selection and Sequence for Detailed Currency Restatement

You use data selection to select specific companies in which to run detailed currency restatement. Running detailed currency restatement by company helps improve processing time.

Do not use data sequence; the system ignores any data sequence that you enter.

Reviewing and Approving Detailed Currency Transactions

After you run the Detailed Currency Restatement program (R11411), verify the accuracy of the detailed currency transactions and, if applicable, approve the transactions before posting them to the general ledger.

Before posting detailed currency transactions, you can:

- Review a list of detailed currency batches
- Review detailed information

Transactions created by the Detailed Currency Restatement program have the same batch number as that of the original AA transactions. The batch type is XX.

► To review and approve detailed currency transactions

From the Financial Restatement menu (G1122), choose Detailed Currency Review.

1. On Work With Batches, click Find to display all XX (detailed currency) batches or limit your search by completing any of the fields or options in the header area or the QBE row and click Find.

If manager approval of batches is required, the batch status will be pending on the Work With Batches form.

2. To review the transaction detail for a specific batch, choose the batch and click Select.
3. On General Journal Review, choose an individual document to review and click Select.



Detailed Currency Review - Journal Entry

Cancel Form Row Tools



Batch Number	2122	<input type="checkbox"/> Model	<input type="checkbox"/> Percent	<input type="checkbox"/> Reverse
Doc Type/No/Co	JE 1066 00080	G/L Date	06/30/05	
Explanation	Brazil Expenses	Ledger Type	XA	USD
Currency	COP	Exchange Rate	1080.49702	Base Currency COP <input type="checkbox"/> Foreign

Records 1 - 5

<input type="checkbox"/>		Account Number	Amount	Account Description	Subledger Type	Subledger
<input type="checkbox"/>		8001.8710	277.65	Moving Expense		
<input type="checkbox"/>		8001.8720	462.75	Office Supplies Expense		
<input type="checkbox"/>		8001.8730	555.30	Postage and Freight		
<input type="checkbox"/>		80.1110.BEAR	1,295.70-	Bear Creek National Bank		
<input type="checkbox"/>						

Remaining Amount

4. On Journal Entry, click Cancel.
5. On General Journal Review, click Close
6. On Work With Batches with the batch selected, complete the remaining steps to approve the batch:
7. From the Row menu, choose Batch Approval.
8. On Batch Approval, click the Approved – Batch is ready to post option and click OK.

Related Tasks for Reviewing Detailed Currency Transactions

Reviewing ledger amounts	You can review the alternate currency ledger (XA), along with the original actual amounts ledger (AA), on the Work with Account Ledger Inquiry form.
---------------------------------	--

Posting Detailed Currency Transactions

From the Financial Restatement menu (G1122), choose Post Detail Currency Journal. On Work With Batch Versions, choose version ZJDE0041 (General Ledger Post – Detail Currency Restatement).

After you run the Detailed Currency Restatement program (R11411), you must post the XX batches created by the restatement program to the XA ledger. Review the post report to verify that the transactions in the XA ledger posted to the Account Ledger table (F0911).

An alternative to running the Detailed Currency Restatement and General Ledger Post programs separately is to do one of the following:

- Run the Detailed Currency Restatement program from the menu and optionally set processing options to create balancing journal entries for rounding differences and run a version of the General Ledger Post program (ZJDE0041 or other version that posts XX batch types).

When you run the Detailed Currency Restatement program, specify a version of the post in a processing option to post the detailed currency restatement batches (XX) to the XA ledger.

Caution

If your system is set up to run multiple programs through multithreaded job queues, do not run the Detailed Currency Restatement program from the menu. Instead, run it from the General Ledger Post program as described below. The post program processes each batch separately, which allows multiple post programs to run at the same time.

-
- Run the General Ledger Post program from the menu and set a processing option to run a version of the Detailed Currency Restatement program (ZJDE0001 or other version that creates XX batch types). Optionally, set processing options to create balancing journal entries for rounding differences and to run a version of the General Ledger Post program after the Detailed Currency Restatement program creates transactions.

If you run the post program for a batch type other than G to create XX batch types, you must post the XX batch separately to the XA ledger.

Balance Restatement

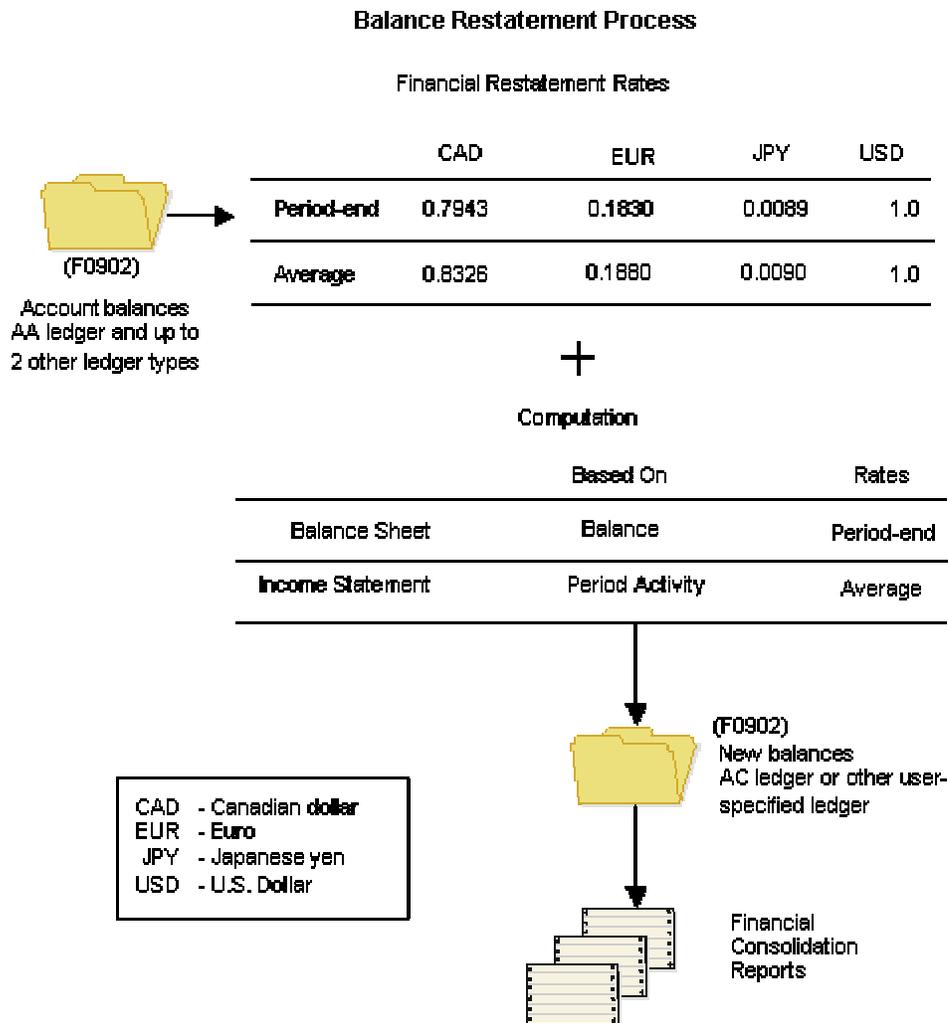
If your organization has companies operating in more than one country, you might need to consolidate financial reporting among the different companies. To consolidate financial reporting, you need to restate existing company balances into one common currency. You can use detailed currency restatement as well as balance restatement to restate amounts into one currency. However, for balance restatement, the system restates the amounts in the consolidation ledger (AC) or other user-specified ledger type at the balance level, thereby creating fewer records.

You might use balance restatement to:

- Restate balance sheet accounts at the period-end rate and income statement accounts at an average rate prior to generating consolidated financial reports. For example, you can restate subsidiary company accounts into the parent company currency for consolidated reporting.

- Combine amounts from up to three different ledgers into one ledger. For example, you can restate the AA (actual amounts) and GP (GAAP adjustments) ledgers into the AC (consolidation) ledger.
- Restate accounts for "what if" budget analysis. For example, you can specify a budget rate that is different from that used in the accounting books for internal comparison purposes.

The following graphic illustrates using balance restatement to restate balance sheet accounts at the period-end rate and income statement accounts at an average rate, prior to generating consolidated financial reports:

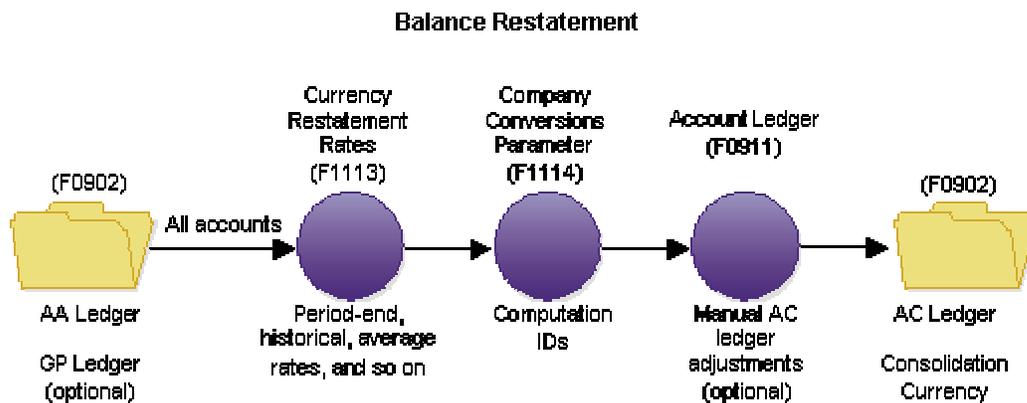


Balance Restatement and Ledgers Used

You can set up ledger type AC (consolidation) or any user-specified ledger type for balance restatement. You cannot use ledger type AC for detailed currency restatement or “as if” currency repost.

Ledger Type	Description
AC (consolidation)	This ledger contains a partial or complete chart of accounts with transactions in the reporting currency. Assign the currency code of the consolidated reporting currency to ledger type AC. Although ledger type AC is commonly used, the consolidation ledger type can be any user-specified ledger type.

The following graphic shows the AC ledger and the tables used for balance restatement:



Balance restatement uses the Account Ledger table (F0911) if you enter manual journal entries in the AC ledger for adjustments. You can set a processing option to specify whether to include the F0911 adjustments when you run the Compute Balance Restatement program (R11414).

Balance Restatement Setup

Balance restatement allows you to restate existing company balances in a different currency for consolidated reporting purposes. Restatement occurs at the general ledger balance level and is based on amounts in the Account Balances table (F0902).

Before you can use balance restatement, you need to set up certain information that the system uses during processing. This consists of setting up the following:

- Ledger types and rules
- Restatement rates
- Computations

After the initial setup, the basic steps for balance restatement are:

1. Update restatement rates.
2. Set up new computations, as needed.
3. Run the Compute Restated Balances program (R11414).

Prerequisite

- Ensure that ledger type AC (consolidation ledger) or other user-specified ledger type for balance restatement exists in both UDC 09/LT and UDC 11/TL.

► To set up ledger type rules for balance restatement

From the General Accounting System Setup menu (G0941), choose Ledger Type Master Setup.

1. On Work with Ledger Types, choose ledger type AC (or other user-specified ledger type) and click Select.

The screenshot shows the PeopleSoft web interface for the 'Ledger Type Master Setup - Ledger Type Rules Setup' window. The window title is 'Ledger Type Master Setup - Ledger Type Rules Setup'. Below the title bar, there are buttons for 'OK', 'Cancel', 'Form', and 'Tools'. The main content area is divided into several sections:

- Ledger Type:** A dropdown menu is set to 'AC', with the text 'Consolidations Ledger' displayed to its right. Below it, the 'Units Ledger Type' field is empty.
- Financial Rules:** A section containing several checkboxes:
 - Close to Retained Earnings Account
 - Ledger is Required to Balance
 - Create Intercompany Settlements
 - Prevent Direct Balance Update
 - Roll Original Budget to Next Year
 - Override Budget "Do Not Spread" Code
 - Use as Restatement "To" Ledger
 - Prevent Creation of Journal Entry
- Ledger Comparison Column Titles:** Two text input fields:
 - 'Upper' is set to 'Consolidations'
 - 'Lower' is set to 'Ledger'
- Ledger Currency:** A section with a 'Denominated Currency Code' dropdown set to 'USD' and the text 'U.S. Dollar' to its right.

2. On Ledger Type Rules Setup, turn on the following option if you restate your entire chart of accounts for ledger type AC:
 - Close to Retained Earnings Account
3. Turn on the following option:
 - Use as Restatement "To" Ledger

4. Turn off the following option:
 - Prevent Creation of Journal Entry
5. Complete the following field and click OK:
 - Denominated Currency Code

Enter the code of the currency in which you restate amounts in this field. A currency code designation for a ledger type applies to all companies using that ledger.

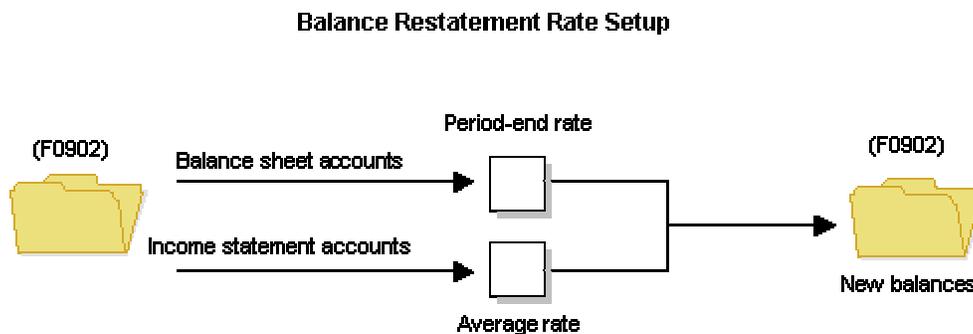
Ledger type AC requires a currency code to ensure that amounts are restated only in the designated currency and that the amounts have the correct number of decimal places.

