PeopleSoft®

Procurement for Accounts Payable

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Student Guide

PeopleSoft
World A8.1

Procurement for Accounts Payable
STU-2521-A81

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Purchasing for Accounts Payable Overview

The J.D. Edwards Procurement system accommodates a diverse range of purchasing activities for:

- Replenishing inventory
- Acquiring materials used in completing projects
- Charging purchased goods and services to specific departments, jobs, or cost centers

Procurement involves order entry through actual payment of the goods and services that you receive. You must carefully plan the cycle through which you intend to process your orders and set up the Procurement system accordingly. Set up issues include order types, line types, and order activity rules.

You can perform activities that are specific to your procurement operation, such as special orders processing, approval processing, and supplier management. A variety of features are available to help you process orders in a fast and effective manner. Extensive review and reporting capabilities can help you make decisions about current and future purchasing strategies.

System Integration

The Procurement system works in conjunction with J.D. Edwards accounting, distribution/logistics, and manufacturing systems to cover all aspects of processing purchase orders.

The Procurement system accommodates electronic data interchange (EDI) so that you can send and receive documents electronically.

The following graphic illustrates how the Procurement system integrates with J.D. Edwards accounting systems and other J.D. Edwards distribution/logistics systems.

```
                          Address Book
                              □

  Accounts                                          Accounts
  Payable                                           Receivable
      □                  General                        □
                        Accounting

        AAIs      AAIs                  AAIs      AAIs
 Sales
 Order                      □
 Management                                                  Procurement
      □                                                          □

                           AAIs


                              □

                        Inventory
                        Management
```
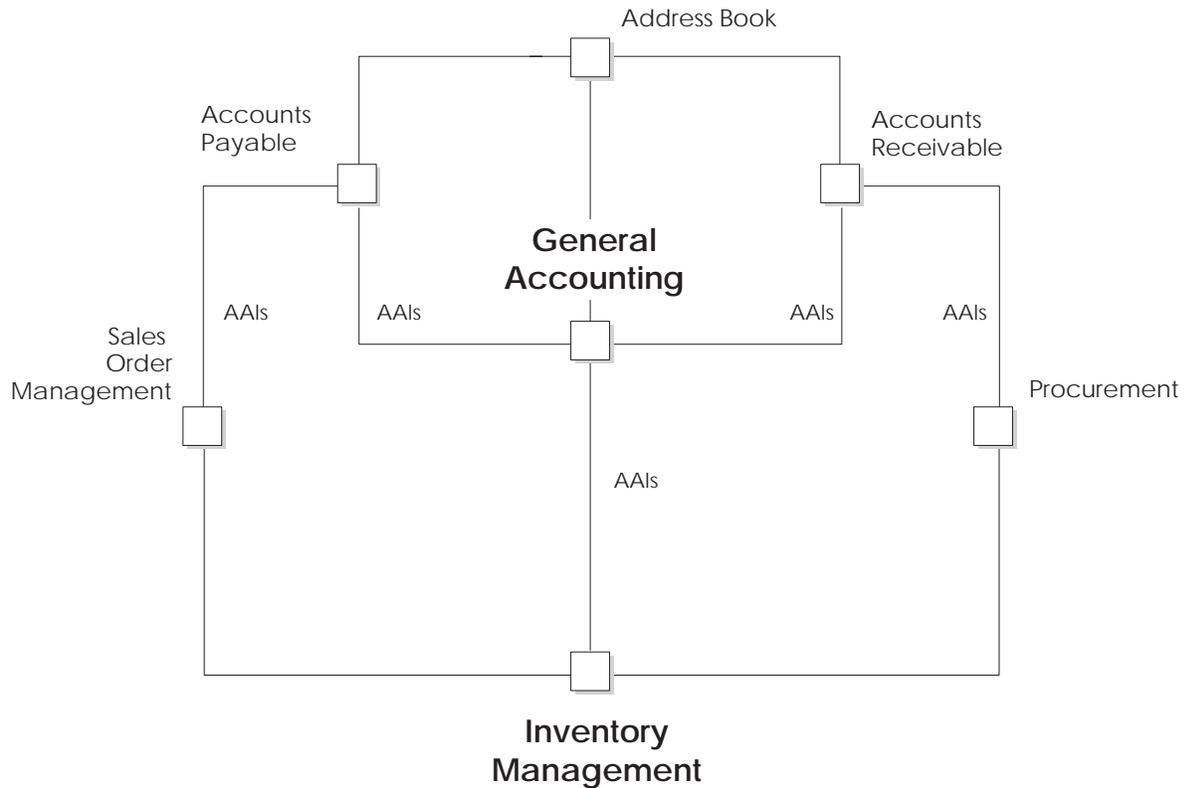
General Accounting and Accounts Payable

The Procurement system integrates with the General Accounting and Accounts Payable systems. With the use of automatic accounting instructions (AAIs) and user-input account numbers, the system relays pertinent transaction information to your accounting systems.

The Procurement system retrieves supplier payment information, tax information, and so forth from the Accounts Payable system.

Address Book

The Procurement system works in close coordination with the Address Book system to retrieve:

- Supplier address information
- Ship-to address information
- Warehouse address information
- User identification information

Distribution/Logistics

Your company might integrate the J.D. Edwards Procurement system with the J.D. Edwards Inventory Management system. This integration involves the validation and exchange of information that pertains to inventory items.

Other J.D. Edwards distributions/logistics systems with which the Procurement system integrates include:

- Advanced Warehouse Management
- Sales Order Management
- Sales Analysis
- Forecasting
- Distribution Requirements Planning

The following graphic illustrates how the Procurement system interacts with other systems to meet supply and demand requirements in a stock based distribution/logistics environment.

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4

Manufacturing

Your Procurement system can interact with several J.D. Edwards manufacturing systems to help process parts availability, work orders, forecasting and planning, product costing, and so forth.

Other J.D. Edwards Systems

Other systems with which your Procurement system might interact include:

- Fixed Assets
- Job Cost

Features, Terms, and Concepts

Procurement Methods

Based on your business objectives, the system provides two different methods by which you can procure goods and services:

- Purchasing for inventory
- Purchasing to the general ledger

Purchasing for Inventory

Your company might manage an inventory or stock-based operation, which includes:

- Retail items for sale to customers
- Items for internal consumption
- Manufactured items
- Repair and maintenance items

You must use the purchasing for inventory method to purchase goods for a stock-based environment. This method enables full integration between the Procurement system and the Inventory Management system. You purchase items based on the item numbers that exist in the Inventory Management system. The Procurement system:

- Validates that items exist in the Inventory Management system
- Retrieves item information from the Inventory Management system, such as item descriptions, units costs, units of measure, and so forth
- Updates item information in the Inventory Management system, such as on-hand balances, unit costs, and so forth

In a stock-based environment, item costs are classified as inventory on the balance sheet until you issue the items out of inventory. If you sell the items, they become cost of goods sold. If you use the items internally, you determine the expense account to which to charge the items at the time of issuance.

Purchasing to the General Ledger

Your company might purchase goods, materials, or services that are used internally or are subsequently charged to outside parties. Purchases might apply to a:

- Job
- Program
- Internal consumption
- Repair and maintenance
- Parts chargeable on a work order

You use the purchasing to general ledger method to charge purchases against general ledger account numbers. Each account number represents a job, program, project, or so on. This method accommodates non-stock and services and expenditures based environments.

You can optionally use the purchasing to general ledger method to purchase items that exist in the Inventory Management system. The Procurement system validates item numbers and retrieves item descriptions and costs from the Inventory Management system, but does not update item balance information.

Tracking commitments or encumbrances is a common practice in non-stock and services and expenditures based environments. A commitment or encumbrance is the recognition of a future obligation. If you purchase to the general ledger, you can have the system track commitment or encumbrance amounts when you enter purchase orders.

Purchasing Terms

Commitments and Encumbrances

Commitments and encumbrances are recognitions of future obligations. Each time you enter a purchase order, you can track the resulting commitment or encumbrance amount. Such tracking is common to non-stock and services and expenditures based purchasing operations.

Landed Costs

Landed costs are costs that exceed the purchase price of an inventory item. For example, a landed cost might be a commission, a brokerage fee, a freight charge, or so on.

Last-In Cost

The last-in cost is a costing method used for items. It is the last cost that a supplier charged you for a certain item. For example, if the cost of Item A was 5.00 the last time you received it, the last-in cost for Item A is 5.00.

Weighted Average Cost

The weighted average cost is the most common costing method used for items outside of a manufacturing environment. It is the total cost of the items you purchase divided by the quantity. For example:

Quantity on Order	Purchase Cost	Total Cost
4	10.00	40.00
10	10.50	105.00
5	10.25	51.25
19		$196.25

196.25 / 19 = 10.33

$10.33 = total weighted average cost

Standard Cost

Unlike the weighted average or last-in cost for an item, a standard cost remains consistent unless you manually change it. Standard costs are commonly used in manufacturing environments to determine the cost of goods. You might assign a standard cost to an item when you depend on a certain set price to build a product.

Purchasing Environments

The Procurement system provides three different environments in which you can perform your purchasing activities:

- Stock based
- Non-stock based
- Services and expenditures based

The stock based environment is designed to accommodate those who perform purchasing to inventory. The non-stock and services and expenditures based environments accommodate those who perform purchasing to the general ledger.

You choose the environment that is most conducive to your operation. For example, the stock based environment enables you to perform activities common to inventory operations, such as supplier management and rebate processing. The non-stock and services and expenditures based environments enable you to track commitments and encumbrances.

Several activities are common among all three environments. However, menus and forms are set up differently to accommodate processes and procedures for each specific type of operation.

The environments you use depend entirely on the objectives of your organization. Some organizations might choose to use all environments, while other organizations might choose only to use one environment.

Detailed Information

Purchase Order Processing Cycle

The purchase order processing cycle consists of three primary steps:

- Creating a purchase order
- Receiving the goods or services
- Creating a voucher to pay for the goods or services

Purchase Order

1. Create purchase order   2. Receive goods   3. Create voucher

Pay to ——— *Supplier* ⬜

Joe Acme
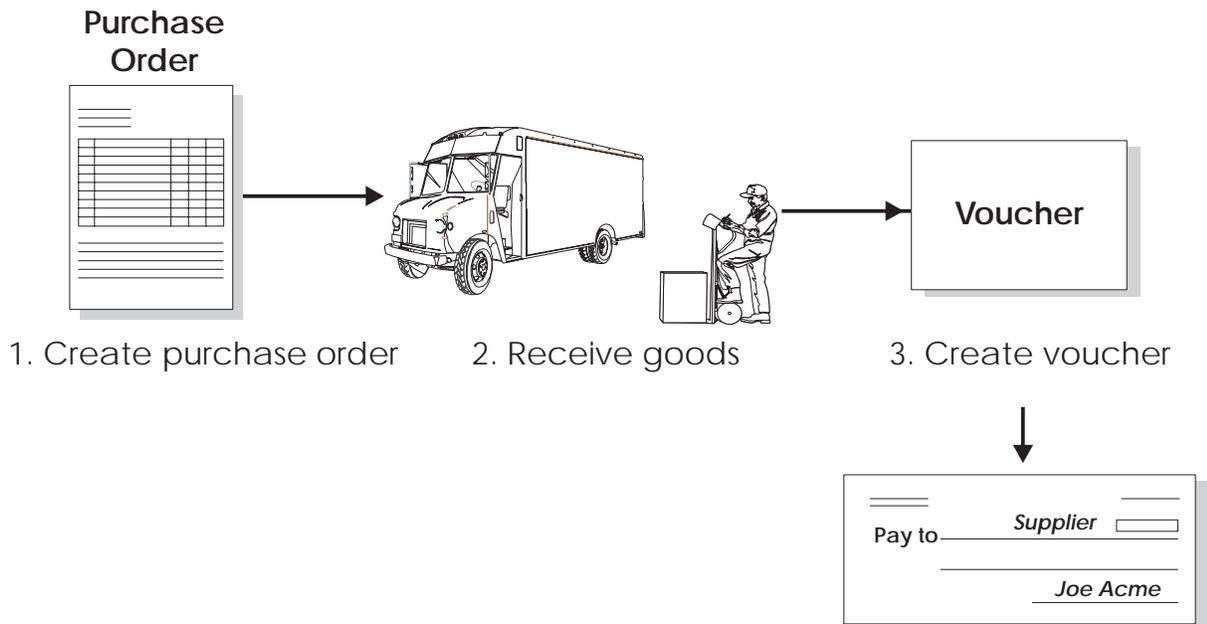
After you create a purchase order, you can use one of two methods to receive the goods or services:

- Enter receipt information on the system (formal receiving process)
- Have the system automatically generate receipt information when you create a voucher (informal receiving process)

If you purchase for inventory, you must use the formal receiving process. If you purchase to the general ledger, you can use either the formal or informal receiving process.

The method you use to create vouchers depends on your receiving process. If you use the formal receiving process, you can create vouchers:

- Individually, by verifying that invoice information matches receipt information
- In batch mode, using existing receipt records

If you perform informal receipts, you must compare invoice information to the original purchase order to create a voucher.

The following graphic shows the files that are affected as a purchase order flows through the purchasing process.
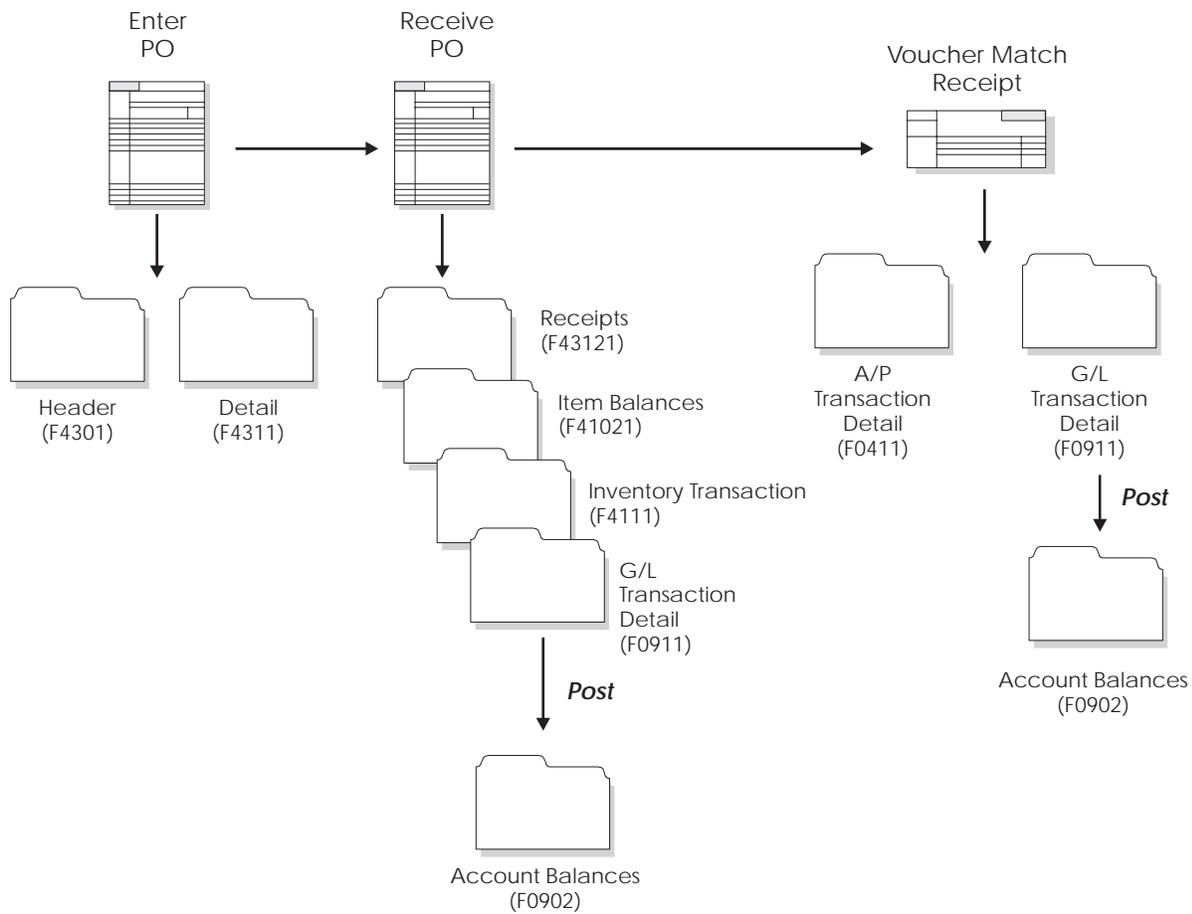
Each time you enter an order, you must provide details about the items and services that you want to order. For each item or service, you must enter a line of detail which describes the order, including the quantity and cost.

You must specify a line type for each detail line that you enter. The line type indicates how the system manages information on the detail line. For example, you might have a line type of S (for stock items) to indicate that the system is to increase the quantity of the item in the Inventory Management system and reflect the cost in the general ledger and the Accounts Payable system.

You must set up order processing cycles to indicate how the system is to process the detail lines on each of your order types (purchase orders, requisition, blanket orders, and so forth). For example, you can set up the processing cycle for purchase orders as follows:

- Create purchase order
- Print purchase order
- Print purchase receiver
- Receive goods or services
- Create voucher

You use order activity rules to set up the required steps for a processing cycle and to indicate the progression of the steps. You must assign a current and next status code to each step in the process. These codes identify the current status of an order detail line and the next step to which the system advances the line.

Enter
PO

Print
PO

220 ●
240 ◆

Print
Receiver

240 ●
260 ◆

Enter
Receipts

260 ●
400 ◆

Voucher
Match

400 ●
900 ◆

(Complete in
Procurement
System)

● current (last) status code
◆ next status code
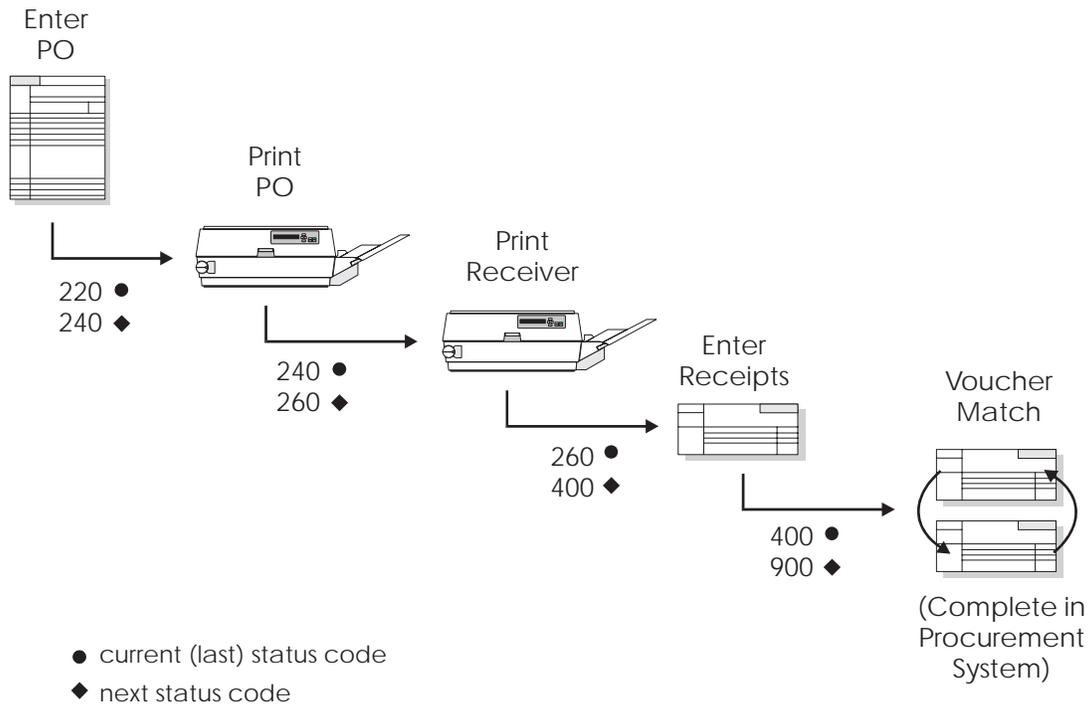
For each processing cycle you set up, you must specify the order type and line type to which it applies. For example, the processing cycle shown above might only apply to purchase order detail lines to which you assign a line type of S.

Purchasing to Accounts Payable Relationship

When you receive the goods and services on a purchase order, a liability is created in the Accounts Payable system. If you perform government accounting, you might recognize the liability for an encumbrance at the time of purchase order entry instead of at the time of receipt.

After you create a voucher for a purchase order, all information in the Purchase Management and Accounts Payable systems should correspond. The general ledger account in which the system stores amounts received but not vouchered should equal zero.

If you must change or void a voucher, you must do so in the Purchase Management system. Changes you make to a voucher in the Accounts Payable system will not update the Purchase Management system.

The following graphic depicts the interface and file interactions between the Accounts Payable system and the Purchase Management system (and Inventory Management system, if applicable).

Purchasing (Inventory)	Accounts Payable

F41021 Item Balance

F43121 Receipts File

F4111 Item Ledger (Cardex)

F0411 A/P Transactions

F0911 G/L Transactions

Must Balance!
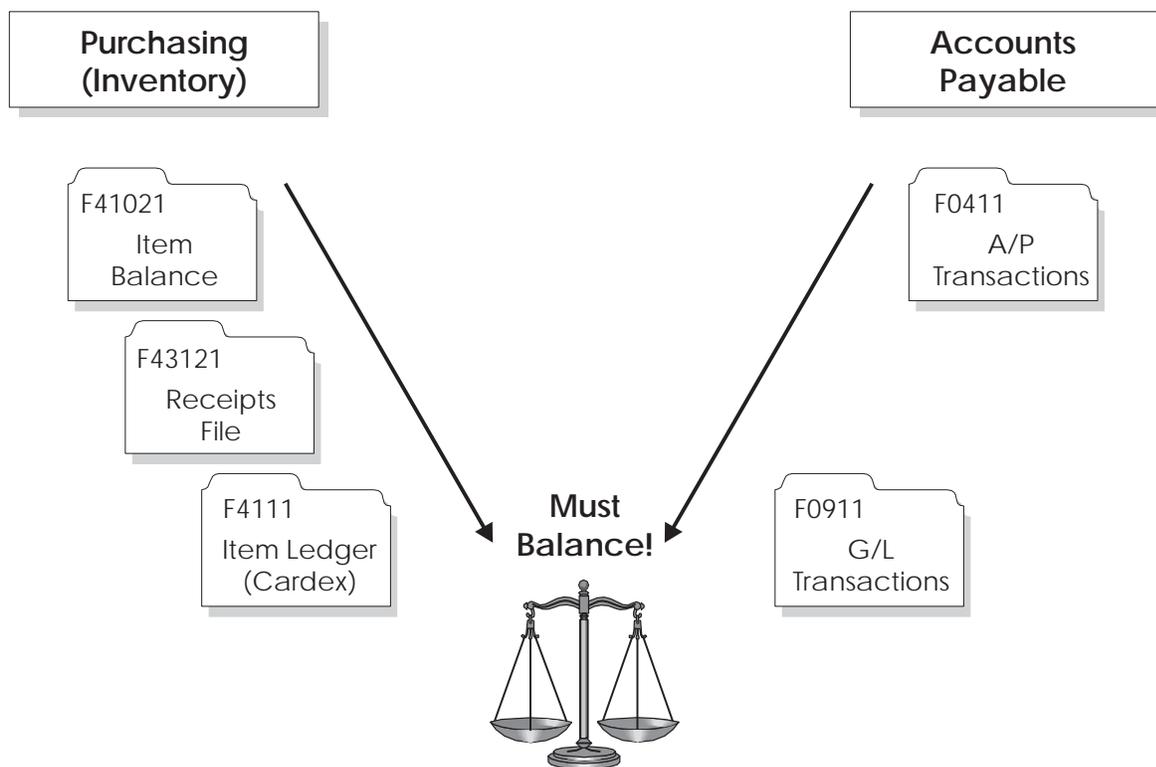
Optional Procurement Activities

Optional procurement activities you can perform include:

- Creating multiple purchase orders simultaneously
- Ensuring that orders are approved prior to processing
- Creating special orders, such as requisitions and blanket orders
- Obtaining and comparing price quotes for items and services
- Tracking changes to purchase orders
- Setting up and tracking rebates to which you are entitled
- Monitoring items from the moment they leave a supplier's warehouse
- Managing relationships between suppliers and items

Purchase Order Entry

About Purchase Order Entry

Each time you want to order goods or services, you must enter a purchase order. You enter purchase orders to specify details about the goods or services you are ordering, to indicate the supplier from whom you are ordering, and to specify other pertinent information about the order.

A purchase order consists of two parts:

- Header information — general information that relates to the entire order, such as the supplier, order dates, and so forth

- Detail information — line-by-line details about the items or services you want to order, such as item numbers, quantities, costs, and so forth

You can enter header information and detail information separately. Depending on the volume of orders you have and the amount of header information you need to enter, you use processing options to choose one of the following methods to enter purchase orders:

- Enter header information first, followed by detail information

- Enter detail information only, allowing the system to apply limited default values for header information

Enter Purchase Order Header Information

Entering Purchase Order Header Information

To generate a purchase order, you must provide information about the order, including the supplier who is to fill the order, the branch/plant that is requesting the order, and the shipping address for the order. This type of information is called purchase order header information.

The header information that you enter for an order determines how the system processes the order. For example:

- Supplier information determines the address to which the purchase order is sent, the payment terms for the order, and so forth.

- Origination information determines the business unit accountable for the order and the address to which the goods and services are to be delivered.

- Tax information determines how the system calculates taxes for the order.

Header information also includes the date the order is placed, the date the order is due, and reference information, such as the user entering the order.

Field	Explanation
Supplier	The supplier from whom you are purchasing items or services.
	. . . . *Form-specific information* . . . .
	If you are entering a requisition or a quote order, you can use this field to specify a purchasing agent or other individual in your company who is in charge of handling special orders.

Field	Explanation
Payment Terms	A code that specifies the terms of payment, including the percentage of discount available if the invoice is paid within a certain amount of time. A blank code usually indicates the most frequently used payment term. You define the specifications for each type of payment term on the Payment Terms Revisions form. For example: blank Net 15 1 1/10 net 30 2 2/10 net 30 N Net 30 P Fixed day of 25th Z Net 90 This code prints on customer invoices. . . . . *Form-specific information* . . . . The default is taken from the supplier master record.
Cost Rule	A user defined code (41/P5) that indicates the landed cost rule for an item. The landed cost rule determines purchasing costs that exceed the actual price of an item, such as broker fees, commissions, and so forth. You set up landed cost rules on Landed Cost Revisions. . . . . *Form-specific information* . . . . Attaches landed costs to the purchase order. The code you enter identifies which landed cost rule you want to use. The default is the landed cost rule for the supplier or item, if you have one set up. This entry becomes the default for each detail line of the purchase order.

Field	Explanation
Eval. Receipt	A code that indicates if an order is eligible for the evaluated receipt settlement process. An evaluated receipt settlement indicates that you have an agreement with the supplier to create vouchers based on the items that you receive. You use the Evaluated Receipt Settlement (P43814) procedure to create vouchers from receipt records. As a result, the supplier does not send you invoices and you can bypass the Voucher Match procedure.
	Valid values are:
	N Not eligible for evaluated receipt settlement processing.
	Y Eligible for evaluated receipt settlement processing.
	I Receipt transaction is in process.
	T Eligible for evaluated receipt settlement processing. However, a tolerance error occurred during the receipt process.
	R Eligible for evaluated receipt settlement processing. However, the receipt is currently in the receipt routing process.
	V A voucher has been created for the receipt transaction using the evaluated receipt settlement process.
Branch/Plant	An alphanumeric field that identifies a separate entity within a business for which you want to track costs. For example, a business unit might be a warehouse location, job, project, work center, or branch/plant.
	You can assign a business unit to a voucher, invoice, fixed asset, and so on, for purposes of responsibility reporting. For example, the system provides reports of open accounts payable and accounts receivable by business units to track equipment by responsible department.
	Security for this field can prevent you from locating business units for which you have no authority.
	Note: The system uses this value for Journal Entries if you do not enter a value in the AAI table.
	. . . . *Form-specific information* . . . .
	The branch/plant for which you are entering the purchase order. This is a required field. Depending on your setup, the default value can be determined by the supplier. This field can drive the accounting entries when you receive the purchase order.

Field	Explanation
Ship To	The address number of the location to receive the goods on the order. . . . . *Form-specific information* . . . . You can enter this number or have the system supply this number from either the inventory constants or the Business Unit Master, depending on how you set up the processing options for purchase order entry.
Order Date	The date that an order was entered into the system. . . . . *Form-specific information* . . . . The default is the system date. You can override this date when you enter a purchase order.
Tax Expl Code	A user defined code (00/EX) that controls how tax is assessed on the order. . . . . *Form-specific information* . . . . When you enter a purchase order, the system retrieves the tax explanation code of either the ship to address or the supplier address based on how you set up order default values in purchasing instructions. The Procurement system does not accept a blank. Instead, use Exempt.

Field	Explanation
Tax Rate/Area	A code that identifies a tax or geographic area that has common tax rates and tax distribution. The tax rate/area must be defined to include the tax authorities (for example, state, county, city, rapid transit district, or province), and their rates. To be valid, a code must be set up in the Tax Rate/Area table (F4008). Typically, U.S. sales and use taxes require multiple tax authorities per tax rate/area, whereas VAT requires only one simple rate. The system uses this code to properly calculate the tax amount. . . . . *Form-specific information* . . . . In the Purchase Order Processing system, the code you enter here indicates how you want the system to calculate taxes for the order. The system uses the tax area of either the ship to address or the supplier address based on the code you enter in the processing options for purchase order entry.

Field	Explanation
Certificate	A number that identifies a license or certificate that tax authorities issue to tax-exempt individuals and companies.
	. . . . *Form-specific information* . . . .
	Items in the Item Ledger (F4111) can be taxable or non-taxable.

What You Should Know About

Default values for tax fields

The system inputs default values for tax fields based on master information set up for the supplier, unless you specify that you want to retrieve tax information set up for the ship to address.

For information about having the system retrieve tax information for the ship-to address, see *Defining Supplier Procurement Instructions*.

Changing tax information for an item or service

You can change tax information to accommodate each item or service that you enter on an order. Taxes are applicable for an item or service only if you specify that the detail line is taxable.

For more information, see *Entering Tax Information for a Detail Line*.

Enter Purchase Order Detail Information

Entering Purchase Order Detail Information

After you enter basic (header) information for a purchase order, such as the supplier to fill the order and the branch/plant requesting the order, you must provide information about each item or service that you want to purchase. For each item or service, you must enter a line of detail that describes:

- The item or service that you want to purchase
- The quantity that you want to purchase
- The cost of the item or service

Depending on your business objectives, you can use the following methods to enter purchase order detail lines:

- By item number
- By general ledger account number

Entering Detail Lines by Item Number
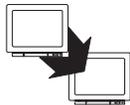
From Stock Based Procurement (G43A), choose Purchase Order Processing

From Purchase Order Processing (G43A11), choose Enter Purchase Orders

If you work in an environment in which you stock items for resale, internal use, or manufacturing purposes, you use the item numbers set up in the Inventory Management system to make purchases. After you enter an item number on a detail line, the system:

- Validates that the item exists in the Inventory Management system
- Retrieves information for the item from the Inventory Management system

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

You determine how the system processes information on each detail line. For example, you can direct the system to update the availability of an item in the Inventory Management system, upon receipt. You must enter a line type for each detail line to indicate how the transaction works with other J.D. Edwards systems.