Caution

To maintain the integrity of your AC ledger, do not change the currency code that you assign to it after you begin using balance restatement.

Setting Up Restatement Rates for Balance Restatement

For balance restatement, you typically use different exchange rates for different ranges of accounts. For example, you might use a period-end exchange rate to restate balance sheets amounts and a period average exchange rate to restate income statement amounts as illustrated in the following example:



You must provide a rate to restate amounts from one currency to another. You can enter both an average rate for the period and a period-ending rate for each currency that you are restating. You update the table every period with new exchange rates to maintain a record of the rates, along with their effective dates and types.

Balance restatement rates are stored in the Currency Restatement Rates File table (F1113).

Prerequisite

- Before you set up restatement rates for balance restatement, we recommend that you write down the values that you will enter in each field.

► **To set up restatement rates for balance restatement**

From the Financial Restatement menu (G1122), choose Currency Restatement Rates.

1. On Work With Currency Restatement Rates, click Add.

PeopleSoft

Currency Restatement Rates - Currency Restatement Rates

OK Find Delete Cancel Tools

To Currency *U.S. Dollar*

From Currency *Colombian Peso*

Effective Date

Rate Type *Monthly Average - P&L*

Records 1 - 2							Customize Grid	
<input type="checkbox"/>	<input type="checkbox"/>	Multiplier	Divisor	Effective Date	To Curr	From Curr	From Currency Description	Rt Ty
<input type="checkbox"/>	<input type="checkbox"/>	0.0008260	1210.6537530	07/01/05	USD	COP	Colombian Peso	A
<input type="checkbox"/>	<input type="checkbox"/>	<input type="text"/>		<input type="text"/>				

2. On Currency Restatement Rates, enter a value in one of the following fields in the detail area:
 - Multiplier
 - Divisor

The system calculates the inverse rate after you complete the entry.

3. Complete the remaining fields in the detail area:
 - Effective Date
 - To Currency
 - From Currency
 - Rate Type
4. Repeat the preceding steps for each currency relationship and click OK.
5. On Currency Restatement Rates, click Cancel.
6. On Work With Currency Restatement Rates, complete one or more fields in the QBE row to review the restatement rates that you entered and click Find.

Processing Options for Currency Restatement Rates (P1113)

Limits

Specify a Tolerance Limit to warn you of radical rate changes (i.e. 10 indicates 10%).

Tolerance Percentage

Setting Up Computations for Balance Restatement

Before you restate a company currency to another currency, you must set up computations that are used by the balance restatement program. These computations include the following information:

- Company
- Ranges of accounts
- Destination currency
- Source and destination ledger types

When setting up computations, consider the following:

- You can set up more than one computation for a company. For example, you might need more than one computation if you perform “what if” analysis using different ledger types.
- You can set up a computation to override the source ledger type for a range of accounts. This is especially useful if a range of accounts was previously restated into a particular ledger and you want to move or restate the amounts from that ledger to another ledger.
- You can set up a computation to restate amounts from up to three source ledgers into one destination ledger, which is called the consolidation ledger (AC). The source ledgers must be in the same currency.

This information is stored in the Company Conversions Parameter File table (F1114).

Primary Information Used in Computations

When you set up computations for balance restatement, you must provide the system with the following primary information:

- Rate types
- Calculation methods
- Translation adjustment accounts

Before you set up computations for balance restatement, make sure that you understand how the system uses this information.

Rate Types

The system uses rate types to determine which exchange rate to use when it calculates new balances. For each range of accounts, you can enter a user-defined rate type. Some examples are:

A (period average)	An average rate for the month. This is generally used with income statement accounts.
M (month-end)	A period-end rate. This is generally used with balance sheet accounts.
H (historical)	A historical rate. This might be used for fixed asset accounts. This rate can also be used to retain calculations when converting from another system to the PeopleSoft system.
User-defined rate types	A user-defined rate. For example, B can be used for a budget rate (different from an accounting rate) to create "what if" budget amounts and comparisons.

You enter rate types in UDC 11/RT. You can enter as many rate types as needed.

Note About Rate Types and Calculation Methods

Typically, clients use the following combinations for rate types and calculation methods:

- Rate type M (month-end) with calculation method 1 (cumulative balance) for balance sheet accounts
Stated another way, $M + 1 = \text{balance}$.
- Rate type A (period average) with calculation method 0 (net period) for income accounts.
Stated another way, $A + 0 = \text{income}$.

The exceptions to this are usually based on legal requirements.

Calculation Methods

You specify a calculation method for each range of accounts. The system uses the calculation method to determine which formula to use when it calculates currency conversions. The calculation methods are:

- 1 (cumulative balance method). Use for balance calculations. This method uses the year-to-date balance amount.
- 0 (net period balance). Use for period calculations. This method uses net period activity amount.

The following examples show the results of calculation methods 1 and 0.

Example: Method 1 (Cumulative Balance Calculation)

In this example, the AC ledger balance amount for period 3 is 1,120.

From Ledger Accounting Period	Period Ending Rate	Calculation	To Ledger Period Posting	To Ledger Period Ending Balance	To Ledger Cumulative Balance
Beginning Balance	1,000	0.90	$1,000 \times 0.90$	900	900
Period 1	100	1.10	$(1,000 + 100) \times 1.10 - 900$	310	1,210
Period 2	200	1.05	$(1,300 \times 1.05) - (900 + 310)$	155	1,365
Period 3	100	0.80	$(1,400 \times 0.80) - (1,210 + 155)$	-245	1,120

Example: Method 0 (Net Period Calculation)

In this example, the AC ledger balance amount for period 3 is 80.

Accounting Period	Period Amount	Average Rate	Calculation	To Ledger Period Balance
Period 1	100	1.10	100×1.10	110
Period 2	200	1.05	200×1.05	210
Period 3	100	0.80	100×0.80	80

Translation Adjustment Accounts

When you set up computations, you can specify G/L balance sheet accounts for translation adjustments. Translation adjustments are caused by the difference between rate types and their exchange rates and are tracked in translation adjustment accounts. Depending on the type of translation adjustment that you want to track, you enter an account on the Revise Company Currency Conversion form as follows:

- To enter translation gain and loss amounts for the entire report, enter the account in the Translation Adjustment Account field in the header area of the form. The system creates a balancing entry, which is necessary because of different rate types (for example, average and month end rate types). If you do not enter a translation adjustment account, the system does not make an adjusting entry.
- To enter translation gain and loss amounts due to a change in the exchange rate within a period, enter the account in the Translation Adjustment Account field in the detail area of the form. This entry is used only for analysis, and is not a balancing entry. The system calculates this amount for each range of accounts that are assigned computation method 1. The system does not allow a translation adjustment account for computation method 0.

For computation method 1 (cumulative balance), the translations gains and losses are calculated according to the following formula:

$$(\text{prior period balance} \times \text{prior period end rate}) - (\text{prior period balance} \times \text{current period end rate}) + (\text{current period posting} \times \text{current month average rate}) - (\text{current period posting} \times \text{current month end rate}) = \text{translation adjustment amount}$$

The Translation Adjustment Account fields on the Revise Company Currency Conversion form are optional. The system does not issue an error message if either or both of these fields are left blank. This allows you to restate only a partial chart of accounts. If you restate a complete chart of accounts, be aware that ledger type AC will probably not balance if you do not enter a G/L account in the Translation Adjustment Account field in the header area of the form.

Prerequisite

- ❑ Enter or revise exchange rates. See the task *To set up restatement rates for balance restatement* in the *Multicurrency Guide*

► To set up computations for balance restatement

From the *Financial Restatement* menu (G1122), choose *Restatement Computation*.

1. On *Work With Company Currency Conversions*, click *Add*.

PeopleSoft®

Restatement Computation - Revise Company Currency Conversions

OK Delete Cancel Tools

Computation ID From Ledger Type 1 *General Ledger*

Company *Luxe de France* From Ledger Type 2

To Ledger Type *Consolidation L...* From Ledger Type 3

To Currency Code *U.S. Dollar*

Translation Adjustment Account

Records 1 - 5							
<input type="checkbox"/>	<input type="checkbox"/>	From Account	Thru Account	Explanation	Rt Ty	C M	Fr LT
<input type="checkbox"/>		1000	4979.99999999	Balance Sheet	M	1	
<input type="checkbox"/>		4980	4980	Retained Earnings	A	0	AC
<input type="checkbox"/>		4981	4999.99999999	Balance Sheet	M	1	
<input type="checkbox"/>		5000	9999.99999999	Income Statement	A	0	
<input type="checkbox"/>		<input type="text"/>					

2. On *Revise Company Currency Conversions*, complete the following fields:

- Computation ID
- Company
- To Ledger Type

For balance restatement, this is ledger type AC (consolidation ledger) or other user-specified ledger type. This ledger type must exist in UDC 11/TL.

- To Currency Code

3. Enter AA (actual amounts) in the following field:

- From Ledger Type 1

The first ledger type (Ledger Type 1) must always be AA.

4. Complete the following optional fields:

- From Ledger Type 2
- From Ledger Type 3

5. Enter an account in the following field in the header area, if applicable:

- Translation Adjustment Account

The system uses the account in this field to create a balancing entry due to differences in rate types. Do not include this account in the account ranges that you enter in the detail area of this form. If the account ranges for this computation ID do not have to balance, leave this field blank.

6. Complete the following fields for each range of accounts:

- From Account
- Thru Account

The system verifies that the beginning (“from”) account is less than or equal to the ending (“thru”) account. For the Thru Account, PeopleSoft recommends that you enter a subsidiary of 99999999 or ZZZZZZZZ (depending on your operating system) to ensure that all subsidiaries are included in the account range.

- Explanation
- Rt Ty
- C M

The C M (computation method) field must be 1 (balance calculation) for the system to perform a translation adjustment calculation for the range of accounts. If the C M field is 0 (period calculation), the system does not allow a translation adjustment calculation.

7. Complete the following optional fields:

- Fr LT
- Override Rate

Enter a value in this field only if you do not expect the exchange rate to change over time. If you enter an override rate and the rate changes over time, your results will be unpredictable.

- BU From
- BU Thru

8. Complete the following field in the detail area, if applicable:

- Translation Adjustment Account

Translation adjustment calculations, which are used to create balancing entries, are allowed only on balance sheet accounts. This field works in combination with the C M (computation method) field. The value in the C M field determines whether the system accepts a value in the Translation Adjustment Acc field.

9. Verify that any gaps between account ranges are intentional.

The system validates that no overlaps exist between account ranges.

10. Click OK.

Reviewing Computations for Balance Restatement

After you set up computations for balance currency restatement, review the information to ensure that it is correct and complete.

- Verify that all gaps between ranges of accounts are intentional. The system does not perform restatements for missing accounts. The balance of the missing accounts might be entered into the translation adjustment account that is specified on the Revise Computations form.
- Verify that the correct rate types and calculation methods are associated with the account ranges.
- Verify that the ranges of accounts or business units do not overlap.
- Verify that the retained earnings account (as specified by AAI item GLG4) is entered on a separate line on the Revise Company Currency Conversion form.

Assigning a Computation ID to a Company

After you review your balance restatement computations and ensure that they are correct and complete, assign a computation ID to each company that uses balance currency restatement.

► To assign a computation ID to a company

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

1. On Work With Companies, choose company 00000 and click Select.
2. On Company Setup, click the Currency tab.



Company Names & Numbers - Company Setup

OK Cancel Form Tools

Company Name

Set Up Company 52 Period Accounting **Currency**

Domestic Currency	<input type="text" value="USD"/>	<i>U.S. Dollar</i>
Restatement Computation	<input type="text" value="J"/>	
Detailed Currency Restatement	<input type="text" value="1"/>	
Post Account Balances by Currency	<input type="checkbox"/>	

3. On the Currency tab, enter the computation ID in the following field and click OK:

- Restatement Computation

If you leave this field blank, make sure you specify the correct computation ID in the processing options when you run the Compute Restated Balances program (R11414) for this company.

If you have more than one computation ID for a specific company, leave this field blank and run the Compute Restated Balances program for each computation ID for the company.

4. Repeat the preceding steps for each company that will use balance restatement.

Calculating Restated Balances for Balance Restatement

From the Financial Restatement menu (G1122), choose Compute Restated Balances.

The Compute Restated Balances program (R11414) restates balances from a source ledger into a consolidation ledger (AC). Based on the exchange rates and computations that you set up, the Compute Restated Balances program:

- Restates a selected period, or all periods up to and including the current period (year to date), as specified in a processing option.
- Applies an individual rate to each period that you are restating, or applies a single rate to all periods.
- Applies a different exchange rate for a specific range of accounts. If an exchange rate does not exist in the Currency Restatement Rates File table (F1113), the system prints a report with blanks in the exchange rate and restated balance columns. If you choose not to print restated balances for zero amounts, all of the accounts in that range will be omitted from the report.
- Restates up to three source ledger types to a single destination ledger type. Currency decimals are based on the currency code of the destination ledger type.

The Compute Restated Balances program uses information from the Account Balances (F0902), Currency Restatement Rates File (F1113), and Company Conversions Parameter File (F1114). For adjustments made directly to the restated ledger, such as journal entries for rounding differences between currencies, the Compute Restated Balances program uses information from the Account Ledger table (F0911).