▶ **To enter detail lines by item number**

On Purchase Order Detail
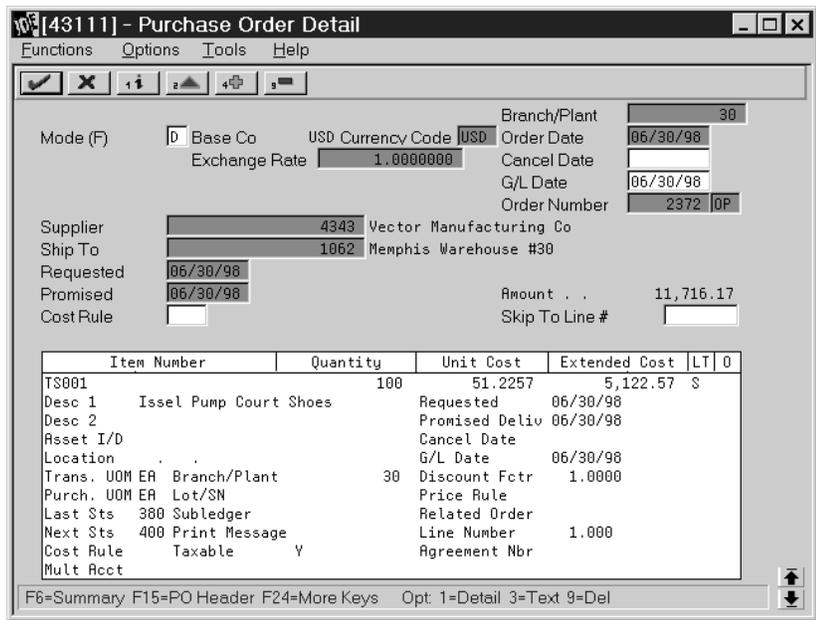
1. Complete the following fields:

   • Item No

   • Quantity

Field	Explanation
Item Number	A number that the system assigns to an item. It can be in short, long, or 3rd item number format.
Quantity	The quantity of units affected by this transaction.

Field	Explanation
Unit Cost	The unit cost of one item, as purchased from the supplier, excluding freight, taxes, discounts, and other factors.
	. . . . *Form-specific information* . . . .
	If you work in an inventory environment, the system retrieves this cost from either the Inventory Cost table (F4105) or the Purchase Price table (F41061) based on the purchase price level you specify for the item in master information. If you are in a non-inventory environment, you can enter a cost in this field. The system calculates the extended amount.
Extended Cost	The number of units multiplied by the unit cost.
	. . . . *Form-specific information* . . . .
	The number of units multiplied by the unit cost. This might also represent a lump sum depending on the line type for the transaction.
Last Sts	A user defined code (40/AT) that specifies the last step in the processing cycle that this order line successfully completed.
Next Sts	A user defined code (40/AT) that indicates the next step in the order process.
Cost Rule	A user defined code (41/P5) that indicates the landed cost rule for an item. The landed cost rule determines purchasing costs that exceed the actual price of an item, such as broker fees, commissions, and so forth. You set up landed cost rules on Landed Cost Revisions.
	. . . . *Form-specific information* . . . .
	If there is a code in the Cost Rule field in the header portion of this screen, the code comes from either processing options or order heading information. This cost rule applies to the entire order unless you enter a different cost rule for a detail line.

Field	Explanation
G/L Offset	The table of Automatic Accounting Instruction accounts that allows you to predefine classes of automatic offset accounts for Accounts Payable, Accounts Receivable, and other systems.

G/L offsets might be assigned as follows:
- blank or 1210– Trade Accounts Receivable
- RETN or 1220 – Retainages Receivable
- EMP or 1230 – Employee Accounts Receivable
- JIB or 1240 – JIB Receivable (See A/R Class Code – ARC)
- blank or 4110 – Trade Accounts Payable
- RETN or 4120 – Retainage Payable
- OTHR or 4230 – Other Accounts Payable (See A/R Class code – APC)

If you leave this field blank during data entry, the system uses the default value from the Customer Master Information table (F0301) or the Supplier Master Information table (F0401). The post program uses the G/L Offset class to create automatic offset entries.

NOTE: Do not use code 9999. It is reserved for the post program and indicates that offsets should not be created.

. . . . *Form-specific information* . . . .

This code tells the system which G/L offset account it should use to build the automatic accounting instructions for this transaction.

If you are in an inventory environment, the system retrieves this code from the Item Location table (F4102).

If you are in a non-inventory environment, the system retrieves this code from order line types.

What You Should Know About

General ledger accounts   The system tracks the value of inventory items in the general ledger. The G/L class code that you assign to a detail line determines the inventory account and the received not vouchered account for which the system creates journal entries. The system creates these entries when you enter a receipt.

For more information, see *Working With Journal Entries for Receipt Transactions* and *Setting Up Automatic Accounting Instructions.*

Landed costs for inventory items

You can assign a cost rule to a detail line to determine the landed costs that apply to the inventory item you purchase. If you assigned a landed cost rule to header information, the system uses that cost rule as a default for all detail lines on the order.

If you use landed costs, the field for reporting code 5 substitutes for the field for the landed cost rule. You can access landed cost information for an entire purchase order from the purchase order detail form.

For more information, see *Setting Up Landed Costs*.

Entering Detail Lines by Account Number
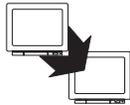
From Stock Based Procurement (G43A), choose Purchase Order Processing

From Purchase Order Processing (G43A11), choose Enter Purchase Orders

If you work in an environment in which you purchase services or goods for internal use or for use in a certain job or program, you can charge purchases against general ledger account numbers. You enter a detail line for each account number against which you are purchasing. This allows for the general ledger to reflect expenses by job, program, or so on.

When you enter detail lines by account number, you can have the system perform commitment and budget tracking. For example, a certain account number represents your office supply expenses. Each time you purchase goods against the account number, you can have the system:

- Track the amount and quantity of office supplies that you are committed to purchase

- Validate that the cost of the supplies does not exceed the budget for office supplies

You determine how the system processes information on each detail line. For example, you can require that the system process a line based on both an account number and an item number. You must enter a line type for each detail line to indicate how the transaction works with other J.D. Edwards systems.

▶ **To enter detail lines by account number**

On Purchase Order Detail

```
┌─────────────────────────────────────────────────────────────────────┐
│ 10▓[43111] – Purchase Order Detail                        _ □ ✕      │
│ Functions   Options   Tools   Help                                   │
│ ┌───┬───┬────┬─────┬────┬────┐                                       │
│ │ ✔ │ ✕ │ ₁i │ ₂▲  │ ₄⊕ │ ₉▬ │                                       │
│ └───┴───┴────┴─────┴────┴────┘                                       │
│                                    Branch/Plant         30           │
│ Mode (F)      D  Base Co   USD Currency Code USD Order Date  06/30/98 │
│                  Exchange Rate      1.0000000  Cancel Date           │
│                                              G/L Date    06/30/98    │
│                                              Order Number   2372 OP  │
│ Supplier              4343  Vector Manufacturing Co                  │
│ Ship To               1062  Memphis Warehouse #30                    │
│ Requested     06/30/98                                               │
│ Promised      06/30/98                        Amount . .  11,716.17  │
│ Cost Rule                                     Skip To Line #         │
│                                                                     │
│    Item Number      │ Quantity │   Unit Cost │ Extended Cost │LT│O │ │
│ TS001                      100      51.2257       5,122.57  S         │
│ Desc 1     1                     Requested      06/30/98             │
│ Desc 2                           Promised Deliv 06/30/98             │
│ Asset I/D                        Cancel Date                         │
│ Location      .   .              G/L Date       06/30/98             │
│ Trans. UOM EA  Branch/Plant   30 Discount Fctr    1.0000            │
│ Purch. UOM EA  Lot/SN            Price Rule                          │
│ Last Sts   380 Subledger         Related Order                       │
│ Next Sts   400 Print Message     Line Number      1.000             │
│ Cost Rule      Taxable     Y     Agreement Nbr                    ▲  │
│ Mult Acct                                                         ▼  │
│ F6=Summary F15=PO Header F24=More Keys   Opt: 1=Detail 3=Text 9=Del  │
└─────────────────────────────────────────────────────────────────────┘
```

1. Complete the following fields:

    • Account Number

2. Complete the following fields as necessary and press Enter:

    • Item No

    • Quantity

    • Unit Cost

    • Extended Cost

    • LT (Line Type)

    • Desc 1 (Description 1)

    • Desc 2 (Description 2)

    • G/L Date

    • Trans UOM (Transaction Unit of Measure)

    • Purch. UOM (Purchasing Unit of Measure)

    • Last Sts (Last Status)

    • Subledger

    • Subledger Type

    • Next Sts (Next Status)

3. Enter 1 in the following field to enter additional information about the detail line:

- Option

The system displays Purchasing Information.

```
[430112] - Purchasing Information                              _ □ ✕
Functions    Tools    Help

✔  ✕  ₁i  ₂▲  ₄⊕  ₅▬

Order Number              2372 OP  Line Number         1.000
Supplier              4343  Vector Manufacturing Co
Ship To                        1062 Memphis Warehouse #30
Buyer Number
Carrier Number

Reporting Code 1            Blank - Commodity Class 41/P1
Reporting Code 2            Blank - Comm Sub Class  41/P2
Reporting Code 3            Blank - Supplier Rebate  41/P3
Reporting Code 4            Blank-Master Plan Family 41/P4
Reporting Code 5            Blank - Landed Costs  41/P5

Tax Expl Code              Extended Weight      100.0000  LB
Tax Rate/Area              Extended Volume
G/L Offset        IN30     Item Revision Lvl
Phase                      Original Order
Freeze Code                Supplier SO
Evaluated Receipt  N       Reference
Send Method

        F24=More Keys
```

4. On Purchasing Information, complete the following field:

- G/L Offset

Field	Explanation
Account Number	A field that identifies an account in the general ledger. You can use one of the following formats for account numbers: • Standard account number (business unit.object.subsidiary or flexible format) • Third G/L number (maximum of 25 digits) • 8-digit short account ID number • Speed code (not currently available in OneWorld) The first character of the account indicates the format of the account number. You define the account format in the General Accounting Constants program.

Field	Explanation
G/L Date	A date that identifies the financial period to which the transaction is to post. The company constants table for general accounting specifies the date range for each financial period. You can have up to 14 periods. Generally, period 14 is for audit adjustments.

. . . . *Form-specific information* . . . .

This date represents the entry of a commitment or encumbrance that results from this transaction. |
| Subledger | A code that identifies a detailed auxiliary account within a general ledger account. A subledger can be an equipment item number, an address book number, and so forth. If you enter a subledger, you must also specify the subledger type. |
| Subledger Type | A user defined code (00/ST) that is used with the Subledger field to identify the subledger type and subledger editing. On the User Defined Codes form, the second line of the description controls how the system performs editing. This is either hard-coded or user defined. For example:
A   Alphanumeric field, do not edit
N   Numeric field, right justify and zero fill
C   Alphanumeric field, right justify and blank fill |

Exercises

See the exercises for this chapter.

Work with Commitments and Encumbrances

Working with Commitments and Encumbrances

A commitment or encumbrance is the recognition of a future obligation. Each time you enter a purchase order detail line, you can have the system track the amount that you are obligated to pay and apply it to a job, program, or so on.

For example, you might be working on a pavement-resurfacing project. Each time you enter a purchase order for goods or services to complete the project, you can have the system create a commitment or encumbrance for the purchase amount.

You can monitor individual commitment or encumbrance amounts for a job or program to verify the types of purchases being made. You can also review the total commitment or encumbrance amount for a job or program to verify that the amount does not exceed the budget.

After you receive goods or create vouchers, you can have the system relieve commitments and encumbrances. The system does this by reducing the total commitment amount for a job or program by the individual commitment amount. The system performs commitment relief when you post journal entries for receipts or vouchers to the general ledger.

The system performs commitment and encumbrance tracking only on order types you specify in user defined code table 40/CT. If an order is on hold, the the system does not create commitments or encumbrances for the order until you release the hold.

Complete the following task:

❏ Review commitment information for purchase orders

What You Should Know About

PA and PU ledgers   The system tracks commitments and encumbrances in the Commitment Amount ledger (PA) and the Commitment Unit ledger (PU). The system also tracks taxes for commitments in the Commitment Amount ledger.

Multiple account distribution

You can distribute the expense on a purchase order detail line to several different accounts at purchase order entry. The system creates a commitment for each account to which you distribute the expense.

If you enter a detail line before you distribute the expense, the system creates a commitment for the account number on the detail line. After you distribute the expense, the system relieves the commitment for the account number on the detail line and redistributes the commitment amount to each of the distribution accounts.

For more information about multiple account distribution, see *Distributing a Detail Line Expense to Multiple Accounts.*

See Also

- *About Commitment Setup*

Reviewing Commitment Information for Purchase Orders
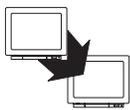
From Non-Stock Procurement (G43B), choose Procurement Inquiries

From Procurement Inquiries (G43B112), choose Commitment Inquiry

You can review individual commitment transactions for:

- An account number
- A supplier
- An order number and type

You can also review the total amount of all commitments, relieved commitments, and open commitments for each of the above.

Each commitment transaction represents one of the following situations:

- The entry of an original commitment
- A change to a commitment
- A canceled commitment
- A relieved commitment, due to a receipt or payment

You can review details for each transaction, such as the account number, order number, line number, and supplier, as well as who generated the transaction and when.

The system retrieves commitment transaction information from the Purchasing Ledger table (F43199).

▶ **To review commitment information for purchase orders**

On Commitment Inquiry

```
[40230] - Commitment Inquiry                                         _ □ X
Functions   Options   Tools   Help

  ✔  ✘

                                        Branch/Plant      *
                                        From G/L Date
                                        Thru G/L Date

Account Number         750.1350.02600
Subledger         *
Order Number              OP        Change
Line Number
Supplier

  O   Order  Ty Chg         Remark           . . . . . . . Amount . . . . . . .

       2410 OP 000 Receipt/Payment                                   155.40
       2410 OP 000 Original                         155.40
       2410 OP 000 Receipt/Payment                                    68.92
       2410 OP 000 Original                          68.92
       2410 OP 000 Receipt/Payment                                    35.04
       2410 OP 000 Original                          35.04
       2410 OP 000 Receipt/Payment                                    16.00
       2410 OP 000 Original                          16.00
       2428 OP 000 Original                        4,110.00
       2428 OP 000 Receipt/Payment                                   118.50
       2428 OP 000 Original                         118.50
       2428 OP 000 Receipt/Payment                                 1,391.00

Opt: 1=Order Entry 5=Details F6=Totals F15=Amounts/Units F24=More Keys
```

1. Complete the following fields to locate commitment information for a specific account number:

   - Branch/Plant
   - Account Number

2. Complete the following fields to narrow the search, if necessary:

   - From G/L Date
   - Thru G/L Date
   - Subledger
   - Order Number
   - Line Number
   - Supplier

3. Review the following fields:

   - Order
   - Type
   - Remark

- Amount Committed
- Amount Relieved

4. To view total committed amounts, press F6.

```
[40230] - Commitment Inquiry                                    _ □ ×
Functions  Options  Tools  Help

  ✔  ✗

                                         Branch/Plant      *
                                         From G/L Date
                                         Thru G/L Date
Account Number        750.1350.02600
Subledger         *                      Total Committed      7,644.86
Order Number            OP      Change   "  Relieved         1,784.86
Line Number                              "  Open             5,860.00
Supplier

 O  Order   Ty Chg        Remark        . . . . . . Amount . . . . . .

     2410 OP 000 Receipt/Payment                         155.40
     2410 OP 000 Original              155.40
     2410 OP 000 Receipt/Payment                          68.92
     2410 OP 000 Original               68.92
     2410 OP 000 Receipt/Payment                          35.04
     2410 OP 000 Original               35.04
     2410 OP 000 Receipt/Payment                          16.00
     2410 OP 000 Original               16.00
     2428 OP 000 Original            4,110.00
     2428 OP 000 Receipt/Payment                         118.50
     2428 OP 000 Original              118.50
     2428 OP 000 Receipt/Payment                       1,391.00

Opt: 1=Order Entry 5=Details F6=Totals F15=Amounts/Units F24=More Keys
```

5. Review the following fields:

- Total Committed
- Total Relieved
- Total Open

6. Access Commitment Detail Inquiry for a particular transaction.

```
┌─────────────────────────────────────────────────────────────────┐
│ [40230W] - Commitment Detail Inquiry                  _ □ X       │
│ Functions   Tools   Help                                          │
│ ┌────────────┐                                                    │
│ │  ✔    X    │                                                    │
│ └────────────┘                                                    │
│ ┌───────────────────────────────────────────────────────────┐    │
│ │ Order Number       2410 OP 00050 Branch/Plant        750  │    │
│ │ Change Number    000              G/L Date                 │    │
│ │ Line Number      1.000            Document Number   639 PV │    │
│ │                                                            │    │
│ │ Account Number        750.1350.02600                      │    │
│ │ Subledger                                                  │    │
│ │ Supplier           5010 EverReady Lumber Inc              │    │
│ │                                                            │    │
│ │ Remark          Receipt/Payment                           │    │
│ │ Relieved Units              12   User ID        DEMO      │    │
│ │                                  Program ID     P51801    │    │
│ │ Relieved Amount         155.40   Work Station ID J098000003│   │
│ │ "  Tax                    .00    Date Updated   09/30/93  │    │
│ │ "  Total                155.40   Time Updated   15:46:40  │    │
│ └───────────────────────────────────────────────────────────┘    │
│                                                            ┌─┐    │
│         F24=More Keys                                      │↓│    │
└─────────────────────────────────────────────────────────────────┘
```

7. On Commitment Detail Inquiry, review details for the commitment transaction.

Field	Explanation
Remark	A generic field that you use for a remark, description, name, or address.
	. . . . *Form-specific information* . . . .
	Brief text describing the reason that this commitment transaction occurred.
Amount Committed	Amount committed to an order line or contract line, including the tax amount committed.
	. . . . *Form-specific information* . . . .
	Use F15 to toggle between the amount fields and the unit fields.
Amount – Relieved	Amount relieved from the amount committed to an order line or contract line, including the tax amount.

What You Should Know About

Reviewing commitment quantities	You can review commitment quantities instead of commitment amounts by pressing F15.

Receipt Processing

Objectives

- To understand the difference between an informal receiving process and a formal receiving process
- To implement a formal receiving process
- To determine if purchase receivers are beneficial to your operation
- To print purchase receivers
- To enter purchase receipts
- To apply landed costs to receipts
- To understand journal entries that the system generates for formal receipt transactions
- To post journal entries for receipt transactions

About Receipt Processing

You can use either an informal or formal receiving process to acquire the goods and services you requested on a purchase order.

You must use the formal receiving process if you purchase items to inventory. You can use the formal or informal receiving process if you purchase items or services to the general ledger.

Informal Receiving Process

An informal receiving process is one in which you enter receipt information at the same time that you create a voucher. If you create a voucher for 50 pens, the system determines that you received 50 pens.

When you use an informal receiving process, the system creates a single record in the Purchase Order Receiver table (F43121) when you create a voucher. The system also creates a liability for the purchase at that time.
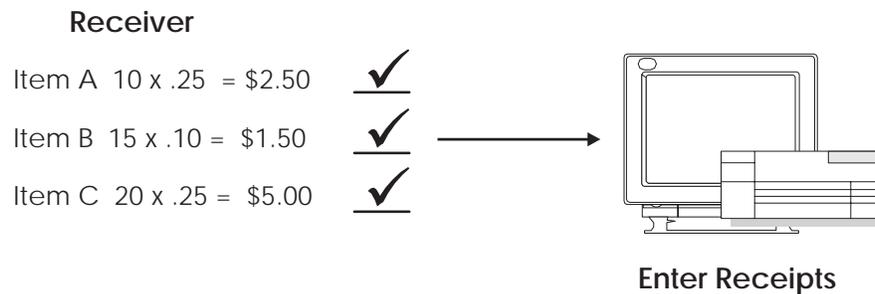
Formal Receiving Process

To accurately account for the receipt of goods, your receiving process is likely to include:

- Taking physical receipt of items
- Identifying details of the receipt
- Recording details of the receipt

A formal receiving process is one in which you enter details of a receipt before you create vouchers. You create vouchers based on the receipt information. For example, if you enter a receipt for 50 pens, you must create a voucher for 50 pens.

You can use purchase receivers in your formal receipt process to manually record the receipt of goods upon delivery. You can then enter that information in the system.

Receiver

Item A 10 x .25 = $2.50 ✔

Item B 15 x .10 = $1.50 ✔

Item C 20 x .25 = $5.00 ✔

Enter Receipts

You can eliminate the use of purchase receivers if you use terminals to enter receipt information upon delivery or if you use copies of original purchase orders as receiving forms.

When you use a formal receiving process, the system creates a receipt record in the Purchase Order Receiver table (F43121) when you enter a receipt. The system also creates a liability for the purchase at that time. When you create a voucher, the system creates another record in the Purchase Order Receiver table.

Enter Receipts

Entering Receipts

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

- Update item quantities and costs in the Inventory Management system

- Update general ledger accounts

You can choose one of three formats to enter a receipt. The format you use depends on whether you want to locate detail line information by purchase order number, item number, or account number. Regardless of the format you access, you can toggle from one format to another.

When you receive goods, you must verify that the details of the receipt correspond to the information on the purchase order. You must verify item numbers, quantities, units of measure, costs, and so forth. If the receipt details differ from those on the purchase order, you must adjust the purchase order detail lines to reflect the receipt.

You might receive an order in different types of containers, each of which holds a different item quantity. You must indicate the different units of measure in which you receive an order. You must also determine where to store the items you receive. If necessary, you can specify lot numbers and serial numbers for these items.

Each time you receive an order or cancel or reverse a receipt, the system updates the Purchase Order Receiver table (F43121).

```
┌──────────────────────────────────────────────────────────────────┐
│ ░▓[4312] - Enter Receipts by PO                          _ □ ✕    │
│ Functions  Options  Tools  Help                                    │
│ ┌─────┬─────┐                                                      │
│ │  ✔  │  ✕  │                                                      │
│ └─────┴─────┘                                                      │
│                                          Received (Y) ▢            │
│   Mode (F)        D  Base Co     USD Currency Code  USD Branch/Plant  *          │
│                      Exchange Rate        1.0000000  G/L Date   07/21/97         │
│   Order Number           2410  OP                                  │
│   Supplier          4345  Value Worldwide Paper Sup                │
│   Receipt Date      07/21/97                                       │
│   Receipt Document ▢                                               │
│   Supplier Remark  ▢                                               │
│   Container I.D    ▢                        Skip To Line  ▢        │
│                                                                    │
│  O │   Item/Account    │ Quantity │UM│ Unit Cost │ Extended Cost │ │
│  1 │ M001              │      100 │DZ│    8.1672 │        816.72 │ │
│  1 │ M002              │      100 │DZ│    8.1672 │        816.72 │ │
│  1 │ M003              │      100 │DZ│    8.1672 │        816.72 │ │
│                                                                    │
│ Opt: 1=Receive 4=Multi Loc 7=Close 8=Reverse 9=Cancel  F24=More Keys │
└──────────────────────────────────────────────────────────────────┘
```

What You Should Know About

Notifying order originator of receipt

You can set processing options to notify the purchase order originator that an order has been received.

Landed costs

Landed costs are costs in excess of an item's purchase price, such as delivery charges, import taxes, and so forth. You can enter these costs for an order during the receipt process.

For more information, see *Entering Landed Costs* and *Setting Up Landed Costs*.

File Updates

Each time you enter a receipt for an inventory item, the system:

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

Entering Receipt Information

From Stock Based Procurement (G43A), choose Purchase Order Processing

From Purchase Order Processing (G43A11), choose Enter Receipts by PO

You must enter receipt information to verify the receipt of goods or services on a purchase order. You must verify the quantity, cost, and so forth, for each order you receive.

To enter a receipt, you must first locate the open purchase order detail lines that correspond to the receipt. An open detail line contains items that have not yet been received. The system retrieves all open detail lines for the item number, purchase order number, or account number you specify.

If the detail lines on a purchase order differ from the details of the actual receipt, you must adjust the purchase order detail lines to reflect the receipt. For example, if the order quantity on a detail line is 20, but you receive a quantity of 10, you must change the quantity on the detail line to 10. You specify whether to close the remaining balance on the line or to keep it open.

▶ To enter receipt information

On Enter Receipts

1. To locate purchase order details lines that correspond to a receipt, complete the following fields, as necessary, and press Enter:

   - Received
   - Branch/Plant
   - G/L Date
   - Order Number
   - Item Number
   - Account Number

   The system displays only those detail lines with a next status code equal to that which you specified in processing options.

2. Complete the following fields:

   - Receipt Date
   - Receipt Document
   - Supplier Remark
   - Container I.D.

3. Compare your receipt information to the detail lines and adjust the following fields, as necessary:

- Quantity
- UM
- Unit Cost
- Extended Cost

4. Adjust remaining information for each detail line, as necessary.

5. Type 1 in the following field for each detail line you want to receive and press Enter:

- O (Option Exit)

The option you enter determines whether the system leaves the balance of the line open (option 1), closes the balance (option7), or cancels the line entirely (option 9).

Field	Explanation
Received (Y)	A code that determines whether the system displays purchase order lines that have been received but not matched to a voucher.
	Valid codes are: blank Display purchase order lines that have not been received. You can only receive these order lines. Y Display purchase order lines that have been received but not matched to a voucher. You can only reverse receipt of these order lines.
Receipt Date	The date you received this purchase order line.
Receipt Doc	A number used to identify the receipt transaction. You can assign a number to the receipt, such as the supplier's sales order number or the purchase order number, or you can allow the system to assign a number through the Next Number facility. You specify in the processing options for Enter Receipts which document type you want the system to assign to each receipt.

Field	Explanation
Supplier Rmk	A free-form field in which you can enter any pertinent information.
	. . . . *Form-specific information* . . . .
	For example, you can enter a remark in the Supplier Remark field in the upper portion of the screen if you want to associate the remark with each line on the order. The system carries that remark through to each line of the order in the Supplier Remark field in the fold area of the Match Voucher to Open Receipt screen.
	If you want to associate unique text with each line, enter text in the Supplier Remark field in the fold area for each line. This remark overrides the text you enter in the top portion of the screen and displays in the Supplier Remark field found in the fold area for each line on the Match Voucher to Open Receipt screen. You can use this text to differentiate order lines that are otherwise identical.

What You Should Know About

Locating open purchase order information	You can view open detail lines for a particular supplier, buyer, and so forth, by accessing the Open Order Inquiry program from the Enter Receipts program.

Entering Reversing Receipts
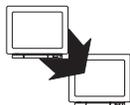
From Stock Based Procurement (G43A), choose Purchase Order Processing

From Purchase Order Processing (G43A11), choose Enter Receipts by PO

You can reverse a receipt as long as you have not yet created a voucher for the receipt. You might need to do this if you recorded a receipt by mistake or you recorded the wrong receipt.

When you reverse a receipt, the system accounts for the order as if it were never received. It reverses all accounting and inventory transactions.

▶ **To enter a reversing receipt**

On Enter Receipts

1. Complete the following field:
   - Received

2. Locate the received detail lines that you want to reverse.

3. Specify 8 in the following field for the receipts you want to reverse:

    *   O (Option Exit)

What You Should Know About

Reversing a receipt in a receipt routing process

If an item goes through a receipt routing process, you must move it back to the first operation in the route before you can reverse the receipt. You must also reverse all dispositions.

For more information, see *Working with Items in Receipt Routing.*

Exercises

See the exercises for this chapter.

Work with Journal Entries for Receipt Transactions

Working with Journal Entries for Receipt Transactions

The system creates journal entries each time you enter or reverse a receipt. You can review the journal entries for accuracy and then post them to the general ledger.

Complete the following tasks:

❑ Review journal entries for receipts

❑ Post receipts

Reviewing Journal Entries for Receipts
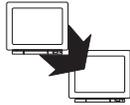
From Stock Based Procurement (G43A), choose Receipts Matching and Posting

From Receipts Matching and Posting (G43A15), choose Review G/L Receipts Journal

When you enter a formal receipt, the system creates journal entries that:

• Debit an inventory account

• Credit a received not vouchered account

For example, if you enter a formal receipt for 100.00 worth of inventory items, the system creates the following journal entries:

Inventory		Received Not Vouchered	
100			100

If tax is applicable to a receipt, the system also creates tax accrual entries. If you apply landed costs at the time of receipt, the system creates entries for accrued landed costs.

You might use a standard cost method to determine the inventory cost for an item. The standard cost for an item remains consistent unless you manually change it. If a variance exists between the standard cost and the price at which you purchase an item, the system creates journal entries to account for the variance. You specify variance accounts in automatic accounting instructions.

For example, if you enter a formal receipt for 80.00 worth of inventory items and the standard cost for the items is 100.00, the system creates the following journal entries:

Standard Cost Variance

Inventory		Received Not Vouchered		Purchase Price Variance	
100			80		20

You use processing options to specify whether the system creates separate journal entries for each detail line or summarizes the entries for all lines.

When you reverse a receipt, the system automatically reverses the corresponding journal entries.

A receipt document number and batch number display each time you receive or reverse an order. You might want to note these numbers so you can easily find specific batch groups and documents on Review G/L Receipts Journal.

```
╔══════════════════════════════════════════════════════════════════════╗
║ [09101] - Journal Entries                                    _ □ ✕    ║
║ Functions   Tools   Help                                              ║
║ ┌────────────────────────────────────────────────────────────────┐   ║
║ │  ✔   ✕   ⁚i   ₂▲   ₄⊕   ₉▬                                      │   ║
║ └────────────────────────────────────────────────────────────────┘   ║
║                                       Model (Y)              ☐        ║
║                            Mode (F)  │D│  Reverse or Void (R/V)  ☐   ║
║                                       Base Co. Currency    USD       ║
║  Document Type       │OV│                                            ║
║  Document Number/Co      1097 │00100│ Explanation │Vector Manufacturing Co│ ║
║  G/L Date            │06/10/98│   Batch Number  6068995 Home BU  │      │ ║
║  Remaining                        Currency Code │USD│ Ref. 1   │      │ ║
║                                     Exchange Rate │          │        ║
║  Skip to Line        │          │                                    ║
║                                                                      ║
║  ┌────────────────┬─────────────┬────────────────────────────┬──┐   ║
║  │   Account No.  │   Amount    │       Explanation 2        │P │   ║
║  │  100.1411.20A  │   6,396.00  │ Issel Pump Court Shoes     │  │   ║
║  │  100.4111      │   6,396.00- │ Issel Pump Court Shoes     │  │   ║
║  │                │             │                            │  │   ║
║  │                │             │                            │  │   ║
║  │                │             │                            │  │   ║
║  └────────────────┴─────────────┴────────────────────────────┴──┘   ║
║                                                                  ⬆   ║
║  F5=Make New Model  F6=% JE  F15=Model JE's  F13=Acct Master  F24=More Keys ⬇ ║
╚══════════════════════════════════════════════════════════════════════╝
```
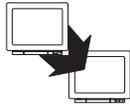
Posting Receipts

From Stock Based Procurement (G43A), choose Receipts Matching and Posting

From Receipts Matching and Posting (G43A15), choose Review G/L Receipt Post

After you review journal entries, you can post them to the general ledger using the G/L Receipt Post procedure.

The posting process:

1. Selects qualified batches of unposted transactions from the Account Ledger table (F0911).

2. Edits and verifies each transaction.

3. Posts accepted transactions to the Account Balances table (F0902).

4. Marks each transaction and batch header as posted in the Account Ledger table (F0911) and the Batch Control table (F0011).

Voucher Processing

Objectives

- To create payment vouchers
- To enter landed costs
- To review and post journal entries that result from voucher transactions
- To create preliminary vouchers
- To review voucher information

About Voucher Processing

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

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

You can create a voucher interactively using an invoice. You use this method to verify that invoice information corresponds to your receipt records. For example, if a supplier bills you for 100.00 worth of goods, you must verify that you received 100.00 worth of goods. If you do not record receipt information, you must verify that invoice information corresponds to purchase order detail lines.

You can create vouchers in batch mode using only receipt information. You use this method when you have an agreement with your suppliers that your receipt records are sufficient for creating vouchers, and invoices are unnecessary. For example, if receipt records indicate that you received 100.00 worth of goods, the system creates a voucher for 100.00 worth of goods.

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

If you receive an invoice before you take receipt of the goods and services, you can create a preliminary voucher to account for the billing amount. After you receive the goods or services on the invoice, you can create a permanent voucher from the preliminary voucher.

Voucher processing includes the following tasks:

❏ Reviewing open receipts

❏ Entering landed costs

❏ Creating vouchers using invoices

❏ Creating multiple vouchers from receipt records

❏ Working with journal entries for voucher transactions

❏ Logging invoices prior to receiving goods

❏ Printing voucher information

What You Should Know About

Voucher match methods   If you record receipt information for items, you compare invoices to receipt records to create individual vouchers. If you do not record receipt information, you compare invoices to purchase order detail lines to create vouchers.