You can run the Compute Restated Balances program as often as necessary. Each time that you run the program, it overwrites existing balances unless you specify a different destination ledger type in a processing option. You can run this program in three different modes:

Proof mode with report	The system prints a report but does not create balances in the destination ledger.
Final mode with report	The system creates balances in the destination ledger and prints a detailed audit trail.
Final mode without report	The system creates balances in the destination ledger but does not print a detailed audit trail.

When reviewing the report, ensure the following:

- Every AA ledger amount has an AC ledger amount.
- No manual journal entries exist for the AC ledger in the translation adjustment or retained earnings account.

How the Balance Restatement Program Works

To restate balances, the Compute Restated Balances program (R11414) does the following:

- Reads the Account Balances table (F0902) to find a beginning balance and period amount in the actual amount (AA) ledger for each G/L account in the range of accounts for the specified company.
- Applies calculations based on the calculation method, as follows:
 - Period calculation balances for period 1. The system updates beginning balances, restates the balance for the current period, and clears all periods after the current period.
 - Period calculation balances for a selected period other than period 1. The system leaves previous balances as is, restates the balance for the current period, and clears all periods after the selected period.
 - Year-to-date balances for selected periods. The system restates balances for the selected periods and clears all periods after the selected period.

Caution

Make sure that you restate balances up to and including the appropriate month and not beyond. If your current period is June, you will restate your year-to-date balances for January through June.

- Amounts for a monetary account. If the currency associated with the destination ledger type matches the G/L account currency, the system uses the amounts from the foreign currency (CA) ledger instead of restating amounts from the AA ledger.
- Creates or updates the destination ledger, usually ledger type AC (consolidation ledger), in the F0902 table.

Note

If you ran the annual close for the AC ledger, the system updated the APYC and APYN fields in the AC ledger at that time. The system calculates retained earnings if the Close to Retained Earnings Account option on the Ledger Type Rules Setup form is turned on for the AC ledger.

Manual Journal Entries in the AC Ledger

Although the Compute Restated Balances program (R11414) automatically creates entries for ledger type AC (or other user defined consolidation ledger), you can manually enter journal entries for ledger type AC on the Journal Entry form. These manual journal entries are adjustments to the Account Ledger table (F0911).

For example, you might enter a journal entry to adjust for differences that can occur due to rounding issues between currencies. Or you might enter a journal entry to eliminate amounts that can occur when you consolidate company balances.

If you manually enter a journal entry for ledger type AC, be aware that a record must exist in the AA ledger for the same period, fiscal year, and G/L account. If necessary, enter a manual journal entry for ledger type AA for a cent. Balance restatement does not recognize AC entries that are manually entered unless a record exists in the AA ledger. Make sure that you do not manually enter journal entries for ledger type AC against the translation adjustment or retained earnings account.

When you run the Compute Restated Balances program, you can use a processing option to specify whether you want the program to check for adjustments in the F0911 table. If you do not enter manual journal entries in the AC ledger or you choose to bypass them, you can save valuable processing time by setting this processing option accordingly.

You can rerun the Compute Restated Balances program for a period without losing the journal entries already entered for the AC ledger.

Prerequisites

- ❑ Set up the financial rules for ledger type AC in the Ledger Type Master File table (F0025). See the task *To set up ledger type rules for balance restatement* in the *Multicurrency Guide*.
- ❑ Verify that the rate types and calculation methods associated with account ranges are correct. See the task *To set up computations for balance restatement* in the *Multicurrency Guide*.
- ❑ Assign the computation ID to use for a specific company in the Restatement Computation field on the Company Setup form. See the task *To assign a computation ID to a company* in the *Multicurrency Guide*.

Processing Options for Compute Restated Balances (R11414)

Mode Tab

This processing option specifies whether to run the program in proof or final mode. If you run the program in final mode, you can specify whether to print a report.

1. Process Mode

0 = Proof mode

1 = Final mode with report

2 = Final mode without report

Use this processing option to specify the mode in which to run this program. Valid values are:

1

Run the program in proof mode. The system does not update the Account Balances table (F0902) but prints a report that shows the changes that would be made to the fiscal year and period in the Account Balances table.

2

Run the program in final mode and print a report. The system updates the fiscal year and period in the Account Balances table (F0902). The system also prints a report that shows the changes.

3

Run the program in final mode without a report. The system updates the fiscal year and period in the Account Balances table. The system does not print a report.

Period or YTD Tab

These processing options specify the time period for the currency restatement. You use the Period or YTD Processing field to specify whether you are restating a specific period or all periods through the current period in a specific year.

If you are restating a specific period, you use the Restatement Period field to specify the period. If you are restating a specific period and leave the Restatement Period field blank, the system restates the current period as defined for the General Accounting system on the Company Setup form and recorded in the Company Constants table (F0010).

If you are restating a year to date, you use the Restatement Year field to specify the year. If you are restating a year to date and leave the Restatement Year field blank, the system restates the fiscal year through the current period as defined for the General Accounting system on the Company Setup form and recorded in the Company Constants table (F0010).

1. Period or YTD Processing

Blank = Period processing

1 = Year-to-date processing

Use this processing option to specify whether you want to restate a specific period or restate all periods in a specific year to date. Valid values are:

Blank

Restate only a specific period. You can specify the period in the Restatement Period field. If you do not specify a period in the Restatement Period field, the system restates the current period.

1

Restate all periods in a specific year to date. You can specify the year in the Restatement Year field. If you do not specify the year in the Restatement Year field, the system restates the current year.

2. Restatement Period

If you leave the Period or YTD Processing field blank, you use this processing option to specify the period to restate. For example, if you leave the Period or YTD Processing field blank, you can enter 8 for the eighth period of the fiscal year.

If you leave this field blank, the system restates the current period as defined for the General Accounting system on the Set Up Company form and recorded in the Company Constants table (F0010).

3. Restatement Year

If you enter 1 in the Period or YTD Processing field, you use this processing option to specify the year to restate. Enter the last two digits of the fiscal year to restate. For example, enter 05 for 2005.

If you leave this field blank, the system restates the current year to date as defined for the General Accounting system on the Set Up Company form and recorded in the Company Constants table (F0010).

Zero Balance Tab

This processing option specifies whether the system prints records without any activity in the period that the system is restating.

1. Suppress Zero Balances

Blank = Print all records

1 = Print only records with activity

Use this option to suppress records that do not have activity in the period being restated.

Valid values are:

Blank

Print all records for the period.

1

Do not print records that do not have activity for the period.

Computation ID Tab

This processing option specifies the computation ID that the system uses for all of the companies that you select in data selection. If you do not specify a computation ID in this processing option, the system uses the computation ID that is assigned in the Company Constants table (F0010) for each company that you select in data selection.

1. Computation ID

Use this processing option to specify a computation ID for Data Selection. This processing option overrides the default computation ID in the Company Constants table (F0010).

If you enter a computation ID, all of the companies you choose in data selection use the computation ID you enter. If you leave this field blank, the program uses the default computation ID.

Ledger Tab

This processing option specifies the ledger type for the ledger in which the system restates balances. If you leave the Destination Ledger Type field blank, the system restates balances in all destination ledgers. The destination ledger is also known as the To Ledger.

1. Destination Ledger Type

Use this processing option to designate a specific ledger type to which the program restates amounts. If you leave this field blank, the program processes all destination ledgers. The destination ledger is also known as the To Ledger. For example, you set up three calculations for Company 70. Each calculation updates a different destination ledger type.

If you leave this field blank, the program runs all three calculations and creates balances for each destination ledger type.

If you enter a ledger type in this field, the program runs only the calculation for the destination ledger type you entered.

Exchange Rate Tab

This processing option specifies the exchange rate that the program uses in restating balances. You can use the exchange rate for the current period or the exchange rate for the period that the program restates.

1. Exchange Rate

Blank = Use rate for the current period

1 = Use rate for the period being restated

Use this processing option to specify the effective exchange rate. Valid values are:

Blank

Use the exchange rate for the current period.

1

Use the exchange rate for the period being restated.

Note: When restating year-to-date balances, enter 1 to restate all periods using the exchange rate for the period selected. The default (blank) uses the exchange rate for each specific period being restated.

Adjustments Tab

1. Check for Adjustments

Blank = Check for adjustments

1 = Do not check for adjustments

Use this processing option to specify whether to include manual journal entry adjustments from the Account Ledger table (F0911) in the restated balance. Valid values are:

Blank

Include manual journal entry adjustments.

1

Do not include manual journal entry adjustments. Enter this value only if you have not entered manual journal entry adjustments. The program bypasses the search for adjustments during processing.

Data Selection for Compute Restated Balances

Use the data selection to select only those companies that use the computation ID entered in the processing options.

Calculating Retained Earnings for the Consolidation Ledger

As part of your year-end processing, you must calculate retained earnings for the consolidation ledger (usually AC), which is used for balance restatement.

PeopleSoft recommends that you follow certain steps to ensure that the AC ledger is in balance and that the calculated amount for retained earnings is correct. If you follow the steps, the Annual Close program (R098201) creates a hybrid historical rate instead of a manual calculation when it calculates retained earnings for the AC ledger. The steps, which are described below, are supported by Global Support Services.

Steps for Calculating Retained Earnings for the AC Ledger

1. Verify that the automatic accounting instruction (AAI) item GLG4 for the retained earnings account is set up.
2. On the Revise Company Currency Conversions form, create a separate line for the Retained Earnings account (as specified in AAI item GLG4) and enter the following:
 - The retained earnings account in the From Account and Thru Account fields
 - A valid rate type in the Rt Ty field
 - A valid calculation method in the CM field
 - AC (or user-specified consolidation ledger) in the Fr LT (From Ledger Type) field
 - 1.0000000 in the Override Rate field
3. Run the Compute Restated Balances program (R11414).
4. Run the Annual Close program for the AC ledger to ensure that the restated ledger balances.

See Also

- ❑ *Special Considerations for Retained Earnings* in the *General Accounting Guide* for more information about step 1
- ❑ *Calculating Restated Balances for Balance Restatement* in the *Multicurrency Guide* for more information about step 3

“As If” Restatement

When you enter multicurrency transactions, the system uses the current exchange rate to convert amounts from a foreign currency to the domestic currency. Because exchange rates fluctuate, the converted amounts might not be useful for comparison purposes.

You can eliminate fluctuations over a period of time by reposting the balances using a single date to retrieve exchange rates as if the exchange rate applied to all transactions. Reposting balances in this way allows you to:

- Recalculate balances by using an exchange rate that is associated with a specific date.
- Record the new balances in a ledger type that is used specifically for “as if” restatement. This can be the AD (“as if” restatement) ledger type or any other user-specified ledger type.

You can then compare the new balances with actual or budget balances. For example, a construction company with projects that span multiple years can compare original budget amounts to actual amounts that have been restated by using exchange rates that were in effect when the original budget was prepared. Or a company with sales people located worldwide can report sales figures at a stabilized rate for commission analysis.

“As If” Restatement and Ledgers Used

You must set up the following ledger type for “as if” restatement. You cannot use this ledger type for detailed currency restatement or balance restatement.

Ledger Type	Description
AD (“as if” restatement)	This ledger contains a complete chart of accounts with domestic transactions (AA ledger) that have been restated to foreign amounts using exchange rates as of a specific date. Do not assign a currency code to this ledger type. The system uses the domestic currency of the company on the transaction.

Prerequisite

- Ensure that ledger type AD (“as if” restatement ledger) exists in both UDC 09/LT and UDC 11/TL.

► To set up ledger type rules for “as if” restatement

From the General Accounting System Setup menu (G0941), choose Ledger Type Master Setup.

1. On Work with Ledger Types, choose ledger type AD and click Select.



Ledger Type Master Setup - Ledger Type Rules Setup

OK Cancel Form Tools

Ledger Type	AD	"As If" Restatement Ledger
Units Ledger Type		

Financial Rules

<input type="checkbox"/> Close to Retained Earnings Account	<input type="checkbox"/> Roll Original Budget to Next Year
<input type="checkbox"/> Ledger is Required to Balance	<input type="checkbox"/> Override Budget "Do Not Spread" Code
<input type="checkbox"/> Create Intercompany Settlements	<input checked="" type="checkbox"/> Use as Restatement "To" Ledger
<input type="checkbox"/> Prevent Direct Balance Update	<input type="checkbox"/> Prevent Creation of Journal Entry

Ledger Comparison Column Titles

Upper	Alt Restatement
Lower	Ledger

Ledger Currency

Denominated Currency Code	EUR	Euro
---------------------------	-----	------

2. On Ledger Type Rules Setup, turn on the following option:
 - Use as Restatement "To" Ledger
3. Turn off the following option:
 - Prevent Creation of Journal Entry
4. Complete the following field and click OK:
 - Denominated Currency Code

Enter the currency in which you restate amounts in this field. A currency code designation for a ledger type applies to all companies using that ledger.

Ledger type AD requires a currency code to ensure that amounts are restated only in the designated currency and that the amounts have the correct number of decimal places.

Caution

To maintain the integrity of your ledger, do not change the currency code that you assign to the AD ledger after you begin using “as if” restatement.

Calculating Restated Balances for “As If” Restatement

From the Financial Restatement menu (G1122), choose "As If" Repost.

You use the “As If” Repost program (R11415) to restate account balances in your domestic currency using a single exchange rate. The program does the following:

- Selects posted foreign currency transactions from the foreign currency (CA) ledger in the Account Ledger table (F0911)
- Applies a new exchange rate to the CA ledger
- Creates records for the restated domestic currency amounts and stores them in the “as if” restatement ledger (AD) in the Account Balances table (F0902). Although the AD ledger is commonly used as the “as if” restatement ledger type, you can use any user-specified ledger type except AA, CA, XA, YA, ZA, or AZ.