A three-way voucher match method implies that you use receipt records to create vouchers. A two-way voucher match method implies that you use purchase order detail lines to create vouchers. You must specify the match method that you use in processing options.

See Also

- *About Receipt Processing* for more information about recording receipt information

Review Open Receipts

Reviewing Open Receipts
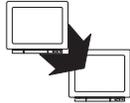
From Stock Based Procurement (G43A), choose Receipts Matching and Posting

From Receipts Matching and Posting (G43A15), choose Open Receipts by Supplier

You can review open receipts, which are receipts for which you have not yet created vouchers. You might do this to determine the receipts for which you must create vouchers. You can review the amount and quantity open for each receipt, as well as the amount open for all receipts.

Before You Begin

❑ Set processing options to indicate whether you use a three-way or two-way voucher match method. For more information about voucher match methods, see *About Voucher Processing.*

▶   **To review open receipts**

On Open Receipts by Supplier

```
[43214] - Open Receipts by Supplier                              _ □ ×
Functions   Options   Tools   Help

 ✔  ✗

                                    Branch/Plant    *
                                    Match Type      1
Order Number    _____  OP  Line  _____  Currency Code  USD
Document Number _____  ____
Supplier        _____  4343  Vector Manufacturing Co
Item Number     _____
Account Number  _____

┌─┬───────┬──┬───────┬──────────────┬──────────────┬─────────────┐
│O│ Order │Ty│ Line  │  Item/Account│ Open Quantity│ Open Amount │
├─┼───────┼──┼───────┼──────────────┼──────────────┼─────────────┤
│ │     2 │OP│ 1.000 │TS002         │            1 │    8,352.00 │
│ │  2000 │OP│ 1.000 │CD            │           32 │      160.00 │
│ │  2000 │OP│ 1.000 │CD            │           10 │       50.00 │
│ │  2000 │OP│ 1.000 │CD            │            6 │       30.00 │
│ │  2000 │OP│ 1.000 │CD            │           96 │      480.00 │
│ │  2000 │OP│ 1.000 │CD            │          144 │      720.00 │
│ │  2000 │OP│ 1.000 │CD            │          120 │      600.00 │
│ │  2020 │OP│ 1.000 │2556          │            1 │       18.37 │
│ │  2020 │OP│ 1.000 │2556          │            1 │       18.37 │
│ │  2020 │OP│ 1.000 │2556          │            1 │       18.37 │
│ │  2020 │OP│ 1.000 │2556          │            1 │       18.37 │
│ │  2020 │OP│ 1.000 │2556          │            1 │       18.37 │
│ │  2020 │OP│ 1.000 │2556          │            1 │       18.37 │
└─┴───────┴──┴───────┴──────────────┴──────────────┴─────────────┘

Opt: 2=JE/Routing Ledger  4=Select  5=Details  F6=Total  F24=More Keys
```

1. To locate receipts, complete one or more of the following fields:

    • Branch/Plant

    • Match Type

    • Currency Code

    • Order Number

    • Document Number

    • Supplier

    • Item Number

    • Account Number

2. Review the following fields for each receipt:

    • Open Quantity

    • Open Amount

3. Review the total open amount for all receipts that display.

Field	Explanation
Match Type	The match type is a code attached to each purchase order detail line record or receipt record that indicates whether a voucher exists. Valid codes are: 1 A voucher does not yet exist 2 A voucher does exist 3 The receipt record was reversed 4 The voucher was reversed NOTE: Record types 3 and 4 are audit records only. You cannot access these records for the voucher payment or receipt programs. . . . . *Form-specific information* . . . . If you enter 1 in this field, the system displays orders for which vouchers do not yet exist. If you enter 2 in this field, the system displays orders for which vouchers do exist.
Open Quantity	The original quantity for the order line, plus or minus any changes to that quantity, less all quantities shipped, received, and/or vouchered to date. . . . . *Form-specific information* . . . . The open quantity is the quantity of the order for which a voucher does not yet exist.
Open Amount	The amount of the order, invoice, or voucher that is still unpaid or open. When you enter a document (for example, an order, invoice, or voucher), the open amount is the original amount of that document. If you change the original amount, the open amount is reduced by the net change. For example, payments, shipments, or receipts against a document result in a reduction of the open balance. . . . . *Form-specific information* . . . . The open amount is the amount of the order for which a voucher does not yet exist.

What You Should Know About

Open receipt information

The system displays open receipts based on either receipt information or purchase order detail lines. If you record receipts for goods and services, the system displays open receipts based on receipt information. If you do not record receipts, the system displays open receipts based on purchase order detail lines.

The voucher match method you specify in processing options determines whether the system displays open receipts based on receipt information (three-way voucher match method) or purchase order detail lines (two-way voucher match method).

Identifying the status of receipt records

You must indicate the status of the receipt records or purchase order detail lines you want to review by entering a match type:

- Match type 1 – display receipt records or purchase order detail lines for which vouchers do not exist
- Match type 2 – display receipt records or purchase order detail lines for which vouchers do exist

The system assigns a match type of 4 to a receipt record or purchase order detail line if the receipt is reversed and a match type of 3 if the voucher is reversed. You cannot work with records that have a match type 3 or 4, as they are for audit purposes only.

Additional information for receipt records

You can review additional information for each open receipt, such as routing information, related address numbers, and order dates, by choosing to review detail information for a specific receipt.

Processing Options for Open Receipts by Supplier

```
DEFAULT VALUES:
  1. Order Type                                    _____
  2. Currency Code                                 _____

PROCESSING CONTROL:
  3. Enter a '1' to use the program to             _____
     apply landed costs to received
     lines.  If left blank, the program
     is used to allow you to review
     receipts that have not yet been
     matched or vouchered.

REVIEW RECEIPTS MODE:
  4. Enter the appropriate Voucher Match
     Method for the processing you use:            _____
        2 = PO and Invoice,
        3 = PO, Receipt and Invoice.

 NOTE: If you receive and voucher
       together, then enter a '2' above.
       If you receive and voucher
       separately, then enter a '3'.

 Incoming Next Status Code Range:
  5. From Status Code                              _____
  6. Thru Status Code                              _____

  NOTE: You are NOT required to fill in
        the above status codes if you
        receive and voucher separately.

  7. Enter a '1' to see all receipts,             _____
     including closed lines.

LANDED COST MODE:
  8. Enter a '1' to summarize journal             _____
     entries.  If left blank, journal
     entries are written in detail.

DREAM WRITER VERSIONS:
 Enter the version for each program:
 If left blank, ZJDE0001 will be used.

  9. G/L Functional Server    (XT0911Z1)          _____
 10. PO Receipt Routing       (P43250)            _____
 11. A/P Ledger Inquiry       (P042003)           _____
 12. Order Order Inquiry      (P430301)           _____
 13. Order Inquiry Add. Info. (P43030W)           _____
```

Enter Landed Costs

Entering Landed Costs

From Stock Based Procurement (G43A), choose Receipts Matching and Posting

From Receipts Matching and Posting (G43A15), choose Stand-Alone Landed Cost

When you purchase items, it is not uncommon to pay extra costs for delivery fees, broker fees, import taxes, and so on. These costs are called "landed costs." You can enter landed costs for items during the receipt process, the voucher match process, or as a stand-alone process.

Entering landed costs during the receipt process

You can enter landed costs when you enter receipt information. You might choose this process if you receive landed cost information when you receive items. You can use one of the following methods to enter landed costs during the receipt process:

- Have the system automatically display the landed costs that are applicable to items so you can review, change, and enter the costs. You might use this method if landed costs and the suppliers to whom you pay landed costs differ each time you receive a certain item.
- Have the system automatically enter landed costs. You can use this method if landed costs and the suppliers to whom you pay landed costs are the same each time you receive a certain item.
- Perform no landed cost processing

Use processing options for the Enter Receipts program to specify the landed cost method to use.

Entering landed costs during the voucher match process

If you use invoices to create vouchers, you can enter landed costs when you create vouchers. You might choose this process if you obtain landed cost information from invoices. To enter landed costs, you must access the Stand-Alone Landed Cost program from the Voucher Match program.

Entering landed costs as a stand-alone process
You can enter landed costs as a stand-alone process. You might choose this process if landed cost information is not available to you upon receipt of an item, and you create vouchers in batch mode. You can access the Stand-Alone Landed Cost program from Receipts Matching and Posting.

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

- Review, change, and enter the landed costs assigned to the item
- Review, change, and enter the supplier to whom the landed cost is paid

Before You Begin

❏ Define landed costs and landed costs rules on Landed Cost Revisions

❏ Assign landed cost rules to items, purchase orders, or detail lines, as necessary

❏ Verify that processing options are set appropriately for the program in which you enter landed costs

▶ **To enter landed costs**

On Stand-Alone Landed Costs

1. Locate the receipt records for which you want to enter landed costs.
2. Access Landed Cost Selection.

3. On Landed Cost Selection, to change landed cost amounts, complete the following fields:

- Unit Cost

- Extended Cost

4. Toggle to the alternate format for Landed Cost Selection.
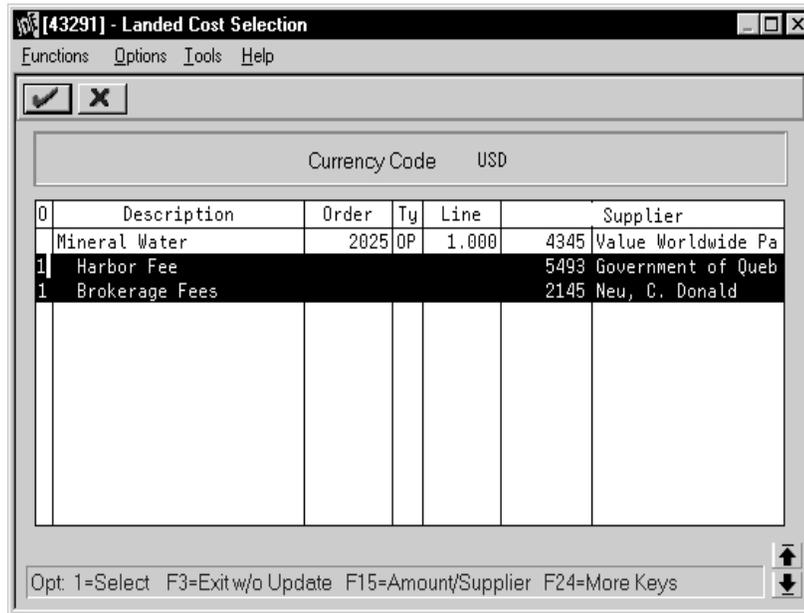
5. To change the supplier for landed cost amounts, complete the following field:

- Supplier

6. Enter 1 in the following field to accept each cost:

- O (Option Exit)

What You Should Know About

Creating vouchers for landed costs	After you enter landed costs for items, the system might create a separate landed cost detail line for which you must create a voucher. This depends on how you have set up each landed cost. You can view landed cost detail lines on the voucher match form.
Stand-Alone Landed Cost program (P43214)	Stand-Alone Landed Cost and Open Receipt by Supplier are identical forms. The difference is that you use processing options to specify that Stand-Alone Landed Cost be used to apply landed costs to open receipts. For more information, see *Reviewing Open Receipts*.

| Multi-currency | The currency in which you enter landed costs must be the same as the currency for the purchase order, regardless of whether the landed cost supplier uses a different currency. |

See Also

- *Setting Up Landed Costs (P41291)*

Create Vouchers Using Invoices

Creating Vouchers Using Invoices

You must create a voucher before you can pay a supplier for purchases. You usually create a voucher for the billing amount on an invoice. You can verify that a billing amount is correct by matching it to your receipt records. For example, if a supplier has billed you for 100.00 worth of items, you can check your receipt records to see that you received 100.00 worth of items.

One or more receipt records might correspond to an invoice. For example, if the billing amount on an invoice is 100.00, it might correspond to one receipt record for 100.00 worth of items, or two receipt records for 50.00 worth of items. If multiple receipt records correspond to an invoice, you can review a summary of all corresponding receipt records.

You might receive an invoice adjustment after you create a voucher. The adjustment might reflect cost changes to a specific item or an error on the initial invoice. In this situation, you can create a voucher for an invoice adjustment.

You can create vouchers from invoices using the following methods:

Open Receipts

Invoice
Acme Supply
Company

Item 1 10 x .50 = $5.00
Item 2 20 x .25 = $5.00

Due $10.00 ⟵——————————⟶ $10.00
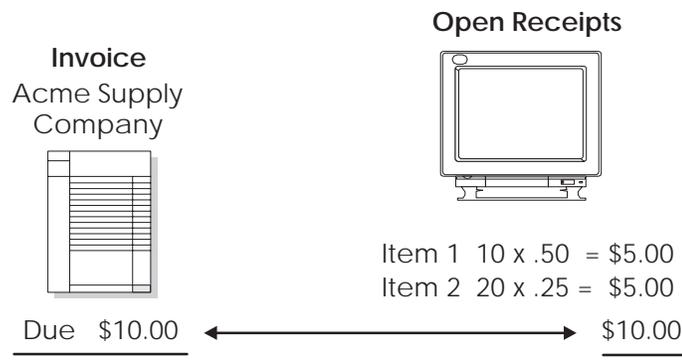
❑ Choose receipt records to match to an invoice

❑ Choose summarized receipt records to match to an invoice

❑ Record invoice adjustments

Before You Begin

❑ Set processing options to indicate the voucher match method that corresponds to your receipt process

What You Should Know About

Creating vouchers using purchase order detail lines

If you do not record receipt information, you can verify that the billing amount on an invoice is correct by comparing it to the corresponding purchase order detail lines (two-way voucher match method).

You must set processing options to indicate whether you use a two-way voucher match method or a three-way voucher match method. You must specify the three-way voucher match method if you compare receipt records to invoices to create vouchers.

Multiple account distribution

You can distribute the expense on a detail line to multiple accounts. For example, you can allocate the cost of 100 reams of paper to several different departments, either when you enter the order or when you create a voucher for the order.

If you distribute an expense at order entry, the system processes the detail line as a single order. It does not create a separate detail line for each account to which you distribute the expense. You must match the original detail line to the invoice to create a voucher. The system creates a single entry on the voucher.

You can determine if an expense has been distributed to multiple accounts by accessing the Multiple Accounts Distribution window from the voucher match program. You can also distribute an expense or redistribute an expense on this window.

For more information about distributing an expense at order entry, see *Distributing a Detail Line Expense to Multiple Accounts.* For more information about distributing an expense at voucher entry, see *Working with Journal Entries for Voucher Transactions.*

Reversing a voucher   You might want to reverse a voucher, if, for example, you returned the items for which you created the voucher. To reverse a voucher, you must locate the voucher on the Match Voucher to Open Receipt form (using a match type 2), and then enter a delete action code.

If the voucher has been posted, the system reverses the corresponding journal entries. If the voucher has not been posted, the system deletes the entries.

To preserve the integrity of your purchasing data, do not use the Accounts Payable Voucher Entry program to reverse vouchers. To ensure this does not happen, set processing option 11 of Functional Server XT0411Z1 to 2.

See Also

- *Working with Standard Vouchers (P04105)* in the *Accounts Payable Guide*

Choosing Receipt Records to Match to an Invoice

From Stock Based Procurement (G43A), choose Receipts Matching and Posting

From Receipts Matching and Posting (G43A15), choose Match Voucher to Open Receipt

To create a voucher from an invoice, you must locate the receipt records that correspond to the invoice and match them to the invoice. For example, if a supplier has sent you an invoice for 100.00, you must locate and match the receipt records for the 100.00 worth of items that correspond to the invoice.

The total amount of the receipt records you match to an invoice must equal the amount on the invoice. For example, if two receipt records correspond to an invoice and each receipt record is for 200.00, the invoice amount must equal 400.00 to perform a match.

If an invoice reflects a partial order, you can change the quantity or amount of a receipt record to match the invoice. The system leaves the remaining balance of the receipt record open. For example, if a receipt record reflects 100 items, but the invoice amount reflects 50 items, you can change the receipt record quantity to 50. You can create a voucher for the remaining 50 items at a later time.

The system creates a voucher interactively when you match receipt records to an invoice.

If you do not record receipt information, you must match purchase order detail lines to invoices to create vouchers (two-way voucher match). For example, if a supplier sends you an invoice for 100.00, you must locate and match the purchase order detail lines that contain the corresponding 100.00 worth of items.

▶ **To choose receipt records to match to an invoice**

On Match Voucher to Open Receipt

1. Complete the following fields:

    • Match Type

    • Branch/Plant

2. To locate receipt records or purchase order detail lines for a specific purchase order, complete the following field and press Enter:

    • P.O. Number

3. To locate receipt records or purchase order detail lines for a specific supplier, complete the following field and press Enter:

    • Supplier

4. To enter invoice information, complete the following fields:

   - Invoice Number

   - Invoice Amount

   - Date

   - G/L Date

   - Tax

   - Taxable Amount

   Do not press Enter.

   You can have the system enter the amount, tax, and taxable amount based on the receipt records you choose to match to the invoice.

5. To increase or decrease quantities or amounts, modify the following fields:

   - Open to Voucher Quantity

   - Open to Voucher Amount

   If you are working with receipt records, you cannot increase the quantity to reflect an invoice. You must first receive the additional quantity from the Enter Receipts program. If you increase the amount for a receipt record, the system creates journal entries to account for the variance.

6. To choose the lines you want to match, complete the following field and press Enter:

   - (O) Option

7. Access Voucher Entry to review the resulting voucher.

Field	Explanation
Invoice Number	The supplier's invoice number used for voucher entry.
	NOTE: Voucher entry allows only one invoice per voucher number. If there are multiple invoice numbers on a voucher, you must set them up as multiple vouchers or combine and enter them as one voucher.
	If you leave this field blank, you might receive a warning or error, depending on how the A/P constants are set. Vouchers with blank invoice numbers print on the Suspected Duplicate Payments Report.
Amount – Invoice Gross	The gross amount of the invoice, including tax amounts but not including discounts.

Field	Explanation
Tax	This is the amount assessed and payable to tax authorities. It is the total of the VAT, use, and sales taxes (PST).
	. . . . *Form-specific information* . . . .
	In the Tax Amount field in the upper portion of the screen you can enter the actual tax amount for the entire receipt.
	Use the Tax field in the fold area to enter the actual tax amount for a single line.
Taxable Amount	The amount on which taxes are assessed.
	. . . . *Form-specific information* . . . .
	The Taxable Amount field in the upper portion of the screen indicates the total amount upon which the system has accessed taxes.
	The Taxable field in the fold area indicates the total amount of the line upon which the system has accessed taxes.

What You Should Know About

Locating open receipts
You can locate receipt records using additional search criteria and choose records to match to an invoice. For example, if an invoice is for multiple items, you can locate open receipts based on an item number and supplier and choose records to return to the Voucher Match program.

You can access the Open Receipts program using one of two methods:

- Press F1 on the Order Number field to choose a single receipt record. The system returns all open receipts with the same purchase order number to the Voucher Match program.
- Press F18 to choose multiple receipt records to match to the voucher. The system stores each line you choose and returns all of them to the Voucher Match program. You can review all of the lines you have chosen and the total amount for the lines by accessing Selected Unmatched Receipts from Open Receipts.

For more information about the Open Receipts program, see *Reviewing Open Receipts*.

Adding new detail lines

You might receive an invoice for goods or services that were never entered on a purchase order. You can set processing options for the Voucher Match program to allow for the entry of new purchase order detail lines during the voucher match process. The system creates a new record in the Purchase Order Detail table (F4311) when you match the new detail line to an invoice.

You must purchase against account numbers to enter new detail lines during the voucher match process.

You must specify an existing purchase order number for each new detail line that you enter. You can set processing options to indicate the line type and status codes for new detail lines.

Closing or canceling order detail lines

If you match purchase order detail lines to invoices to create vouchers, you can close the balance of a detail line or cancel the entire line. For example, if a purchase order detail line contains two items, you can create a voucher for one item and close the remaining balance, or you can cancel the entire line (both items).

You use option exits to indicate that you want to close or cancel a detail line. You use processing options to specify the status code for canceled lines.

If you match receipt records to invoices to create vouchers, you cannot close the balance of a receipt record. Instead, you must reverse the quantity from the Enter Receipts program.

Taxes

You can specify that the system calculate taxes based on:

- The tax explanation code and rate area values for a line, if different from those specified in the header
- The tax calculation rules set up on Tax Rules by Company

You can also enter a specific tax amount for each receipt record. If you enter a tax amount, you must also enter the tax rate/area and an explanation for the tax.

A No/Yes tax rule defined on Tax Rules by Company is not valid for the Procurement system. That is, the Calculate Tax on Gross field cannot be set to no if the Calculate Discount on Gross field is set to yes.

Default values for header fields If you locate receipt records by supplier and records for multiple purchase orders appear, header defaults for the Voucher Match program reflect purchase order header information for the first receipt record that displays. If you perform a match, these values override header values for all other receipt records.

Purchase order number for voucher When you create a voucher using receipt records from multiple purchase orders, the system uses the purchase order number from the first receipt record you matched to the invoice as a reference.

Landed costs When you add landed costs to receipt records prior to the voucher match process, the system might create separate detail lines for the landed costs depending on how you have set up the costs. To create a voucher for the landed costs, locate and match the landed cost line to the appropriate invoice.

For more information about landed costs, see *Entering Landed Costs.*

Multi-currency You can set up automatic accounting instructions to account for variances in the exchange rate. If you enter a new exchange rate during the voucher match process, the system creates journal entries to account for the variance between costs incurred at the old exchange rate and costs incurred at the new exchange rate. For more information, see *AAI Tables for the Procurement System*.

Reviewing voucher information You can review the voucher number and the quantity and amount for receipt records for which vouchers already exist by changing the match type to 2.

Processing Options for Match Voucher to Open Receipts

```
DEFAULT VALUES:
  1. Purchase Order Type                             _____
  2. Voucher Document Type                           _____

PROCESSING CONTROL:
  3. Enter the appropriate Voucher Match             _____
     Method for the processing you use
         '2' = PO and Invoice
         '3' = PO, Receipt and Invoice

 NOTE: If you receive and voucher
       together, then enter a '2' above.
       If you receive and voucher
       separately, then enter a '3'.
```

```
         NOTE: The following processing options
               must be filled in if you receive
               and voucher together.

      Incoming Next Status Code Range:
       4. From Status Code
       5. Thru Status Code                                    _____

      Outgoing Next Status Codes:
       6. Receipt Status Code                                 _____
       7. Cancel Status Code                                  _____

       8. Enter a '1' to display description.                 _____
           If left blank, the item/account
           number will be displayed.
       9. Enter a '1' to preload the                          _____
           selection option field.

      10. Enter a '1' to display the                          _____
           Approver Number code.
      11. Enter a '1' to display Reporting                    _____
           Code 07.

      ADDITION OF LINES:
      12. Enter a '1' to allow for the                        _____
           addition of lines.

      Enter the purchase order line values:
      13. Line Type                                           _____
      14. Last Status Code                                    _____
      15. Next Status Code                                    _____

      TOLERANCE CHECKING:
      16. Enter a '1' for a warning message                   _____
           only, '2' to prohibit entry, or
           the pay status to be used if the
           tolerance is exceeded.  If left
           blank, no tolerance checking is
           performed.

      RETAINAGE:
      17. Enter a '1' to allow for the entry                  _____
           of retainage amounts.  If left
           blank, no retainage will be
           allowed.

      SUPPLIER ANALYSIS:
      18. Enter a '1' to capture supplier                     _____
           analysis information.  If left
           blank, no supplier analysis
           information will be captured.

      SUMMARIZATION:
      19. Enter a '1' to summarize journal                    _____
           entries.  If left blank, journal
           entries are written in detail.

           NOTE: If tracking commitments in
           the PA/PU ledgers, this option
           may NOT be used.

      20. Enter a '1' to summarize accounts                   _____
           payable entries.  If left blank,
           accounts payable entries are
           written in detail.
```

```
DREAM WRITER VERSIONS:
 Enter the version for each program:
 If left blank, ZJDE0001 will be used,
 except for Open Receipts which will
 default to ZJDE0003.

 21. Purchase Order Entry     (P4311)        _____
 22. Stand-Alone Landed Cost  (P43214)       _____
 23. A/P Functional Server    (XT0411Z1)     _____
 24. G/L Functional Server    (XT0911Z1)     _____
 25. Standard Voucher Entry   (P04105)       _____
 26. Journal Entries          (P09101)       _____
 27. Open Receipts            (P43214)       _____

AUTOMATIC ACCOUNTING INSTRUCTIONS
 28. Choose which business unit should        _____
       be used to generate the G/L Bank
       Account.
       Blank = Purchase order detail
           1 = Purchase order header
           2 = Responsible business unit
               in the address book
 29. Choose which business unit should        _____
       be used to generate the A/P Trade
       Account.
       Blank = Purchase order detail
           1 = Purchase order header
           2 = Responsible business unit
               in the address book

CURRENCY PROCESSING:
 30. Enter the date to be used when           _____
       retrieving the currency exchange
       rate.  If left blank, the receipt
       or purchase order exchange rate
       will be used.
          1 = G/L Date
          2 = Invoice Date

 31. Enter a '1' to protect the               _____
       exchange rate field.
```

What You Should Know About Processing Options

Approver number (10)   The approver number referred to by this option is not related to the approval process for the Procurement system. Instead, this option refers to a person who is responsible for approving vouchers, which is a function of the Accounts Payable system.

Exercises

See the exercises for this chapter.

Create Multiple Vouchers from Receipt Records

Creating Multiple Vouchers from Receipt Records
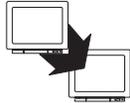
From Stock Based Procurement (G43A), choose Receipts Matching and Posting

From Receipts Matching and Posting (G43A15), choose Evaluated Receipt Settlement

You might have an agreement with certain suppliers that your receipt records are sufficient for creating vouchers. When such an agreement exists, the supplier does not need to send you an invoice, and you can avoid manually matching receipt records to invoices to create vouchers.

You can run the Evaluated Receipt Settlement procedure to create vouchers from receipt records. You indicate the receipts for which the system:

- Edits for errors
- Calculates taxes and discounts
- Creates vouchers
- Generates journal entries

You can run Evaluated Receipt Settlement in proof mode to review the receipts for which the system will create vouchers. You can also identify the receipts with errors so that you can correct them. After you have corrected any errors, you can run the program in final mode to create vouchers.

After the system creates the vouchers, you work with them as you would with any standard voucher.

To create vouchers for a supplier in batch mode, you must set the Evaluated Receipt field in Procurement Instructions to Y (Yes) before you create purchase orders for the supplier. This is the default for each purchase order that you enter for the supplier. You can override this default for individual detail lines. If you set the Evaluated Receipt field in Procurement Instructions to N (No), you cannot override the value on purchase orders.

The system gets receipt information from the Purchase Order Receiver table (F43121) to generate vouchers in batch mode. You must use a formal receipt process to create vouchers in batch mode.

When you run Evaluated Receipt Settlement, the system generates two reports.
If you run the program in proof mode, the first report contains all receipts for
which the system will create vouchers. If you run the program in final mode,
the report contains the voucher number, voucher amount, and so forth, for each
receipt.

```
 470412                                    J.D. Edwards & Company                        Page - . . .    1
                                      Invoice/Match to PO Edit/Create                     Date - . . .  1/12/98
                                            for EDI processing

 Address                        Business   Order  Order  Or  Line   Pay
  Number     Description          Unit      Co    Number Ty Number  Itm    Item/Account Number        Description
 --------  --------------------  --------  -----  ------ --  ------- ---  ----------------------  -------------------------
    4344 000  USD            N    10 00100   2059 OP   1.000 000 M002                            Markette Blue Highlighter
 Voucher Num.   10146 Voucher Type PV        Voucher Amount .        660.00
    4344 000  USD            N    10 00100   2061 OP   1.000 000 M002                            Markette Blue Highlighter
 Voucher Num.   10147 Voucher Type PV        Voucher Amount .      1,320.00
    4344 000  USD            N    10 00100   2061 OP   2.000 000 M003                            Markette Green Highlighter
 Voucher Num.   10147 Voucher Type PV        Voucher Amount .      1,320.00
    4344 Venus Universal Supply   10 00100   2059 OP   1.000 000 M002                            Markette Blue Highlighter
 Voucher Num.   10147 Voucher Type PV        Voucher Amount .
    4344 Venus Universal Supply   10 00100   2061 OP   1.000 000 M002                            Markette Blue Highlighter
 Voucher Num.   10147 Voucher Type PV        Voucher Amount .
    4344 Venus Universal Supply   10 00100   2061 OP   2.000 000 M003                            Markette Green Highlighter
 Voucher Num.   10147 Voucher Type PV        Voucher Amount .
```

The second report lists all receipts for which vouchers cannot be created due to errors.

```
470411                                    J.D. Edwards & Company                       Page - . . .    1
                                       Invoice/Match to PO Edit/Create                  Date - . . .  1/12/98
                                             for EDI processing

   EDI    Key  Tr  Line    Address  Tran          Fld in
 Document  Co  Ty Number    Number   Set  Format   Error Description                   Field Value
--------- ----- -- -------- -------- ------ ---------- ------ -------------------------- ---------------------------------
   23545 00100 ER            4344   810            SYDOCO Order Number . . . . . . . . 00002059
Batch # .                   Venus Universal Supply                    Error Message. 3737 Line must be Received before Matche
   23546 00100 ER            4344   810            SYDOCO Order Number . . . . . . . . 00002061
Batch # .                   Venus Universal Supply                    Error Message. 3737 Line must be Received before Matche
   23546 00100 ER            4344   810            SYDOCO Order Number . . . . . . . . 00002061
Batch # .                   Venus Universal Supply                    Error Message. 3737 Line must be Received before Matche
```

What You Should Know About

Evaluated Receipt Settlement process

The Evaluated Receipt Settlement program creates vouchers using a two-step process:

- The system chooses all records in the Purchase Order Receiver table (F43121) that are eligible for creating vouchers from receipt information (Evaluated Receipt value of Y).
- The system runs the EDI-Inbound program to create vouchers for the chosen records. You must use processing options to choose the version of the EDI-Inbound program. You must also use processing options to determine whether the voucher match program runs in proof or final mode.

When the system creates a voucher for a receipt, it assigns the receipt a match type of 2, which indicates that a voucher exists. It also assigns the receipt an evaluated receipt value of V (voucher exists) in the Purchase Order Receiver table.

NOTE: Because the EDI-Inbound program accommodates other EDI functions, some processing options for the program are not applicable to creating vouchers.

Receipt routing

The system does not create vouchers for receipt items in a routing process until they are moved to an on-hand status.

For more information, see *Working with Items in Receipt Routing*.

When receipt items go through a routing process, the system assigns the receipt record an evaluated receipt value of R (in routing) in the Purchase Order Receiver table. When the items become on-hand, the system changes the value to Y (yes), so that you can create a voucher.

Tolerance checking

If you set processing options to perform tolerance checking for receipts, the system identifies those receipts that exceed tolerance.

When a receipt record exceeds tolerance, the system assigns an evaluated receipt value of T (tolerance exceeded) in the Purchase Order Receiver table. The system will not create vouchers for receipt records that exceed tolerance, unless you change data selections for the Evaluated Receipt Settlement and EDI-Inbound programs.

Tolerance checking is not applicable for the receipt date.

For more information about tolerance checking, see *Creating Tolerance Rules*.

Landed costs

The system creates vouchers for landed costs if:

- The receipt record for which you are entering landed costs is eligible for the Evaluated Receipt Settlement program (Evaluated Receipt field in the Purchase Order Receiver table is set to yes).
- You can create vouchers for the landed cost supplier using the Evaluated Receipt Settlement program. (Evaluated Receipt field on Procurement Instructions is set to yes).

Tables for EDI-Inbound program

When the system runs the EDI-Inbound program, it stores voucher information in the EDI Header table (F47041), the EDI Detail table (F47042), and the EDI Summary table (F47044). After the process is complete, you can perform purges on these tables to clear the information.

Invoice numbers for vouchers

The system creates invoice numbers for vouchers using the next number facility for the Electronic Commerce system. You can define a prefix for invoice numbers in vocabulary overrides for R43800. For example, you can enter a prefix of ERS to create invoice numbers such as ERS...0012.

Reversing a voucher

You might want to reverse a voucher, if, for example, you returned the items for which you created the voucher. To reverse a voucher, you can enter the voucher number on Match Voucher to Open Receipt (using a match type 2), and then enter a delete action code.