You can run the “As If” Repost program as often as necessary. Each time that you run the program, it overwrites existing balances in the AD ledger unless you specify a different destination ledger type in a processing option. You can run this program in three different modes:

Proof mode with report	The system prints a report but does not create balances in the destination ledger.
Final mode with report	The system creates balances in the destination ledger type and prints a detailed audit trail.
Final mode without report	The system creates balances in the destination ledger but does not print a detailed audit trail.

If transactions were originally entered in the domestic currency, the report does not show an original or "as if" exchange rate. That is because the source and destination amounts are the same.

The DEMO version of the “As If” Repost program processes domestic and foreign transactions for the selected account range. Use this version to ensure that all transactions in the AA (actual amounts) ledger are transferred to the AD (“as if” restatement) ledger.

Prerequisites

- ❑ Set up the financial rules for ledger type AC on the Ledger Type Rules Setup form. See the task *To set up ledger type rules for “as if” restatement* in the *Multicurrency Guide*.
- ❑ Enter an exchange rate with an effective date on or before the restatement date on the Revise Currency Exchange Rates form.

Processing Options for “As If” Repost (R11415)

Conversion Date

1. Enter the 'As If' exchange rate date to be used to convert the original transactions. Effective rates for this date must exist in the Currency Conversion Rates File (F0015).
-

Mode

1. Enter the mode in which the calculations and updates will be processed.

0 = Proof mode with Report

1 = Final mode with Report

2 = Final mode without Report

Ledger Type

1. Enter the ledger type to receive the recomputed transaction amounts. This option has no default and must be entered for the program to function. The ledger type must be defined in User Defined Codes System Code '11', Record Type 'TL'
-

Data Selection for “As If” Repost

The program logic for the DEMO version of the “As If” Repost program (R11415) depends on the following data selection. Do not change it.

- Document type not equal to BF. Selects only transaction records that are not summarized. The original exchange rate that was used cannot be determined if transactions are summarized.
- G/L posted code equal to P. Prevents the program from restating transactions that are not yet posted to the Account Balances table (F0902).

Multicurrency Multisite Consolidations

Multisite consolidations allow you to send account balances from multiple locations (or sites) to a central location. At the central location, you can then use the consolidated account balances for statutory and management reporting.

Two types of sites are involved in multisite consolidations:

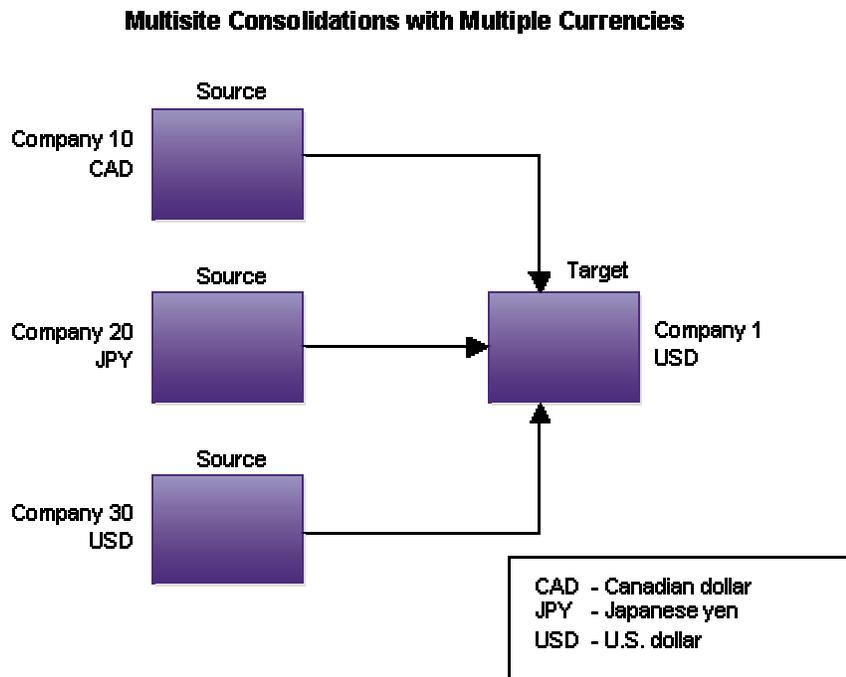
- Source – any of the locations where account balances originate
- Target – the central location (headquarters) that receives the account balances

If the target and source sites have different currencies, the target site must use the PeopleSoft Multicurrency system. The source sites simply provide the data to the target site; therefore, the Multicurrency system is not a requirement.

Before you can process multisite consolidations in a multicurrency environment, the balances of your source and target sites must be in one common currency. You run the Compute Restated Balances program (R11414) to restate company currencies (at the source sites) into the currency of the target company.

Example: Multisite Consolidations with Multiple Currencies

In this example, the target site is a USD company and two of the three source sites have different currencies. The source sites are company 10 (CAD), company 20 (JPY), and company 30 (USD).



The balance amounts from company 10 and 20 are restated into the currency of the target company (USD). The balances from company 30 do not need to be restated because they are already in the currency of the target company. The restated balances at the source sites are then consolidated and sent to the target site. At the target site, journal entries for the consolidated balances are created, processed, and posted to the Account Ledger (F0911) and Account Balances (F0902) tables for multisite consolidation reporting.

See Also

- *Multisite Consolidations* in the *General Accounting Guide* for detailed, non-currency specific information about multisite consolidations including the setup required before you can perform multisite consolidations

Basic Steps for Multisite Consolidations with Multiple Currencies

Most of the basic steps for multisite consolidations are the same, regardless of whether your target and source sites have different currencies. The main difference is that you must restate balance amounts from your source sites into one common currency (the currency of the target site company) before you can begin the multisite consolidations process.

Example: Basic Steps for Multisite Consolidations with Multiple Currencies

The following example describes the basic steps for multisite consolidations when multiple currencies are involved. This example assumes that all companies at the source sites use the PeopleSoft Multicurrency system and that the source companies restate their company balances into one common currency before sending data to the target site.

Many of the programs described in the following steps can be accessed from the Multi-Site Consolidation menu (G1021).

Source Site

1. Run the Compute Restated Balances program (R11414) for each source company that has a currency different from the currency used for consolidations at the target site.

This program restates domestic amounts from the AA ledger into the currency of the consolidations ledger (AC), or other user-specified ledger. The currency of the AC ledger is the same currency used for consolidations at the target site.

The following form shows four source companies that are set up for balance restatement.

Records 1 - 4									Customize Grid
<input type="checkbox"/>	ID	Co	Company Description	Fr1	Fr2	Fr3	To Lt	To Curr	
<input type="checkbox"/>		00001	Financial/Distribution Company	AA			AC	USD	
<input type="checkbox"/>		00070	Luxe de France	AA			AC	USD	
<input type="checkbox"/>	H	00080	Colombian ECS Company	AA			AC	USD	
<input type="checkbox"/>	J	00075	Cascades, Ltd	AA			AC	USD	

2. Run the Process Consolidations program (R10550) to read the restated amounts from the Account Balances table (F0902) and create consolidated balances for each source site in the following tables:

- Multi-Site Consolidation Transfer File Header (F1001)
 - Multi-Site Consolidation Transfer File (F1002)
 - Multi-Site Consolidation Transfer File – Category Codes (F1003)
-

Note

If a source company uses the PeopleSoft Multicurrency system, do not enter a currency code in the processing option for Process Consolidations program; the system ignores the processing option.

If a source company does *not* use the Multicurrency system, enter the currency code of the company. The system assigns this currency code to the account balances of the source company, but does not perform any conversions.

3. Run integrity reports to locate potential balancing problems and data inconsistencies before you send data to the target site.

4. Use either the MSC Data Transmission program (R10610) or the Consolidation Console program (P10610) program to send the consolidated balances in the F1001, F1002, and F1003 tables from your source sites to the target site.

This step basically copies data from one source library to another.

Target Site

5. Run the Journalize Consolidated Balances program (R10480) to create journal entries for the consolidated balances that are received from the source sites.

This program creates journal entries in the Journal Entry Transactions – Batch File table (F0911Z1).

6. Run integrity reports to verify the results of the previous step.

7. Run the Process Batch Journal Entry program (R09110Z) to process and post the batch journal entries to the Account Ledger table (F0911).

This program prints a report that provides a detailed audit trail.

8. Run the General Ledger Post program (R09801) to post the F0911 journal entries to the Account Balances table (F0902).

9. Use any of the inquiry or report programs that access balance information from the F0902 table to review your multisite consolidated balances.

► **To define consolidation rules in a multicurrency environment**

The steps to define the rules for consolidating account balances at your source sites are the same regardless of whether you process multiple currencies, with the exception of the option described in step 4.

From the Multi-Site Consolidation menu (G1021), choose Consolidation Specifications.

1. On Work With Consolidation Specifications, click Add.
2. On Consolidation Specification Revisions, define your consolidations rules as usual.
3. Click the Additional Setup tab.

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Consolidation Specifications - Consolidation Specification Revisions

OK Cancel Form Tools

Consolidation Name Financial Rollup

Business Unit Structure Account Structure **Additional Setup**

From Ledger Type 1 Foreign Currency

From Ledger Type 2 General Ledger

From Ledger Type 3

Rounding Factor

Subledger Detail

Balances by Currency

4. To retain balance by currency detail for each account, turn on the following option and click OK:

- Balances by Currency

If you do not turn on this option, the system creates one summarized record for each account.

See Also

- *To define consolidation rules in the General Accounting Guide for detailed, non-currency specific information about the Consolidation Specifications Revisions program*

Multicurrency Cash Forecasting

The PeopleSoft EnterpriseOne cash forecasting programs can help your company project, or forecast, future cash requirements and effectively manage your cash accounts. With cash forecasting, you can analyze one or more bank accounts and forecast your cash position daily or periodically based on a date horizon.

The initial setup and routine processing for cash forecasting is the same regardless of whether you work in a multicurrency environment, with the following exceptions:

- To work with cash forecast amounts in a currency other than your domestic currency, you can assign a revaluation currency to cash type rules. You enter the currency code in the Node Currency field on the Revise Cash Type Rule form.
- When you run the Refresh Cash Forecast Data program (R00522), the system summarizes open amounts in the F09522 table by bank account, due date, and base (domestic) currency. If more than one bank account, due date, and base currency meets the selection criteria for a cash type, the program produces multiple summarized amounts.
- To calculate amounts in the revaluation currency, the Refresh Cash Forecast Data program uses the summarized base currency amounts and retrieves the exchange rate that is in the Currency Exchange Rates table (F0015) using the Based On Date processing option.

If the program cannot find an exchange rate between the base currency and the revaluation currency for the based on date, it summarizes detail records for the cash type in the base currency instead of the revaluation currency. When this occurs, the base currency and revaluation currency amounts are the same and appear in the Base and Revalued fields on the Cash Forecast Report (R095221). The system sends an error message to the work center.

- Before you view cash forecast amounts using the Cash Forecast Analysis program (P09522), you specify the currency code of the revaluation currency. This is the same currency that you assigned to your cash type rules and the same currency that the Refresh Cash Forecast Data program used to recalculate amounts. If you do not specify a revaluation currency, the system displays amounts in the currency for company 00000.

See Also

- *Cash Forecasting* in the *General Accounting Guide* for detailed information about cash forecasting setup and the cash forecast programs

Multicurrency Inquiries and Reports for General Accounting

Most PeopleSoft inquiries and reports include domestic and foreign currency amounts for companies that process transactions in multiple currencies. Depending on the inquiry or report that you choose in the General Accounting system, the system prints detailed transactions from the Account Ledger table (F0911) or posted balances from the Account Balances table (F0902).

The inquiries and reports can be accessed from the following menus:

- Journal Entry, Reports, & Inquiries (G0911)
- Accounting Reports & Inquiries (G0912)

For transactions in a foreign currency, both the AA (domestic) and CA (foreign) amounts print on the reports. If you run reports for more than one company and the company currencies are different, the grand totals are hash totals and meaningless because of the mixed currencies. This also applies to inquiries in which grand totals for CA amounts include more than one currency. To avoid this when running reports, set up different batch versions and use the processing options and data selection to limit the information on the report to one currency.

Some inquiries and reports allow you to display transaction amounts as if they were entered in a currency other than the currency in which they were actually entered.

See Also

- ❑ *Integrity Reports for General Accounting* in the *General Accounting Guide* for information about identifying problems and inconsistencies in your data. Integrity reports are beneficial for all clients, regardless of whether they work in a multicurrency environment.
- ❑ *Cash Flow Statements* in the *General Accounting Guide* for information about cash flow setup and statements. To run the Statement of Cash Flow Report (R10521) over bank accounts in a multicurrency environment, the currency of the ledger type that you specify in a processing option must be the same as the domestic (base) currency of the company on the report.

About “As If” Currency Processing

The following general ledger inquiry and report programs have processing options that allow you to review G/L accounts using “as if” currency processing:

- Account Ledger Inquiry (P09200)
- Account Inquiry by Object Account (P09201)
- Account Inquiry by Category Code (P09202)
- Account Ledger Print (R09200P)
- G/L by Object Account (R09421)
- G/L by Category Code (R09470)

You can review "as if" amounts associated with your domestic ledger (AA) or any other ledger. However, be aware that if you view amounts for the foreign currency ledger (CA), the amounts are meaningless unless you specify a currency. This is because the CA ledger contains more than one currency, and "as if" processing is designed to convert only one currency at a time.

One of the advantages of "as if" currency processing is that it does not impact disk space. The amounts that you review or print are not written to a table, but instead are stored in temporary memory.

Note

Reviewing transactions in an "as if" currency is different from reviewing transactions created by balance currency restatement. "As if" currency processing was not designed for purposes of balance currency restatement.