If the voucher has been posted, the system reverses the corresponding journal entries. If the voucher has not been posted, the system deletes the entries.

CAUTION: To preserve the integrity of your purchasing data, do not use the Accounts Payable Voucher Entry program to reverse vouchers. To ensure this does not happen, set processing option 11 of Functional Server XT0411Z1 to 2.

See Also

- *Working with Standard Vouchers (P04105)* in the *Accounts Payable Guide*

Work with Journal Entries for Voucher Transactions

Working with Journal Entries for Voucher Transactions

The system generates journal entries when you create a voucher so that the appropriate purchasing expenses and liabilities reflect in the general ledger. After the system generates journal entries, you can review the entries and post them to the general ledger.

When you create a voucher, you can distribute a single purchasing expense to multiple accounts. You can also redistribute an expense that you performed at purchase order entry. The system generates journal entries based on the distribution amounts and accounts that you specify.

To ensure the integrity of your data, you can verify that voucher amounts balance between the accounts payable ledger and the general ledger.

To work with journal entries for voucher transactions, complete the following tasks:

- ❏ Review and post journal entries for voucher transactions

- ❏ Distribute an expense to multiple accounts

- ❏ Verify that voucher amounts balance

Reviewing and Posting Journal Entries for Voucher Transactions
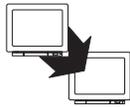
From Stock Based Procurement (G43A), choose Receipts Matching and Posting

From Receipts Matching and Posting (G43A15), choose Voucher Journal Review

When you create a voucher for items that you formally receive, the system creates a journal entry that debits a received not vouchered account. When you create a voucher for items that you do not formally receive, the system creates a journal entry that debits an expense account.

The system creates accounts payable offsetting entries when you post the voucher journal entries to the general ledger.

For example, if you create a voucher for 100.00 worth of items that you formally received, the system creates the following journal entries:

Formal Receipts

Received Not Vouchered	Accounts Payable
100	100

If you create a voucher for 100.00 worth of items that you did not formally receive, the system creates the following journal entries:

Informal Receipts

Expense	Accounts Payable
100	100

If a variance exists between the cost of goods or services on a purchase order or receipt record and the cost on the voucher, the system creates journal entries for the variance. You must specify variance accounts in Automatic Accounting Instructions.

For example, if you enter a voucher for 80.00 worth of inventory items and the cost of the items at the time of receipt was 100.00, the system creates the following journal entries:

Formal Receipts Variance

Received Not Vouchered	Accounts Payable	Variance
100	80	20

If you enter a voucher for 80.00 worth of non-stock items or services and the cost of the items on the purchase order was 100.00, the system creates the following journal entries:

Formal Receipts Variance

Expense	Accounts Payable	Variance
100	80	20

You can review the journal entries that the system creates for a voucher on Voucher Journal Review. You can review the amount of each entry and the account to which each amount is debited or credited.

When you create or reverse vouchers, the system displays a receipt document number and batch number. You might want to note these numbers so that you can locate journal entries by batch group and document.

What You Should Know About

Variances for purchases to the general ledger   If you charge purchases against general ledger account numbers (expense accounts), the line type you assign to a detail line determines whether the system charges a variance to the expense account or a variance account. For more information, see *Setting Up Order Line Types*.

Variance accounts for weighted average costs

If you purchase items to inventory, you might sell some of the items before you create a voucher. If you maintain a weighted average inventory cost for the items, you must set up two variance accounts in AAIs – one for the items sold and the other for the items remaining.

For example:

- You buy 10 items at 10.00 for a total of 100.00
- You sell two of the items
- You create a voucher for 90.00 (the supplier bills you for 9.00 each)

A variance exists of 10.00. If you do not set up two variance accounts, the system applies the entire 10.00 variance to the 8 items that remain in stock. This causes the weighted average cost of the items to be inaccurate.

When you set up two variance accounts, the system applies an 8.00 variance to the items that remain in stock and a 2.00 variance to the items sold. This allows the system to calculate the correct weighted average cost for the items that remain in stock.

You must set up AAI table 4332 to have the system create a separate variance for items no longer in stock.

See Also

- *About Receipt Processing* for more information about the informal and formal receipt processes

- *AAI Tables for the Procurement System*

- *Working with Standard Vouchers* in *Accounts Payable* for more information about working with voucher journal entries

The system credits the Accounts Payable Trade account when you post the entries described above to the general ledger.

Based on this example, the system generates the following journal entries when you create the voucher:

- Debits the received not vouchered account or the office supplies expense account for 90.00 (depending on whether you entered a formal receipt for the supplies)

- Credits the office supplies expense account for 90.00

- Credits the expense accounts for departments A, B, and C for 30.00 each

The system credits the Accounts Payable Trade account for 90.00 when you post the entries described above to the general ledger.

Verifying that Voucher Amounts Balance
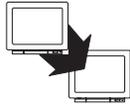
From Stock Based Procurement (G43A), choose Receipts Matching and Posting

From Receipts Matching and Posting (G43A15), choose Print Voucher Journal

You can review journal entries for voucher transactions and verify that they balance in the general ledger and the accounts payable ledger by printing the Accounts Payable Voucher Journal report.

For each voucher transaction that prints, you can compare the gross amount in the Accounts Payable Ledger table (F0411) to the corresponding general ledger distribution entries in the Account Ledger table (F0911). The system does not include records with a foreign currency ledger type (CA) in the G/L comparison total.

```
   04305                                       J.D. Edwards & Company                          Page No. . . .    3
                                              A/P Voucher Journal Report                       Date . . . 06/30/98
                                         User, Batch Date/Number & Voucher


 . . . . Document. . . G/L Date  Co.  Name            Address  Due Date  P.O. No  G/L . . . . . . . Amounts . . . . . . . .      P P
 Ty  Number   Co   Itm Invoice        Check Stub Remark Invoice Number             Off.     Gross                        P   S I
                                      Acct Description  G/L Account Number                   Discount Avail   G/L Distributi C LT
 -- -------- ----- --- --------  ----- ---------------- -------- -------- -------- ----  ---------------- ---------------- - -- - -

 User         JN791041
 Originator  – JN791041
 Batch Number –    80197
 Batch Date . .  06/30/98
 PV    8695 00100 001 06/30/98    100 Vector Manufactur   4343 07/30/98   2014           1,019.94                             A Z
                      06/30/98                            4567
                                  Received Not Vouc         100.4111                                       1,019.94  P AA

                                                                              ---------------- ----------------
           Batch Number . . . . . . . . . 00080197        – Gross/Posted         1,019.94         1,019.94
                                                          – Discount/Unposted

                                                                              ---------------- ----------------
           User ID. . . . . . . . . . . JN791041          – Gross/Posted         1,019.94         1,019.94
                                                          – Discount/Unposted

                                                                              ---------------- ----------------
           Report Total:                                  – Gross/Posted         1,019.94         1,019.94
                                                          – Discount/Unposted
```

See Also

- *Printing Voucher Journals (P04305)* in the *Accounts Payable Guide*

Log Invoices prior to Receiving Goods

Logging Invoices prior to Receiving Goods

You can log invoice information prior to receiving the goods or services on an invoice so that the billing amount reflects in the general ledger. When you log invoice information, the system creates a preliminary voucher from which you can create a permanent voucher when you receive the goods or services.

Complete the following tasks:

❑ Log invoices to create preliminary vouchers

❑ Create a permanent voucher from a preliminary voucher

❑ Print logged invoice information

After you create a preliminary voucher, the system generates journal entries that distribute the voucher amount to a general ledger suspense account. After you create the permanent voucher, the system generates journal entries that redistribute the voucher amount to the actual general ledger accounts.

Logging Invoices to Create Preliminary Vouchers
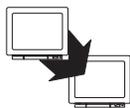
From Supplier and Voucher Entry (G0411), choose Other Voucher Entry Methods

From Other Voucher Entry Methods (G04111), choose Voucher Logging Entry

You might want to record invoice information promptly, prior to receiving the goods or services on the invoice. You can log invoice information to create a preliminary voucher, from which the system creates journal entries to account for the billing amount.

You can associate a purchase order number with the invoice. If you do not know the purchase order number, you can have the system enter the number when you create the permanent voucher.

After you enter invoice information, you must specify the suspense account for which the system is to debit the voucher amount.

▶ **To log invoices to create preliminary vouchers**

On Voucher Logging Entry

1. Complete the following fields and press Enter:

   - Supplier Number
   - Invoice Number
   - Invoice Amount
   - Invoice Date
   - G/L Date
   - Business Unit
   - Payment Terms
   - Company
   - P.O. Number
   - Pay Itm
   - Gross Amount
   - Discount Available
   - Payment Remark
   - Net Due Date
   - PS (Payment Status)

After you enter invoice information, the system automatically displays Journal Entry Prompt.

```
┌─────────────────────────────────────────────────────┐
│ 🗐 Journal Entry Prompt                      _ □ ✕  │
│ Functions   Tools   Help                             │
│ ┌─────┬───┐                                          │
│ │  ✔  │ ✕ │                                          │
│ └─────┴───┘                                          │
│          ┌─ . . Preliminary Distribution Account . . ─┐│
│          │                                            ││
│      Mode (F)        D                                ││
│      Amount                                           ││
│      Account Number   ┌─────── 90.8799 ──────┐        ││
│      Remark           ┌──────────────────┐             ││
│          │                                            ││
│          └────────────────────────────────────────┘  ││
│                                               ┌─┐    │
│   F3=Exit    F24=More Keys                     │▲│    │
│                                               └─┘    │
│                                               │▼│    │
└─────────────────────────────────────────────────────┘
```
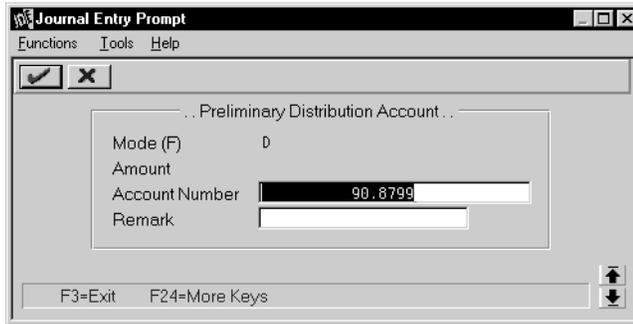
2. On Journal Entry Prompt, complete the following field:

   - Account Number

See Also

- *Working with Logged Vouchers (P04105)* in the *Accounts Payable Guide*

Creating a Permanent Voucher from a Preliminary Voucher
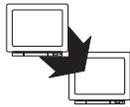
From Supplier and Voucher Entry (G0411), choose Other Voucher Entry Methods

From Other Voucher Entry Methods (G04111), choose Voucher JE Redistribution

You can create a permanent voucher from a preliminary voucher after you receive the goods and services on the corresponding invoice. Because the preliminary voucher already contains much of the necessary information, creating the permanent voucher is a simple process.

To create a permanent voucher, you must locate the preliminary voucher and choose the receipt records that match the invoice. After you do this, the system creates the permanent voucher.

▶   **To create a permanent voucher from a preliminary voucher**

On Voucher JE Redistribution

```
[042002] - Voucher JE Redistribution                                    _ □ ✕
Functions   Options   Tools   Help
  ✔   ✕

                                              Display Sequence   ☐
   Approver Number              |*          |
   Supplier Number                        4343     Vector Manufacturing Co
   Invoice Number               |46784               |     Co    |      |
   JE Redistribution Date       |06/30/98  |              Curr  |USD |
   Document Number Range        |       |   to  |       |

   O | Document |Supplier|    Supplier Name    |Due/Chk| Gross Amount |P
   P |Ty| Number | Number |                     |  Date |              |S
     |  |        |        |                     |       |--------------
     |  |        |        |                     | TOTAL |
     |  |        |        |                     |       |
     |  |        |        |                     |       |
     |  |        |        |                     |       |
     |  |        |        |                     |       |
     |  |        |        |                     |       |
     |  |        |        |                     |       |                 ⬆

Opt: 1=Vch Log  2=JE  3=Redist  4=Redist PO  F2=Formats  F9=Name Srch      ⬇
```

1. Locate the preliminary voucher from which to create a permanent voucher.

2. Enter 4 in the following field to exit to the Voucher Match program:

    • OP (Option Exit)

3. Choose the receipt records that correspond to the invoice for the preliminary voucher.

See Also

   • *Choosing Receipt Records to Match to an Invoice (P4314)* for information about creating permanent vouchers

   • *Working with Logged Vouchers (P04105)* in the *Accounts Payable Guide* for more information about the Voucher Journal Entry Redistribution program

Printing Logged Invoice Information

From Stock Based Procurement (G43A), choose Procurement Reports

From Procurement Reports (G43A111), choose Logged Voucher Detail

If you log invoices on the system before taking receipt of the goods or services, you can print the Logged Voucher Detail report to review preliminary voucher information. You can use this report to identify the preliminary vouchers that are ready for distribution. You can also review invoice and purchase order information, including:

- Invoice number

- Invoice date

- Gross amount

- Purchase order number

- Received date (if applicable)

- Amount open to voucher

- Voucher number

If you do not enter purchase order information when you log a voucher, the system does not print purchase order information on the report.

You can use processing options to determine whether the report prints only logged vouchers for which receipt records have been entered.

```
  43428                                        J.D. Edwards & Company                          Page Number     2
                                                Logged Voucher Detail                          Date       6/19/98


       Invoice            Invoice        . . . Voucher Reference . . .      Gross     . . . Purchase Order . . .    Open to        Cur
       Number              Date     Co    Number  Ty Itm  Co   Due Date     Amount    Number  Ty  Co   Rec Date     Voucher        Cod
  ----------------------  --------  -----  --------  --  ---  ----  --------  --------------  --------  --  -----  --------  --------------  ---

  Approver Number. . .  00000000     00000000
  Address Number . . .  00004343     Vector Manufacturing Co
  -------------------- ----------- ------------------------------
  A4325                   06/15/98   100     8700 PL 001   100 07/15/98      742.56                                                 USD
                                                                         --------------                          --------------
  Address Number . . .  00004343     Vector Manufacturing Co              742.56
                                                                         --------------                          --------------
  Approver Number. . .  00000000     00000000                             742.56
                                                                         --------------                          --------------
                                                                           742.56
```

Print Voucher Information

Printing Voucher Information

You can print reports containing voucher information that is specific to purchase orders, receipts, and suppliers. To print voucher information, complete the following tasks:

- ❏ Print voucher information by detail line

- ❏ Print open voucher information by receipt

- ❏ Print voucher amounts for suppliers

- ❏ Print supplier balances

Printing Voucher Information by Detail Line
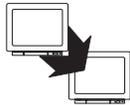
From Stock Based Procurement (G43A), choose Procurement Reports

From Procurement Reports (G43A111), choose Vouchered/Received Status

You can review voucher information by purchase order detail line. For example, if you entered a purchase order containing a detail line for 100 widgets, you can produce a report that identifies:

- The quantity and amount received to date
- The received quantity and amount for which a voucher has been created
- The received quantity and amount for which a voucher has not been created

You can specify the branch/plant, supplier, and purchase order number for the detail lines that print. You might use this report to determine the total amount open to voucher for a supplier or branch/plant.