Reviewing Accounts in Domestic, Foreign, and "As If" Currencies

You can review amounts for a general ledger account in both the domestic and foreign currencies as well as a currency other than the currency in which the amounts were actually entered. For example, you can review amounts in the Japanese yen as if they were entered in the U.S. dollar or review amounts in the euro as if they were entered in Canadian dollars, and so on.

You use the following general ledger inquiry programs to review domestic and foreign as well as "as if" currency amounts:

- Account Ledger Inquiry (P09200)
- Account Inquiry by Object Account (P09201)
- Account Inquiry by Category Code (P09202)

These inquiry programs allow you to review amounts from the Account Ledger table (F0911) in two ledgers, such as the domestic (AA) and foreign (CA) currency ledgers, at the same time. If you use detailed currency restatement processing, you can review the alternate currency ledger (XA) used for reporting alongside the AA ledger.

Depending on how you set a processing option for these programs, you can review amounts in one of the following formats:

One-Ledger Format	<p>Displays amounts for one ledger only. Use this format to view:</p> <ul style="list-style-type: none"> • Domestic (AA) or foreign (CA) amounts only. • "As if" currency amounts for the domestic or foreign currency. You choose a menu option that acts like a toggle between the domestic or foreign amounts and the "as if" amounts.
Two-Ledger Format	<p>Displays amounts for two ledgers. Use this format to view:</p> <ul style="list-style-type: none"> • Domestic and foreign currency amounts at the same time. • Domestic and "as if" amounts at the same time. You can view only "as if" amounts associated with Ledger Type 1.

► **To review accounts in domestic and foreign currencies**

To review domestic and foreign currency amounts simultaneously, set the processing option to display two ledgers.

From the Journal Entry, Reports, & Inquiries menu (G0911), choose Account Ledger Inquiry.

1. On Work With Account Ledger, complete the following field:

- Account

2. Complete the following fields:

- From Date
- Thru Date

The system provides default dates for these fields if you set them up in the processing options.

3. Enter AA and CA, respectively, in the following fields and click Find:

- Ledger Type 1
- Ledger Type 2

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Account Ledger Inquiry - Work With Account Ledger

Select Find Close Form Row Report Tools

Account: 7501.8001 Expense

Ledger Type 1: AA CAD General Ledger From Date: 01/01/05

Ledger Type 2: CA Thru Date: 02/28/05

Type/Subledger: * Currency Code: *

Posted Unposted All YTD: 346,889.34

Records 1 - 8							
	LT 1 Amount	LT 2 Amount	Cur Cod	LT 1 Debit	LT 1 Credit	LT 2 Debit	LT 2 Credit
<input type="checkbox"/>	78,500.00		CAD	78,500.00			
<input type="checkbox"/>	88,585.51	65,000.00	EUR	88,585.51		65,000.00	
<input type="checkbox"/>	59,660.52	42,500.00	EUR	59,660.52		42,500.00	
<input type="checkbox"/>	120,163.31	85,600.00	EUR	120,163.31		85,600.00	
<input type="checkbox"/>	346,889.34	193,100.00		346,889.34		193,100.00	
<input type="checkbox"/>	346,889.34	193,100.00		346,889.34		193,100.00	
<input type="checkbox"/>	346,889.34	193,100.00		346,889.34		193,100.00	
<input type="checkbox"/>							

Note the following:

- The LT 1 Amount column in the detail area of the form shows the domestic currency amounts and the LT 2 Amount column shows the foreign currency amounts. (To view the LT 2 Amount column, scroll to the right in the detail area, if necessary.)
 - If the Currency Code field in the header area of the form is * (all currencies), the Column Total and Ledger Total amounts that appear at the bottom of the LT 2 Amount column are hash totals because they include multiple currencies.
4. To view Column and Ledger Total amounts for a specific foreign currency, enter a value in the following field in the header area and click Find:
- Currency Code

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Account Ledger Inquiry - Work With Account Ledger

Select Find Close Form Row Report Tools

Account: 7501.8001 Expense

Ledger Type 1: AA CAD General Ledger From Date: 01/01/05

Ledger Type 2: CA Thru Date: 02/28/05

Type/Subledger: * Currency Code: EUR

Posted Unposted All YTD

Records 1 - 7

	LT 1 Amount	LT 2 Amount	Cur Cod	LT 1 Debit	LT 1 Credit	LT 2 Debit	LT 2 Credit
<input type="checkbox"/>	88,565.51	65,000.00	EUR	88,565.51		65,000.00	
<input type="checkbox"/>	59,660.52	42,500.00	EUR	59,660.52		42,500.00	
<input type="checkbox"/>	120,163.31	85,600.00	EUR	120,163.31		85,600.00	
<input type="checkbox"/>	268,389.34	193,100.00		268,389.34		193,100.00	
<input type="checkbox"/>	268,389.34	193,100.00		268,389.34		193,100.00	
<input type="checkbox"/>	268,389.34	193,100.00		268,389.34		193,100.00	
<input type="checkbox"/>							

► **To review accounts with domestic amounts and “as if” currency amounts**

To review domestic and "as if" currency amounts simultaneously, set the processing option to display two ledgers, enter a default “as if” currency code, and, optionally, enter an exchange rate date.

From the Journal Entry, Reports, & Inquiries menu (G0911), choose Account Ledger Inquiry.

1. On Work With Account Ledger, complete the following fields:

- Account
- From Date
- Thru Date

The system provides default dates for these fields if you set them up in the processing options.

2. Enter AA in both of the following fields and click Find:

- Ledger Type 1
- Ledger Type 2

3. Choose As-If Currency from the Form menu.

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Account Ledger Inquiry - Work With Account Ledger

Select Find Close Form Row Report Tools

Account: 70.5010 Store Sales As-If: CAD
 Ledger Type 1: AA EUR General Ledger From Date: 01/01/05
 Ledger Type 2: AA EUR Thru Date: 06/30/05
 Type/Subledger: Currency Code: *
 Posted Unposted All YTD: 5,075.47-

Records 1 - 7							
	LT 1 Amount	LT 2 Amount	Cur Cod	LT 1 Debit	LT 1 Credit	LT 2 Debit	LT 2 Credit
<input type="checkbox"/>	3,253.85-	2,500.00-	EUR		3,253.85-		2,500.00-
<input type="checkbox"/>	1,561.85-	1,200.00-	EUR		1,561.85-		1,200.00-
<input type="checkbox"/>	259.77-	199.59-	EUR		259.77-		199.59-
<input type="checkbox"/>	5,075.47-	3,899.59-			5,075.47-		3,899.59-
<input type="checkbox"/>	5,075.47-	3,899.59-			5,075.47-		3,899.59-
<input type="checkbox"/>	5,075.47-	3,899.59-			5,075.47-		3,899.59-
<input type="checkbox"/>							

The "as if" currency amounts appear in the LT 1 Amount column and the domestic amounts appear in the LT 2 Amount column.

► **To review accounts with domestic amounts in an “as if” currency**

To review domestic amounts in an "as if" currency, set the processing option to display one ledger, enter a default “as if” currency code and, optionally, an exchange rate date.

From the Journal Entry, Reports, & Inquiries menu (G0911), choose Account Ledger Inquiry.

1. On Work With Account Ledger, complete the following fields:

- Account
- From Date
- Thru Date

The system provides default dates for these fields if you set them up in the processing options.

2. Enter AA in the following field and click Find:

- Ledger Type 1

3. Choose As-If Currency from the Form menu.

The As-If Currency menu option acts like a toggle between the domestic currency and the "as if" currency amounts.

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Account Ledger Inquiry - Work With Account Ledger

Select Find Close Form Row Report Tools

Account: 70.5010 Store Sales As-If: CAD
 Ledger Type 1: AA EUR General Ledger From Date: 01/01/05
 Thru Date: 06/30/05
 Type/Subledger: * Currency Code: *
 Posted Unposted All YTD: 5,075.47-

Records 1 - 7							
	LT 1 Amount	LT 2 Amount	Cur Cod	LT 1 Debit	LT 1 Credit	LT 2 Debit	LT 2 Credit
<input type="checkbox"/>	3,253.85-		EUR		3,253.85-		
<input type="checkbox"/>	1,561.85-		EUR		1,561.85-		
<input type="checkbox"/>	259.77-		EUR		259.77-		
<input type="checkbox"/>	5,075.47-				5,075.47-		
<input type="checkbox"/>	5,075.47-				5,075.47-		
<input type="checkbox"/>	5,075.47-				5,075.47-		
<input type="checkbox"/>							

If the As-If field appears in the upper-right corner of the form, you are viewing amounts in the "as if" currency. If the field does not appear, you are viewing amounts in the domestic currency.

4. To print "as if" currency amounts for an account, choose Print Ledger from the Report menu while viewing the "as if" amounts.

► **To review accounts with foreign amounts in an “as if” currency**

To review foreign amounts in an “as if” currency, set the processing options to display one ledger, enter a default “as if” currency code and, optionally, an exchange rate date.

From the Journal Entry, Reports, & Inquiries menu (G0911), choose Account Ledger Inquiry.

1. On Work With Account Ledger, complete the following fields:

- Account
- From Date
- Thru Date

The system provides default dates for these fields if you set them up in the processing options.

2. Enter CA in the following field:

- Ledger Type 1

3. Enter a value in the following field and click Find:

- Currency Code

If you do not enter a currency code, the amounts that you view will be meaningless because the CA ledger contains more than one currency. “As if” currency processing is designed to convert only one currency at a time.

4. Choose As-If Currency from the Form menu.

The As-If Currency menu option acts like a toggle between the foreign currency and the "as if" currency amounts.



Account Ledger Inquiry - Work With Account Ledger

Select Find Close Form Row Report Tools

Account	<input type="text" value="75.4110"/>	A/P Trade Account	As-If	<input type="text" value="USD"/>
Ledger Type 1	<input type="text" value="CA"/>	Foreign Currency	From Date	<input type="text" value="01/01/05"/>
Type/Subledger	<input type="text" value="*"/>		Thru Date	<input type="text" value="02/28/05"/>
			Currency Code	<input type="text" value="EUR"/>
<input type="radio"/> Posted <input type="radio"/> Unposted <input checked="" type="radio"/> All		YTD	<input type="text"/>	
		Cumulative	<input type="text"/>	

Records 1 - 7								
<input type="checkbox"/>	<input type="checkbox"/>	LT 1 Amount	LT 2 Amount	Cur Cod	LT 1 Debit	LT 1 Credit	LT 2 Debit	LT 2 Credit
<input type="checkbox"/>		60,879.00-		EUR		60,879.00-		
<input type="checkbox"/>		39,805.50-		EUR		39,805.50-		
<input type="checkbox"/>		80,172.96-		EUR		80,172.96-		
<input type="checkbox"/>		180,857.46-				180,857.46-		
<input type="checkbox"/>		180,857.46-				180,857.46-		
<input type="checkbox"/>		180,857.46-				180,857.46-		
<input type="checkbox"/>								

If the As-If field appears in the upper-right corner of the form, you are viewing amounts in the "as if" currency. If the field does not appear, you are viewing amounts in the foreign currency.

- To print "as if" currency amounts for an account, choose Print Ledger from the Report menu while viewing the "as if" amounts.

► **To review account balances by currency**

If you post transactions by currency to the Account Balances table (F0902), you can review currency-specific account balances for the AA and CA ledgers on the Account Balance by Currency Code form. Set the processing option to display two ledgers.

From the Journal Entry, Reports, & Inquiries menu (G0911), choose Account Ledger Inquiry.

- On Work With Account Ledger, complete the following fields:
 - Account
 - From Date
 - Thru Date

The system provides default dates for these fields if you set them up in the processing options.

2. Enter AA and CA, respectively, in the following fields:
 - Ledger Type 1
 - Ledger Type 2
3. Enter the specific currency in which you want to review CA ledger amounts in the following field and click Find:
 - Currency Code

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Account Ledger Inquiry - Work With Account Ledger

Select Find Close Form Row Report Tools

Account *AVP Trade Account*

Ledger Type 1 *General Ledger* From Date

Ledger Type 2 Thru Date

Type/Subledger Currency Code

Posted Unposted All YTD Cumulative

Records 1 - 9

<input type="checkbox"/>	<input type="checkbox"/>	LT 1 Amount	LT 2 Amount	Cur Cod	LT 1 Debit	LT 1 Credit	LT 2 Debit	LT 2 Credit
<input type="checkbox"/>		88,565.51-	65,000.00-	EUR		88,565.51-		65,000.00-
<input type="checkbox"/>		59,660.52-	42,500.00-	EUR		59,660.52-		42,500.00-
<input type="checkbox"/>		120,163.31-	85,600.00-	EUR		120,163.31-		85,600.00-
<input type="checkbox"/>		63,825.47-	45,000.00-	EUR		63,825.47-		45,000.00-
<input type="checkbox"/>		85,641.23-	65,800.00-	EUR		85,641.23-		65,800.00-
<input type="checkbox"/>		417,856.04-	303,900.00-			417,856.04-		303,900.00-
<input type="checkbox"/>		417,856.04-	303,900.00-			417,856.04-		303,900.00-
<input type="checkbox"/>		417,856.04-	303,900.00-			417,856.04-		303,900.00-
<input type="checkbox"/>								

The transactions that appear on the Work With Account Ledger form are transactions from the Account Ledger table (F0911).

4. From the Form menu, choose Currency Balances.

PeopleSoft

Account Ledger Inquiry - Account Balance by Currency Code

Select Find Close Form Row Tools

Account Number: 75,4110 *AVP Trade Account*

Thru Date: 06/30/05 Period

Type/Subledger: *

Ledger Type: AA CAD *General Ledger*

Records 1 - 2		Customize Grid					
	Cumulative Amount	Cumulative CA Amount	Period Amount	Period CA Amount	Originating Currency	LT Denominated Currency	CA Denominated Currency
<input checked="" type="radio"/>	496,356.04-	303,900.00-	85,641.23-	65,800.00-	***	CAD	CAD
<input type="radio"/>	496,356.04-		85,641.23-				

- On Account Balance by Currency Code, review the amounts in the detail area.

The amounts that appear on the Account Balance by Currency Code form are posted amounts from the Account Balances table (F0902).

Related Task for Reviewing Account Balances by Currency

<p>Reviewing trial balances by business unit</p>	<p>If you post account balances by currency, you can review currency-specific account balances for the company associated with a business unit on the Trial Balance/Ledger Comparison form.</p> <p>To access this form, choose T/B / Ledger Comparison from the Accounting Reports & Inquiries menu (G0912).</p> <p>On the Trial Balance/Ledger Comparison form, complete the Skip to Account field, enter CA in the Ledger Type 2 field, and click Find. Change the Currency Code field from * (all currencies) to a specific currency code and click Find again.</p>
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Foreign Account Balances Report

From the Integrity Reports and Updates menu (G0922), choose Foreign Account Balances.

The Foreign Account Balances report (R09707) reviews account information in the Account Balances table (F0902) and prints an integrity report that shows account setup issues caused by the following:

- Changes to an account.

If you change an account from a non-monetary account to a monetary account after you post a foreign transaction, the report prints the error message *Monetary account with incorrect transaction (CRCD) or company currency code (CRCX)*.

If you change an account from a monetary account to a non-monetary account after you post a foreign transaction, the report prints the error message *Transaction currency (CRCD) populated but not in PBC AAI range or a monetary account*.

- Changes to AAI items. AAI item PBCxx is used for posting account balances by currency. If you add a range of accounts to AAI item PBCxx after you post a foreign transaction, the report prints the error message *Account within PBC AAI range with no currency in the transaction currency field (CRCD)*.

If you remove a range of accounts from AAI item PBCxx after you post a foreign transaction, the report prints the error message *Transaction currency (CRCD) populated but not in PBC AAI range or a monetary account*.

AAI item PBCxx is used for posting account balances by currency.

In proof mode, the Foreign Account Balances report lists any accounts with issues. Make sure that the accounts that appear on the report are set up accurately and were not inadvertently changed. If necessary, correct any errors and rerun the report in proof mode.

In final mode, the Foreign Account Balances report deletes CA records. If you run this report in final mode, you must also do the following:

- Run the Repost Account Ledger program (R099102) to create the correct CA and AA records.
- Delete the “bad” AA records in the F0902 table (the Foreign Account Balances report does not automatically do this when it deletes the CA records). This should be done by your database administrator.
- Run the Foreign Account Balances report again in proof mode to verify that no accounts have error messages.

Processing Options for Foreign Account Balances (R09707)

Mode

Process

1. Erase CA ledger type records with no matching AA ledger type records.

'1' = Erase records

' ' = Do not erase records.

See Also

- *Tax Summary Report Use/VAT* in the *Tax Reference Guide* for detailed, non-currency specific information
- *VAT Exception Report by Tax Area* in the *Tax Reference Guide* for detailed, non-currency specific information

EnterpriseOne PeopleBooks Glossary

“as of” processing	A process that is run at a specific point in time to summarize item transactions.
52 period accounting	A method of accounting that uses each week as a separate accounting period.
account site	In the invoice process, the address to which invoices are mailed. Invoices can go to a different location or account site from the statement.
active window	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.
ActiveX	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++.
activity	In Advanced Cost Accounting, an aggregation of actions performed within an organization that is used in activity-based costing.
activity driver	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.
activity rule	The criteria by which an object progresses from a given point to the next in a flow.
actual cost	Actual costing uses predetermined cost components, but the costs are accumulated at the time that they occur throughout the production process.
adapter	A component that connects two devices or systems, physically or electronically, and enables them to work together.
add mode	The condition of a form where a user can enter data into it.
advanced interactive executive	An open IBM operating system that is based on UNIX.
Agent	A program that searches through archives or other repositories of information on a topic that is specified by the user.

Aging	A classification of accounts by the time elapsed since the billing date or due date. Aging is divided into schedules or accounting periods, such as 0-30 days, 31-60 days, and so on.
aging schedule	A schedule that is used to determine whether a payment is delinquent and the number of days which the payment is delinquent.
allegato IVA clienti	In Italy, the term for the A/R Annual VAT report.
allegato IVA fornitori	In Italy, the term for the A/P Annual VAT report.
application layer	The seventh layer of the Open Systems Interconnection Reference Model, which defines standards for interaction at the user or application program level.
application programming interface (API)	A set of routines that is used by an application program to direct the performance of procedures by the computer's operating system.
AS/400 Common	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.
assembly inclusion rule	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.
audit trail	The detailed, verifiable history of a processed transaction. The history consists of the original documents, transaction entries, and posting of records and usually concludes with a report.
automatic return	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.
availability	The expression of the inventory amount that can be used for sales orders or manufacturing orders.
available inventory	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.
back office	The set of enterprise software applications that supports the internal business functions of a company.
backhaul	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.
balance forward	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.

balance forward receipt application method	A receipt application method in which the receipt is applied to the oldest or newest invoices in chronological order according to the net due date.
bank tape (lock box) processing	The receipt of payments directly from a customer's bank via customer tapes for automatic receipt application.
base location	[In package management] The topmost location that is displayed when a user launches the Machine Identification application.
basket discount	A reduction in price that applies to a group or "basket" of products within a sales order.
basket repricing	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.
batch job	A job submitted to a system and processed as a single unit with no user interaction.
batch override	An instruction that causes a batch process to produce output other than what it normally would produce for the current execution only.
batch process	A type of process that runs to completion without user intervention after it has been started.
batch program	A program that executes without interacting with the user.
batch version	A version of a report or application that includes a set of user-defined specifications, which control how a batch process runs.
batch/lot tracking	The act of identifying where a component from a specific lot is used in the production of goods.
batch/mix	A manufacturing process that primarily schedules short production runs of products.
batch-of-one processing	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.
binary large object (BLOB)	A collection of binary data stored as a single entity in a [file].
binder clip	See paper clip.
black products	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.
blend note	Document that authorizes a blending activity, and describes both the ingredients for the blend and the blending steps that occur.

blend off	Reworking off-specification material by introducing a small percentage back into another run of the same product.
blind execution	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.
boleto	In Brazil, the document requesting payment by a supplier or a bank on behalf of a supplier.
bolla doganale	VAT-Only Vouchers for Customs. In Italy, a document issued by the customs authority to charge VAT and duties on extra-EU purchasing.
bookmark	A shortcut to a location in a document or a specific place in an application or application suite.
bordero & cheque	In Brazil, bank payment reports.
broker	A program that acts as an intermediary between clients and servers to coordinate and manage requests.
BTL91	In the Netherlands, the ABN/AMRO electronic banking file format that enables batches with foreign automatic payment instructions to be delivered.
budgeted volume	A statement of planned volumes (capacity utilization) upon which budgets for the period have been set.
bunkering	A rate per ton or a sum of money that is charged for placing fuel on board; can also mean the operation itself.
business function	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.
business function event rule	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.
business object library	[In interoperability] The repository that stores EnterpriseOne business objects, which consist of Java or CORBA objects.
business unit	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.

business view	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.
business view design aid (BDA)	An EnterpriseOne GUI tool for creating, modifying, copying, and printing business views. The tool uses a graphical user interface.
buy-back crude	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."
CAB	In Italy, the bank branch code or branch ID. A five-digit number that identifies any agency of a specific bank company in Italy.
cadastro de pessoas fisicas	Cadastro de pessoas fisicas. In Brazil, the federal tax ID for a person.
category code	A code that identifies a collection of objects sharing at least one common attribute.
central object	A software component that resides on a central server.
central objects merge	A process that blends a customer's modifications with the objects in a current release with objects in a new release.
central server	A computer that has been designated to contain the originally installed version of the software (central objects) for deployment to client computers.
certificate input	See direct input.
certificate of analysis (COA)	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.
change management	[In software development] A process that aids in controlling and tracking the evolution of software components.
change order	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.
chargeback	A receipt application method that generates an invoice for a disputed amount or for the difference of an unpaid receipt.
chart	EnterpriseOne term for tables of information that appear on forms in the software. See forms.
check-in location	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.

checksum value	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.
class	[In object-oriented programming] A category of objects that share the same characteristics.
clean cargo	Term that refers to cargoes of gasoline and other refined products. See also dirty cargo.
client access	The ability to access data on a server from a client machine.
client machine	Any machine that is connected to a network and that exchanges data with a server.
client workstation	A network computer that runs user application software and is able to request data from a server.
ClieOp03	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.
ClieOp2	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.
cluster	Two or more computers that are grouped together in such a way that they behave like a single computer.
co-existence	A condition where two or more applications or application suites access one or more of the same database tables within the same enterprise.
cold test	The temperature at which oil becomes solid. Generally considered to be 5 degrees F lower than the pour point.
commitment	The number of items that are reserved to fill demand.
common object request broker architecture	An object request broker standard that is endorsed by the Object Management Group.
compa-ratio	An employee's salary divided by the midpoint amount for the employee's pay grade.
component changeout	See component swap.
component object model (COM)	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.

component swap	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.
conference room pilot environment	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.
configurable network computing (CNC)	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.
configurable processing engine	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.
configuration management	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.
configured item segment	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.
consuming location	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.
contra/clearing account	A G/L account used by the system to offset (balance) journal entries. For example, you can use a contra/clearing account to balance the entries created by allocations.
contribution to profit	Selling price of an item minus its variable costs.
control table	A table that controls the program flow or plays a major part in program control.
control table workbench	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.

control tables merge	A process that blends a customer's modifications to the control tables with the data that accompanies a new release.
corrective work order	A work order that is used to formally request unscheduled maintenance and communicate all of the details pertaining to the requested maintenance task.
corrective work order	A work order that is used to formally request unscheduled maintenance and communicate all of the details pertaining to the requested maintenance task.
cost assignment	Allocating resources to activities or cost objects.
cost component	An element of an item's cost—for example, material, labor, or overhead.
cost object	Any customer, product, service, contract, project, or other work unit for which you need a separate cost measurement.
cost rollup	A simulated scenario in which work center rates, material costs, and labor costs are used to determine the total cost of an item.
costing elements	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.
credit memo	A negative amount that is used to correct a customer's statement when he or she is overcharged.
credit notice	The physical document that is used to communicate the circumstances and value of a credit order.
credit order	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.
cross segment edit	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.
crude oil assay	A procedure for determining the distillation curve and quality characteristics of a crude oil.
cumulative update	A version of software that includes fixes and enhancements that have been made since the last release or update.
currency relationships	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.
currency restatement	The process of converting amounts from one currency into another currency, generally for reporting purposes. It can be used, for example, when many currencies must be restated into a single currency for consolidated reporting.

current cost	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.
customer pricing rules	In Procurement, the inventory pricing rules that are assigned to a supplier. In Sales, inventory pricing rules that are assigned to a customer.
D.A.S. 2 Reporting (DAS 2 or DADS 1)	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.
data dictionary	A dynamic repository that is used for storing and managing a specific set of data item definitions and specifications.
data source workbench	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.
data structure	A description of the format of records in a database such as the number of fields, valid data types, and so on.
data types	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.
datagram	A self-contained packet of information that is forwarded by routers, based on their address and the routing table information.
date pattern	A period of time that is set for each period in standard and 52-period accounting and forecasting.
DCE	See distributed computing environment.
DEB	See déclaration d'échange de biens.
debit memo	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.
debit memo	A form that is issued by a customer, requesting an adjustment of the amount, which is owed to the supplier.
debit statement	A list of debit balances.
de-blend	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.
déclaration d'échange de biens (DEB)	The French term that is used for the Intrastat report.
delayed billing	The invoicing process is delayed until the end of a designated period.

delta load	A batch process that is used to compare and update records between specified environments.
denominated-in currency	The company currency in which financial reports are based.
deployment server	A server that is used to install, maintain, and distribute software to one or more enterprise servers and client workstations.
detail	The specific information that makes up a record or transaction. Contrast with summary.
detail information	Information that primarily relates to individual lines in a sales or purchase order.
direct connect	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.
direct input	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.
direct ship orders	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.
direct usage	Consumption of resources that are attributable to specific production runs because the resources were directly issued to the schedule/order.
director	An EnterpriseOne user interface that guides a user interactively through an EnterpriseOne process.
dirty cargo	Term that refers to crude oil cargoes or other non-refined petroleum cargoes. See also clean cargo.
dispatch planning	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.

displacement days	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.
display sequence	A number that the system uses to re-order a group of records on the form.
distributed computing environment (DCE)	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.
distributed data processing	Processing in which some of the functions are performed across two or more linked facilities or systems.
distributed database management system (DDBMS)	A system for distributing a database and its control system across many geographically dispersed machines.
do not translate (DNT)	A type of data source that must exist on the AS/400 because of BLOB restrictions.
double-byte character set (DBCS)	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.
downgrade profile	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.
DTA	Datenträgeraustausch. A Swiss payment format that is required by Telekurs (Payserv).
dual pricing	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.
dynamic link library (DLL)	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.
dynamic partitioning	The ability to dynamically distribute logic or data to multiple tiers in a client/server architecture.
economy of scale	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.
edit mode	A processing mode or condition where the user can alter the information in a form.
edit rule	A method that is used for formatting user entries, validating user entries, or both, against a predefined rule or set of rules.

embedded event rule	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.
employee work center	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.
Emulator	An item of software or firmware that allows one device to imitate the functioning of another.
encapsulation	The ability to confine access to and manipulation of data within an object to the procedures that contribute to the definition of that object.
engineering change order (ECO)	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.
enhanced analysis database	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.
enterprise server	A computer containing programs that collectively serve the needs of an enterprise rather than a single user, department, or specialized application.
EnterpriseOne object	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.
EnterpriseOne process	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.
EnterpriseOne web development computer	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.

environment workbench	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.
equivalent fuel	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.
escalation monitor	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.
ESR	Einzahlungsschein mit Referenznummer. A pay slip with a reference number.
event rule	[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.
exit bar	[In EnterpriseOne] The tall pane with icons in the left portion of many EnterpriseOne program windows.
facility	An entity within a business for which you want to track costs. For example, a facility might be a warehouse location, job, project, work center, or branch/plant. Sometimes referred to as a business unit.
fast path	[In EnterpriseOne] A command prompt that allows the user to move quickly among menus and applications by using specific commands.
file handle	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.
file server	A computer that stores files to be accessed by other computers on the network.
find/browse	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.
firm planned order (FPO)	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.
fiscal date pattern	A representation of the beginning date for the fiscal year and the ending date for each period in that year.
fix/inspect	A type of form used to view, add, or modify existing records. A fix/inspect form has no detail area.

fixed quantity	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.
flexible account numbers	The format of account numbers for journal entries. The format that you set up must be the three segments: Business unit. Object. Subsidiary.
form design aid (FDA)	The EnterpriseOne GUI development tool for building interactive applications and forms.
form exit	[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.
form interconnection	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.
form type	The following form types are available in EnterpriseOne: Find/browse. Fix/inspect. Header detail. Headerless detail. Message. Parent/child. Search/select.
form-to-form call	A request by a form for data or functionality from one of the connected forms.
framework	[In object-oriented systems] A set of object classes that provide a collection of related functions for a user or piece of software.
frozen cost	The cost of an item, operation, or process after the frozen update program is run; used by the Manufacturing Accounting system.
frozen update program	A program that freezes the current simulated costs, thereby finalizing them for use by the Manufacturing Accounting system.
globally unique identifier (GUI)	A 16-byte code in the Component Object Model that identifies an interface to an object across all computers and networks.
handle	[In programming] A pointer that contains the address of another pointer, which, in turn, contains the address of the desired object.

hard commitment	The number of items that are reserved for a sales order, work order, or both, from a specific location, lot, or both.
hard error	An error that cannot be corrected by a given error detection and correction system.
header	Information at the beginning of a table or form. Header information is used to identify or provide control information for the group of records that follows.
header information	Information that pertains to the entire order.
hover help	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.
ICMS	Imposto sobre circulação de mercadoria e serviços. In Brazil, a state tax that is applied to the movement of merchandise and some services.
ICMS Substituto	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.
ICMS Substituto-Markup	See imposto sobre circulação de mercadoria e serviços substituto-markup.
imposto de renda (IR)	Brazilian income tax.
imposto sobre produtos industrializados	In Brazil, a federal tax that applies to manufactured goods (domestic and imported).
imposto sobre services (ISS)	In Brazil, tax on services.
inbound document	A document that is received from a trading partner using Electronic Data Interface (EDI). This document is also referred to as an inbound transaction.
indented tracing	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.
indexed allocations	A procedure that allocates or distributes expenses, budgets, adjustments, and so on, among business units, based on a fixed percentage.
indirect measurement	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.
indirect usage	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.

in-process rework	<p>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).</p> <p>Rework that is detected prior to receipt of finished goods and corrected during the same schedule run.</p>
INPS withholding tax	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.
inscrição estadual	ICMS tax ID. In Brazil, the state tax ID.
inscrição municipal	ISS tax ID. In Brazil, the municipal tax ID.
integrated toolset	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.
integrity test	A process that is used to supplement a company's internal balancing procedures by locating and reporting balancing problems and data inconsistencies.
interbranch sales order	A sales order that is used for transactions between branch/plants other than the selling branch/plant.
Interoperability	The ability of different computer systems, networks, operating systems, and applications to work together and share information.
inventory pricing rule	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.
inventory turn	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.
invoice	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.
IP	See imposto sobre produtos industrializados.
IR	See imposto de renda.
IServer Service	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.
ISS	See imposto sobre servicos.

jargon	An alternate data dictionary item description that EnterpriseOne or PeopleSoft World displays, based on the product code of the current object.
java application server	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.
JDBNET	A database driver that allows heterogeneous servers to access each other's data.
jde.ini	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.
JDE.LOG	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.
JDEBASE Database Middleware	PeopleSoft proprietary database middleware package that provides two primary benefits: <ol style="list-style-type: none"> 1. Platform-independent APIs for multidatabase access. These APIs are used in two ways: <ol style="list-style-type: none"> a. By the interactive and batch engines to dynamically generate platform-specific SQL, depending on the data source request. b. As open APIs for advanced C business function writing. These APIs are then used by the engines to dynamically generate platform-specific SQL. 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).
JDECallObject	An application programming interface that is used by business functions to invoke other business functions.
JDEIPC	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.
JDENET	PeopleSoft proprietary middleware software. JDENET is a messaging software package.
JDENET communications middleware	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.
just in time installation (JITI)	EnterpriseOne's method of dynamically replicating objects from the central object location to a workstation.
just in time replication (JITR)	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.

Kagami	In Japan, summarized invoices that are created monthly (in most cases) to reduce the number of payment transactions.
latitude	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.
laytime (or layhours)	<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>
leading zeros	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.
ledger type	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.
level break	The position in a report or text where a group of similar types of information ends and another one begins.
libro IVA	Monthly VAT report. In Italy, the term for the report that contains the detail of invoices and vouchers that were registered during each month.
line of business	A description of the nature of a company’s work; also a tool to control the relationship with that customer, including product pricing.
linked service type	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.
livro razao	In Brazil, a general ledger report.
load balancing	The act of distributing the number of processes proportionally to all servers in a group to maximize overall performance.

location workbench	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.
log files	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.
logic data source	Any code that provides data during runtime.
logical compartment	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.
logical file	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.
logical shelf	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.
logical warehouse	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.
longitude	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.
LSV	Lastschriftverfahren. A Swiss auto debit format that is required by Telekurs (Payserv).
mail merge	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.
mailmerge workbench	[In EnterpriseOne] An application that merges Microsoft Word 6.0 (or higher) word-processing documents with EnterpriseOne records to automatically print business documents.
main fuels	Usually refers to bulk fuel products, but sometimes includes packaged products.
maintenance loop	See maintenance route.
maintenance route	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.

maintenance work order	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.
manufacturing and distribution planning	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.
mapping	A set of instructions that describes how one data structure passes data to another.
master business function	An interactive master file that serves as a central location for adding, changing, and updating information in a database.
master business function	A central system location for standard business rules about entering documents, such as vouchers, invoices, and journal entries. Master business functions ensure uniform processing according to guidelines that you establish.
master table	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.
matching document	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.
media object	An electronic or digital representation of an object.
media storage objects	Files that use one of the following naming conventions that are not organized into table format: Gxxx, xxxGT, or GTxxx.
memory violation	An error that occurs as the result of a memory leak.
menu selection	An option on a menu that initiates a software function directly.
message center	A central location for sending and receiving all EnterpriseOne messages (system- and user-generated), regardless of the originating application or user.
messaging application programming interface (MAPI)	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.
metal content	A series of properties of a blended product that help to determine its suitability for a prescribed purpose.
metals management	The process of maintaining information about the location and status of durable product containers such as liquid petroleum gas (LPG) cylinders.
mobile inventory	Inventory that is transferred from a depot to a barge or truck for milk-run deliveries.

modal	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.
model work order	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.
modeless	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.
multiple stocking locations	Authorized storage locations for the same item number at locations, in addition to the primary stocking location.
multitier architecture	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.
named event rules (NER)	Also called business function event rules. Encapsulated, re-usable business logic that is created by using event rules, rather than C programming.
national language support (NLS)	Mechanisms that are provided to facilitate internationalization of both system and application user interfaces.
natureza da operação	Transaction nature. In Brazil, a code that classifies the type of commercial transaction to conform to the fiscal legislation.
negative pay item	An entry in an account that indicates a prepayment. For example, you might prepay a supplier before goods are sent or prepay an employee's forecasted expenses for a business trip. The system stores these pending entries, assigning them a minus quantity as debit amounts in a designated expense account. After the prepaid goods are received or the employee submits an expense report, entering the actual voucher clears all 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).
net added cost	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.
next status	The next step in the payment process for payment control groups. The next status can be either WRT (write) or UPD (update).
node	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.

non-inventory items	See non-stock items.
non-list price	A price for bulk products that is determined by its own algorithms, such as a rolling average or commodity price plus.
non-prime product	A manufactured product with revenue potential that is less than the product planned for, or scheduled to be produced.
non-stock items	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.
nota fiscal	In Brazil, a legal document that must accompany all commercial transactions.
nota fiscal fatura	In Brazil, a nota fiscal and invoice information.
notula	In Italy, the process whereby a business does not recognize value added tax until the payment of a voucher.
object configuration manager (OCM)	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.
object embedding	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.
object librarian	A repository of all versions, applications, and business functions that are reusable in building applications.
object linking	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.
object linking and embedding (OLE)	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.
object management workbench (OMW)	The change management system that is used for EnterpriseOne development.

object-based technology (OBT)	A technology that supports some of the main principles of object-oriented technology: Classes. Polymorphism.I Inheritance. Encapsulation.
object-oriented technology (OOT)	Brings software development past procedural programming into a world of re-usable programming that simplifies development of applications. Object orientation is based on the following principles: Classes. Polymorphism.I Inheritance. Encapsulation.
offsetting account	An account that reduces the amount of another account to provide a net balance. For example, a credit of 200 to a cash account might have an offsetting entry of 200 to an A/P Trade (liability) account.
open database connectivity (ODBC)	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.
open systems interconnection (OSI)	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.
order detail line	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.
order hold	A flag that stops the processing of an order because it has exceeded the credit or budget limit, or has another problem.
order-based pricing	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.
outbound document	A document that is sent to a trading partner using EDI. This term is also referred to as an outbound transaction.

outturn	<p>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.</p> <p>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.</p>
overhead	<p>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.</p>
override conversion method	<p>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.</p>
package / package build	<p>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.</p>
package location	<p>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.</p>
package workbench	<p>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.</p>
packaged products	<p>Products that, by their nature, must be delivered to the customer in containers which are suitable for discrete consumption or resale.</p>
pane/panel	<p>A resizable subarea of a window that contains options, components, or other related information.</p>
paper clip	<p>An icon that is used to indicate that a media object is attached to a form or record.</p>
parent/child form	<p>A type of form that presents parent/child relationships in an application on one form:</p> <p>The left portion of the form presents a tree view that displays a visual representation of a parent/child relationship.</p> <p>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.</p> <p>The parent/child form supports drag and drop functionality.</p>

parent/child relationship	See parent/component relationship.
parent/component relationship	<p>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.</p> <p>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.</p> <p>Sometimes referred to as parent/child relationship.</p>
partita IVA	In Italy, a company fiscal identification number.
pass-through	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.
pay on consumption	The method of postponing financial liability for component materials until you issue that material to its consuming work order or rate schedule.
payment group	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.
PeopleSoft database	See JDEBASE Database Middleware.
performance tuning	The adjustments that are made for a more efficient, reliable, and fast program.
persistent object	An object that continues to exist and retains its data beyond the duration of the process that creates it.
pervasive device	A type of intelligent and portable device that provides a user with the ability to receive and gather information anytime, from anywhere.
planning family	A means of grouping end items that have similarity of design or manufacture.
plug-in	A small program that plugs into a larger application to provide added functionality or enhance the main application.
polymorphism	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.
portal	A Web site or service that is a starting point and frequent gateway to a broad array of on-line resources and services.
Postfinance	A subsidiary of the Swiss postal service. Postfinance provides some banking services.

potency	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 ($100 / 80 = 1.25$).
preference profile	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.
preflush	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.
preventive maintenance cycle	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.
preventive maintenance schedule	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.
primary service type	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.
pristine environment	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.
processing option	A data structure that allows users to supply parameters that regulate the execution of a batch program or report.
product data management (PDM)	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.
product line	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.
product/process definition	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.
production environment	An EnterpriseOne environment in which users operate EnterpriseOne software.

program temporary fix (PTF)	A representation of changes to PeopleSoft software that your organization receives on magnetic tapes or diskettes.
project	[In EnterpriseOne] A virtual container for objects being developed in Object Management Workbench.
projected cost	The target expenditure in added value for material, labor, and so on, during manufacture. See also standard cost.
promotion path	The designated path for advancing objects or projects in a workflow.
protocollo	See registration number.
PST	Provincial sales tax. A tax that is assessed by individual provinces in Canada.
published table	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.
publisher	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.
pull replication	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).
query by example (QBE)	Located at the top of a detail area, this area is used to search for data to display in the detail area.
rate scheduling	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.
rate type	For currency exchange transactions, the rate type distinguishes different types of exchange rates. For example, you can use both period average and period-end rates, distinguishing them by rate type.
real-time	Pertaining to information processing that returns a result so rapidly that the interaction appears to be instantaneous.
receipt routing	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.
referential integrity	Ensures that a parent record cannot be deleted from the database when a child record for exists.

regenerable	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.
register types and classes	In Italian VAT Summary Reporting, the classification of VAT transactions.
relationship	Links tables together and facilitates joining business views for use in an application or report. Relationships that are created are based on indexes.
relevé d'identité bancaire (RIB)	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.
remessa	In Brazil, the remit process for A/R.
render	To include external data in displayed content through a linking mechanism.
repassé	In Brazil, a discount of the ICMS tax for interstate transactions. It is the adjustment between the interstate and the intrastate ICMS tax rates.
replenishment point	The location on or near the production line where additional components or subassemblies are to be delivered.
replication server	A server that is responsible for replicating central objects to client machines.
report design aid (RDA)	The EnterpriseOne GUI tool for operating, modifying, and copying report batch applications.
repost	In Sales, the process of clearing all commitments from locations and restoring commitments, based on quantities from the Sales Order Detail table (F4211).
resident	Pertaining to computer programs or data while they remain on a particular storage device.
retorno	In Brazil, the receipt process for A/R.
RIB	See relevé d'identité bancaire.
ricevute bancarie (RiBa)	In Italy, the term for accounts receivable drafts.
riepilogo IVA	Summary VAT monthly report. In Italy, the term for the report that shows the total amount of VAT credit and debit.
ritenuta d'acconto	In Italy, the term for standard withholding tax.
rollback	[In database management] A feature or command that undoes changes in database transactions of one or more records.
rollup	See cost rollup.

row exit	[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.
runtime	The period of time when a program or process is running.
SAD	The German name for a Swiss payment format that is accepted by Postfinance.
SAR	See software action request.
scalability	The ability of software, architecture, hardware, or a network to support software as it grows in size or resource requirements.
scripts	A collection of SQL statements that perform a specific task.
scrub	To remove unnecessary or unwanted characters from a string.
search/select	A type of form that is used to search for a value and return it to the calling field.
selection	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.
serialize	To convert a software object into a stream of bytes to store on a disk or transfer across a network.
server map	The server view of the object configuration mapping.
server workbench	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.
service interval	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.
service type	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.
servlet	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.
share path	The network node under which one or more servers or objects reside.
shop floor management	A system that uses data from multiple system codes to help develop, execute, and manage work orders and rate schedules in the enterprise.
silent mode	A method for installing or running a program that does not require any user intervention.

silent post	A type of post that occurs in the background without the knowledge of the user.
simulated cost	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.
single-byte character set (SBCS)	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.
single-level tracking	Finding all immediate parents where a specific lot has been used (consumed).
single-voyage (spot) charter	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.
slimer	A script that changes data in a table directly without going through a regular database interface.
smart field	A data dictionary item with an attached business function for use in the Report Design Aid application.
SOC	The Italian term for a Swiss payment format that is accepted by Postfinance.
soft commitment	The number of items that is reserved for sales orders or work orders in the primary units of measure.
soft error	An error from which an operating system or program is able to recover.
software action request (SAR)	An entry in the AS/400 database that is used for requesting modifications to PeopleSoft software.
SOG	The French term for a Swiss payment format that is accepted by Postfinance.
source directory	The path code to the business function source files belonging to the shared library that is created on the enterprise server.
special period/year	The date that determines the source balances for an allocation.
specification merge	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.
specification table merge workbench	During the Installation Workbench process, Specification Table Merge Workbench runs the batch applications that update the specification tables.

specifications	A complete description of an EnterpriseOne object. Each object has its own specification, or name, which is used to build applications.
spot charter	See single-voyage charter.
spot rates	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.
stamp tax	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.
standalone	Operating or capable of operating independently of certain other components of a computer system.
standard cost	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.
standard costing	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.
subprocess	A process that is triggered by and is part of a larger process, and that generally consists of activities.
subscriber table	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.
summary	The presentation of data or information in a cumulative or totaled manner in which most of the details have been removed. Many systems offer forms and reports that summarize information which is stored in certain tables. Contrast with detail.
super backflush	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.
supersession	Specification that a new product is replacing an active product on a specified effective date.
supplemental data	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).

supplying location	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.
system code	A numeric or alphanumeric designation that identifies a specific system in EnterpriseOne software.
system function	[In EnterpriseOne] A named set of pre-packaged, re-usable instructions that can be called from event rules.
table access management (TAM)	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.
table conversion workbench	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.
table design aid (TDA)	An EnterpriseOne GUI tool for creating, modifying, copying, and printing database tables.
table event rules	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.
table handle	A pointer into a table that indicates a particular row.
table space	[In relational database management systems] An abstract collection of containers in which database objects are stored.
task	[In Solution Explorer and EnterpriseOne Menu] A user defined object that can initiate an activity, process, or procedure.
task view	A group of tasks in Solution Explorer or EnterpriseOne Menu that are arranged in a tree structure.
termo de abertura	In Brazil, opening terms for the transaction journal.
termo de encerramento	In Brazil, closing terms for the transaction journal.
three-tier processing	The task of entering, reviewing, approving, and posting batches of transactions.
three-way voucher match	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.

threshold percentage	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.
throughput agreement	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.
throughput reconciliation	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.
token	[In Object Management Workbench] A flag that is associated with each object which indicates whether you can check out the object.
tolerance range	The amount by which the taxes that you enter manually can vary from the tax that is calculated by the system.
TP monitor	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.
tracing	The act of researching a lot by going backward, to discover its origin.
tracking	The act of researching a lot by going forward, to discover where it is used.
transaction set	An electronic business transaction (EDI Standard document) composed of segments.
transclude	To include the external data in the displayed content through a linking mechanism.
transfer order	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.
translation adjustment account	An optional G/L account used in currency balance restatement to record the total adjustments at a company level.
translator software	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.

tree structure	A type of graphical user interface that displays objects in a hierarchy.
trigger	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.
two-way voucher match	The process of comparing purchase order detail lines to the suppliers' invoices to create vouchers. You do not record receipt information.
universal batch engine (UBE)	[In EnterpriseOne] A type of application that runs a noninteractive process.
unnormalized	Data that is a random collection of data elements with repeating record groups scattered throughout. Also see Normalized.
user overrides merge	The User Overrides merge adds new user override records into a customer's user override table.
user-defined code (UDC)	A value that a user has assigned as being a valid entry for a given or specific field.
utility	A small program that provides an addition to the capabilities which are provided by an operating system.
variable numerator allocations	A procedure that allocates or distributes expenses, budgets, adjustments, and so on, among business units, based on a variable.
variable quantity	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.
variance	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.
versions list merge	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.
VESR	Verfahren Einzahlungsschein mit Referenznummer. The processing of an ESR pay slip with reference line through accounts receivable and accounts payable.

visual assist	Forms that can be invoked from a control to assist the user in determining what data belongs in the control.
voucher logging	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.
wareki date format	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.
wash down	A minor cleanup between similar product runs. Sometimes used in reference to the sanitation process of a food plant.
wchar_t	An internal type of a wide character. Used for writing portable programs for international markets.
web server	A server that sends information as requested by a browser and uses the TCP/IP set of protocols.
work order life cycle	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.
workfile	A system-generated file that is used for temporary data processing.
workflow	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.”
workgroup server	A network server usually containing subsets of data that are replicated from a master network server.
WorldSoftware architecture	The broad spectrum of application design and programming technology that PeopleSoft uses to achieve uniformity, consistency, and complete integration throughout its software.
write payment	A step in processing payments. Writing payments includes printing checks, drafts, and creating a bank tape table.
write-off	A method for getting rid of inconsequential differences between amounts. For example, you can apply a receipt to an invoice and write off the difference. You can write off both overpayments and underpayments.

Z file	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.
z-process	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 melding	In Germany, the term for the EU Sales Listing.

Index

- Account
 - balances by currency, 24
- Address book currency code, 66, 191
- Alternate currency
 - automatic payments, 256, 259
- As if currency
 - reports
 - G/L by Category Code, 369
 - G/L by Object, 369
 - G/L Legal Name Register, 369
- Assigning currency codes to monetary accounts, 27
- Balance restatement, 315
- Balances by currency codes and decimals, 24
- Base currency code, 283
- Batch invoices, 105
- Batch processing
 - required fields for multi-currency, 288, 289
- Calculating currency cross-rate relationships, 53
- Calculating restated balances, 351
- Calculating unrealized gains and losses, 157, 266
- Calculating unrealized gains and losses on monetary accounts, 302
- Calculations
 - currency conversion, 344
 - restating balances, 352
- Chargebacks, 123
- Creating a currency cross-rate relationship, 51
- Cross-rate relationships
 - calculating, 53
 - creating, 51
 - reviewing, 51, 52
- Currency
 - defining codes, 20
 - exchange rates, 283
 - fluctuations, 300, 358
 - ledgers for, 283
- Currency codes
 - assigning to monetary accounts, 27
- Currency codes and decimals
 - original and denominated currencies, 24
- Currency gains and losses
 - unrealized, 302
- Currency restatement
 - calculations, 344
- Currency Restatement
 - processing options, 353
- Currency restatement:, 358
- Customer currency conversion, 85, 206
- Default currency code, 66, 191
- Defining a currency exchange rate, 38
- Defining currency codes, 20
- Denominated-In currency, 24
- Detailed currency restatement, 315
 - override rate, 283
 - setting up constants, 324
- Detailed currency restatement:, 358
- Domestic currency transaction, 90, 210
- Domestic versus foreign currency transactions, 90, 210
- Electronic Data Interchange (EDI)
 - Mapping Requirements for Inbound Vouchers, 231
- Electronic receipts, 135
- Exchange rate fluctuations, 157, 159, 161, 163, 269, 271, 272
- Exchange rates, 283
 - calculating currency cross-rate relationships, 53
 - creating currency cross-rate relationships, 51
 - types, 345
- External exchange rates, 55, 79
- F0015Z1, 55, 56, 59
- Financial restatement, 314
- Foreign currency
 - automatic payments, 256, 259
 - journal entries, 283
 - reports, 166
- Foreign currency transaction, 90, 210
- Foreign transactions
 - calculating domestic amounts, 91, 92, 211, 212
- Forms
 - Journal Entry, 283
- Intercompany settlements
 - multicurrency, 294
- Journal entries
 - foreign currency, 283
 - multi-currency intercompany, 295
- Ledger
 - domestic amounts, 283
 - foreign amounts, 283
- Ledger comparisons, 358
- Monetary account
 - assigning currency codes, 27

- calculating gain or loss, 302
- Monetary bank accounts, 241, 252
- Monthly valuation, 300
- Multicurrency
 - automatic payments, 250
- Multicurrency
 - automatic payments, 256
- Multicurrency
 - A/P drafts, 264
 - A/P reports, 274, 278, 279, 282
 - A/R checklist, 11
 - A/R drafts, 145, 147
 - A/R reports, 166, 174
 - alternate currency receipts, 125
 - automatic payments, 250, 256, 259
 - automatic receipts, 134
 - batch invoices, 105, 107
 - batch vouchers, 224
 - currency symbol on payments, 256
 - delinquency fees, 152
 - gains and losses, 163
 - intercompany settlement method, 68, 193
 - intercompany settlements, 240
 - invoices, 96, 99, 100, 288
 - manual payments, 241, 245
 - offset method, 68, 193
 - payment post, 262
 - payments, 240, 259
 - posting vouchers, 236
 - printing invoices, 104
 - realized gains and losses, 157, 161, 266, 269, 271, 272
 - receipts, 116, 136
 - restating amounts, 314
 - restating balances, 338
 - rounding differences, 142, 263
 - Setup for A/R, 61
 - Setup for Accounts Payable, 187
 - statements, 136, 137
 - supplier currency conversion, 205
 - unrealized gains and losses, 157, 159, 266, 267, 268
 - vouchers, 216, 221, 233
- Multi-currency
 - calculating currency cross-rate relationships, 53
 - creating currency cross-rate relationships, 51
 - intercompany journal entries, 295
 - monetary accounts, 27
- Multicurrency credit and collections management, 148
- Multicurrency invoices, 90
- Multicurrency reports for accounts payable, 274
- Multicurrency
 - receipt post, 138
- Non-monetary bank accounts, 241
- Open A/R Detail with Aging report (R03B4201B)
 - processing options, 180
- Open A/R Summary Analysis report (R03B155)
 - processing options, 185
- Originated-In currency, 24
- P7, 200
- PB, 201
- PC, 203
- PG, 197
- PL, 197
- Posting
 - detailed currency restatement, 338
- Posting foreign currency invoices, 113
- Posting the detailed currency journal, 338
- PR, 195
- Printing delinquency notices
 - multiple currencies, 152
- Processing multicurrency batch invoices, 104
- Processing options
 - Currency Restatement, 353
- PV, 195
- PW, 195
- PY, 198
- PZ, 198
- R03B429A, 166
- R03B429B, 166
- R03B429C, 166
- R03B466, 186, 282
- R04413A, 278
- R04413D, 278
- R04427A, 274
- R04427B, 274
- R04427C, 275
- R04427D, 275
- R04427E, 275
- R04427F, 275
- R04602, 282
- R7, 76
- R8, 76
- RB, 79
- RC, 77
- Reports
 - Open A/R Detail with Aging (R03B4201B), 179
 - Open A/R Detail with Remarks (R03B4201A), 177

- Open A/R Summary Analysis (R03B155), 184
- Reviewing customer accounts
 - multiple currencies, 153
- Reviewing invoices
 - in an "As If" currency, 110
- RG, 73
- RL, 73
- Rounding versus soft rounding, 95, 214
- RR, 70
- Running the credit analysis refresh, 153
- RV, 70
- RW, 70
- RY, 74
- RZ, 74
- Supplier currency conversion, 85, 206
- Transaction currency code, 283
- Triangulation
 - example, 43
- Unrealized gains and losses, 302
- Updating customer statistical information
 - multiple currencies, 156
- Updating domestic currency codes, 9
- Upload batch invoices, 288
- Viewing
 - exchange rates, 46
- Working with as if currency reposting, 358