When you run the Received/Vouchered Status report, the system organizes detail lines by branch/plant or business unit, depending on whether you use an inventory or non-inventory environment.

```
43412                                   J.D. Edwards & Company                    Page – . . .    2
                                   Receive/Voucher Status – Inventory              Date – . . .  4/19/98
 Branch/Plant .        30
            Memphis Distribution Center

                                     Receipt     . Received to Date .    . .Vouchered to Date. .    . .Open To Voucher. .    Cur
   Supplier              Order   Ty  Line  Date   Quantit       Amount    Quantit        Amount      Quantity       Amount    Cod
 --------------------  -------- --  ------ ------ ---------- ------------ ---------- ------------- ----------- ------------- ---
   4345 Value Worldw   2444 OP  1.000 03/14/98      25        168.75                                   25        168.75    USD
   4345 Value Worldw   2575 OP  5.000 04/14/98      25        756.25                                   25        756.25    USD
   4345 Value Worldw   2575 OP  6.000 04/14/98      16         84.00                                   16         84.00    USD
   4345 Value Worldw   2604 OP  5.000 04/14/98      25        756.25                                   25        756.25    USD
   4345 Value Worldw   2604 OP  6.000 04/14/98      16         84.00                                   16         84.00    USD
                                                          -------------              -------------            -------------
                              Value Worldwide Paper Supply    1,849.25                                          1,849.25

                                                          -------------              -------------            -------------
                              Memphis Distribution Center     1,849.25                                          1,849.25

                                                          -------------              -------------            -------------
                                                             1,849.25                                          1,849.25
```

Processing Options for Received/Vouchered Status Report

```
REPORT DISPLAY:
  1. Enter a '1' to print General Ledger
     Cost Center Information.  (Default
     of blank will print Branch/Plant
     Information).                                        _____

CURRENCY PROCESSING:
  2. Enter a '1' to print amounts in
     Foreign Currency.  (Default of
     blank will print Domestic
     Currency).                                           _____
```

Printing Open Voucher Information by Receipt

From Stock Based Procurement (G43A), choose Procurement Reports

From Procurement Reports (G43A111), choose Voucher Reconciliation

You can review open voucher information for individual receipt records. For example, if you received 100 widgets on June 30, you can identify:

- The remaining quantity for which you must create a voucher

- The remaining amount for which you must create a voucher

- The tax on the remaining amount

You can use the Received Not Vouchered Reconciliation report to reconcile receipts to the General Ledger Account Balances table (F0902).

Each time you record a formal receipt, the system creates a journal entry that credits a Received Not Vouchered account. You can review this account number for each receipt. You usually sequence the report information by that account number.

This report contains information from the Purchase Order Receiver table (F43121).

```
43450                                    J.D. Edwards & Company                         Page No. . .    2
                                      Rec'd Not Vouchered Reconciliation                Date - . . .  6/19/98


                                                                    . . . . . . .Open to Voucher . . . . . .      Cur
      Not Vouchered Account      PO No.  Ty  Line        Item             Open          Amount      Tax Amount   Cod
   -----------------------------  -------- -- ------ ---------------------  ---------------  ----------------  --------------- ---
             100.4111                 2 OP  1.000 TS002                            1          8,352.00                         USD
             100.4111              2000 OP  1.000 1001                            32            160.00                         USD
             100.4111              2000 OP  1.000 P001                            10             50.00                         USD
             100.4111              2000 OP  1.000 P002                             6             30.00                         USD
             100.4111              2000 OP  1.000 S001                            96            480.00                         USD
             100.4111              2000 OP  1.000 M001                           144            720.00                         USD
             100.4111              2000 OP  1.000 M002                           120            600.00                         USD
             100.4111              2276 OP  1.000 TS001                          100          5,025.00                         USD
             100.4111              2276 OP  2.000 TS002                          100          4,312.00                         USD
                                                                                       ----------------  ---------------
                                                        Received Not Vouchered              19,729.00

                                                                                       ----------------  ---------------
                                                        Grand Total                        326,298.94
```

Printing Voucher Amounts for Suppliers
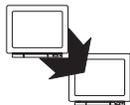
From Stock Based Procurement (G43A), choose Procurement Reports

From Procurement Reports (G43A111), choose Supplier Analysis

You can print the Supplier Analysis report to review all suppliers for whom you have created vouchers during the past year and the total voucher amount for each supplier. You can also print this report to compare the total voucher amount year-to-date to the total voucher amount for the previous year.

```
04602                          J.D. Edwards & Company                    Page –        2
                                  Supplier Analysis                       Date – 04/18/98


Currency Code. . USD
 . . . . . . . . Address . . . . . . . .      Vouchered        %   Rank    Vouchered
  Number                   Name               Year to Date   Vouch       Previous Year
 --------  ------------------------------------ --------------------  ----- ----  --------------------
   4344 Venus Universal Supply               15,466,464.44   45.5    1      8,984,811.42
   4343 Vector Manufacturing Co               8,746,356.16   25.7    2      6,985,821.59
   4345 Value Worldwide Paper Supply          3,651,574.99   10.7    3
                                             --------------------           --------------------
                                             27,864,439.59                  15,970,633.01
```

Suppliers appear in descending order of the total voucher amount. This report does not include those suppliers with a year-to-date voucher balance of zero.

Printing Supplier Balances

From Stock Based Procurement (G43A), choose Procurement Reports

From Procurement Reports (G43A111), choose PO Detail by Supplier

If you purchase items directly to the general ledger, you might want to review a report that lists purchase order and voucher information by supplier and business unit. The Purchase Order Detail by Supplier report lets you organize information by:

- Supplier
- Business unit
- Subsidiary
- Object

For each purchase order, the report displays:

- Budget amounts
- Purchase order/contract amounts
- Voucher amounts
- Paid amounts
- Retained amounts
- Balance remaining
- Amount currently due

```
43421                                    J.D. Edwards & Company                          Page           2
                                   Contract Detail by Supplier - All Jobs               Date      4/19/98
                                                                                        As of   - 04/19/98

   3480 Digger, Inc.

  Job        Cost    Code  Description    Budget      PO/Contract   Vouchered     Paid       Retained    Balance       Due Now
  Number     Code    Type  (Reference)                                                                   Remaining
----------- -------- ----- ------------- ----------- ------------- ------------- ----------- ----------- ------------- -----------
         750 Centennial Technical Park
         02600   1350   Materials
         OP    2428 00050 000 05/22/98                  118.50
         OP    2428 00050 000 05/22/98                1,391.00
         02600   1355   Equipment
         OP    2372 00050 000 05/13/98                  400.00
         02600   1360   Subcontracts
         OP    2444 00050 000 06/03/98                4,000.00
         OP    2452 00050 000 06/03/98                4,800.00

                                                 ------------- ------------- ------------- ------------- -------------
               Total Paving & Surfacing             10,709.50                                             10,709.50
                                                 ------------- ------------- ------------- ------------- -------------
               Total Centennial Technical           10,709.50                                             10,709.50


                                                 ------------- ------------- ------------- ------------- -------------
               Total Digger, Inc.                   10,709.50                                             10,709.50
```

Set Up Automatic Accounting Instructions

Setting Up Automatic Accounting Instructions

From Stock Based Procurement (G43A), enter 29

From Procurement System Setup (G43A41), choose Automatic Accounting Instructions

You set up automatic accounting instructions (AAIs) to determine the accounts to which the system distributes general ledger entries. For example, in the Procurement system, the system creates journal entries when you receive an inventory item. You set up AAIs to indicate the accounts for which the system creates the journal entries.

There are multiple AAI tables for the Procurement system, each of which applies to a certain type of transaction. In each table, you specify a general ledger account for each unique combination of company, document type, and G/L class.

For example, you can set up an AAI table for inventory receipt transactions. Each time you enter a receipt for an inventory item, the system determines the general ledger account to which to debit the receipt based on the company, document type, and G/L class for the receipt.

The system stores AAIs in the Automatic Accounting Instructions Master table (F4095).

AAI Tables for the Procurement System

The types of AAI tables in the Procurement system include:

- AAIs for receipts and voucher match
- AAIs for variances
- AAIs for tax liabilities
- AAIs for receipt routing
- AAIs for landed costs
- AAIs for zero balance adjustments

The following explains the AAI tables used by the Procurement system.

AAIs for Receipts and Voucher Match

These AAI tables determine which accounts are debited and credited when you enter purchase order receipts or create vouchers.

4310	Journal entry debit to an inventory evaluation account that is created from the Purchasing Receipts program.
4315	Journal entry debit to a non-stock inventory account that is created from the Purchasing Receipts program when you are not using an account number on the purchase order.
4320	Journal entry credit or debit to a received not vouchered account that is created from the Purchasing Receipts program.

AAIs for Variances

These AAI tables determine which accounts are debited and credited when there is a variance in the cost of an item.

4330	Journal entry credit or debit to a receipt cost/actual cost paid variance account that is created from the Voucher Match program.
4332	Journal entry credit or debit to an actual cost paid variance/cost of sales account that is created from the Voucher Match program.
4335	Journal entry credit or debit to a standard cost/actual cost variance account that is created from the Purchasing Receipts program.
4337	Journal entry debit to a manufacturing material burden account that is created from the Purchasing Receipts program. (Used in conjunction with standard costs.)
4340	Journal entry credit or debit to record an exchange rate variance that is created from the Voucher Match program. Variance occurs if the purchasing rate is different between the time of receipt and the time of voucher creation.

AAIs for Tax Liabilities

These AAI tables determine which accounts are debited and credited when you work with tax liabilities.

4350	Journal entry debit for accrued purchasing taxes that is created from the Purchasing Receipts and Voucher Match programs.
4355	Journal entry credit to a tax received but not vouchered temporary liability account that is created from the Purchasing Receipts program.

AAIs for Receipt Routing

These AAI tables determine which accounts are debited and credited as you process items through a receipt route.

4365	Journal entry credit to a prior to receipt/compliance liability account that is created when you transfer items to a receipt routing operation prior to the operation at which you assume payment liability for the items.
4370	Journal entry debit or credit to a routing operation account that is created when you transfer items to or from an operation in a receipt route.
4375	Journal entry debit to an inventory disposition account that is created during the receipt routing process. Typically, this is a result of goods being damaged. However, payment is still required.

AAIs for Landed Costs

These AAI tables determine which accounts are debited and credited when you work with landed costs.

4385   Journal entry debit for landed costs/expense adjustments that is created during the Purchasing Receipts, Stand-Alone Landed Costs, or Voucher Match programs.

4390   Journal entry credit for landed costs/expense adjustments that is created during the Purchasing Receipts, Stand-Alone Landed Costs, or Voucher Match programs.

AAIs for Zero Balance Adjustments

These AAI tables determine which accounts are debited and credited when you work with zero balance adjustments.

4400   Journal entry to credit an inventory evaluation account that is created from the Purchasing Receipts program when receipt results in on-hand quantity ending at zero, with a remaining general ledger cost. Typically, this is the result of a transaction reversal at a different cost than the original transaction.

4405   Journal entry to debit an inventory evaluation account that is created from the Purchasing Receipts program. This debit occurs when receipt results in on-hand quantity ending at zero, with a remaining general ledger cost. Typically, this is the result of a transaction reversal at a different cost than the original transaction.

Create Tolerance Rules

Creating Tolerance Rules
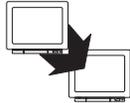
From Stock Based Procurement (G43A), enter 29

From Procurement System Setup (G43A41), choose Tolerance Rules

You create tolerance rules to determine how much a detail line can change before it exceeds tolerance. For example, you enter a receipt for which the quantity exceeds more than 10 percent of the quantity entered on the purchase order. You can have the system prevent the transaction for exceeding tolerance.

You create tolerance rules to specify the number or percentage by which the following values can change:

- Quantity
- Unit cost
- Extended amount

You can set tolerance rules for three types of transactions:

- Receiving
- Creating vouchers
- Creating purchase orders through requisition consolidation and blanket release

If a detail line exceeds tolerance, the system either displays an error message or prevents you from entering the transaction, depending on how you set the processing options. During voucher match, you can also specify that the system assign a pay status code to lines exceeding tolerance.

If you do not specify a percentage or amount for the quantity, unit cost, and extended amount categories, the system will not perform tolerance checking for the category that you leave blank.

▶ **To create tolerance rules**

On Tolerance Rules

```
┌─────────────────────────────────────────────────────────────────┐
│ [4322] - Tolerance Rules                                  _□×     │
│ Functions  Tools  Help                                            │
│ ┌──────────────────────────────────────────────────────────────┐ │
│ │ ✔ │ X │ ₁i │ ₂▲ │ ₄⊕ │ ₅▬                                      │ │
│ └──────────────────────────────────────────────────────────────┘ │
│                                                                   │
│        Function (Program)          ☐                              │
│                                                                   │
│        Item Number           [                    ]              │
│    or  Commodity Class       [    ]                              │
│    or  Company               [    ]                              │
│                                                                   │
│      ┌──────────────── Quantity ─────────────────────┐          │
│      │ Tolerance Percentage    [            ]          │          │
│      │ Tolerance Units         [            ]          │          │
│      └─────────────────────────────────────────────────┘          │
│      ┌──────────────── Unit Cost ────────────────────┐          │
│      │ Tolerance Percentage    [            ]          │          │
│      │ Tolerance Amount        [            ]          │          │
│      └─────────────────────────────────────────────────┘          │
│      ┌─────────────── Extended Amount ───────────────┐          │
│      │ Tolerance Percentage    [            ]          │          │
│      │ Tolerance Amount        [            ]          │          │
│      └─────────────────────────────────────────────────┘          │
│                                                            ⬆       │
│             F24=More Keys                                  ⬇       │
└─────────────────────────────────────────────────────────────────┘
```

1. Specify the type of process you are creating a tolerance rule for by completing the following field:

    • Function (Program)

2. Specify what the tolerance rule is applicable to by completing one of the following fields:

    • Item Number

    • Commodity Class

    • Company

3. Specify the tolerance percentage or tolerance amount to use as the "top end" of the tolerance range by completing the following fields, as needed:

    • Quantity: Tolerance Percentage

    • Quantity: Tolerance Units

    • Unit Cost: Tolerance Percentage

    • Unit Cost: Tolerance Amount

    • Extended Amount: Tolerance Percentage

    • Extended Amount: Tolerance Amount

Field	Explanation
Function (Program)	A user defined code (system 43/type FT) identifying the function for which the tolerance rule is defined.
Commodity Class	A code (table 41/P1) that represents an item property type or classification, such as commodity type, planning family, or so forth. The system uses this code to sort and process like items. This field is one of six classification categories available primarily for purchasing purposes.
Quantity: Tolerance Percentage	Percentage above which the system accepts a purchase order line without issuing a warning message. The percentage is based on the line quantity and is used during the receiving process. If you leave this field blank, the system does not perform tolerance checking. Enter this percentage in whole numbers. For example, enter 10% as 10.
Quantity: Tolerance Units	Number of units above which the system accepts a purchase order line without issuing a warning message. The unit is based on the line quantity and is used during the receiving process. If you leave this field blank, the system does not perform tolerance checking.
Unit Cost: Tolerance Percentage	Tolerance percentage above which the system accepts a purchase order line without issuing a warning message. The percentage is based on the line price and is used during the receiving process. If you leave this field blank, the system does not perform tolerance checking. Enter the percentage as a whole number. For example, enter 10% as 10.
Unit Cost: Tolerance Amount	Tolerance amount above which the system accepts a purchase order line without issuing a warning message. The amount is based on the line price and is used during the receiving process. If you leave this field blank, the system does not perform tolerance checking.
Extended Amount: Tolerance Percentage	Tolerance percentage above which the system accepts a purchase order line for the commodity without issuing a warning message. The percentage is based on the line price and is used during the matching process. If you leave this field blank, the system does not perform tolerance checking. Enter the percentage as a whole number. For example, enter 10% as 10.

Field	Explanation
Extended Amount: Tolerance Amount	Tolerance amount above which the system accepts a purchase order line for the commodity can be accepted without issuing a warning message. The amount is based on the line price and is used during the matching process. If you leave this field blank, the system does not perform tolerance checking.

What You Should Know About

Checking tolerance   The system performs tolerance checking only for transactions that are in excess of the tolerance rule range. Transactions that fall short of the range can be entered and processed.

Specifying no tolerance   To prevent the system from allowing any tolerance, enter *NONE in the percentage or amount fields. When you enter *NONE for a tolerance percentage or amount, you cannot receive, voucher, or release over the amount on the original purchase order line.

Set Up Purchase Order Hold Information

Setting Up Purchase Order Hold Information

From Stock Based Procurement (G43A), enter 29

From Procurement System Setup (G43A41), choose Order Hold Information

You can put an order on hold to prevent it from being processed. When you assign a hold code to an order, the system does not allow you to process the order until you release the hold.

You must set up the individual hold codes that you intend to assign to orders. Each hold code can identify a certain type of hold. For example, you might set up a hold code to identify purchase orders that exceed budget. You might set up another hold code to identify purchase orders that exceed the maximum order amount.

You can specify the person who is responsible for reviewing and releasing a certain type of order hold. You must specify a password for each hold code. Only those individuals who know the password can release an order to which the hold code is assigned.

Before You Begin

❏ Verify that you have set up hold codes in user defined code table 42/HC

▶   **To set up purchase order hold information**

On Order Hold Information

1. To define new order hold codes, complete the following fields:

    - Branch/Plant
    - Hold Code
    - Responsible Person

2. Access the fold area.
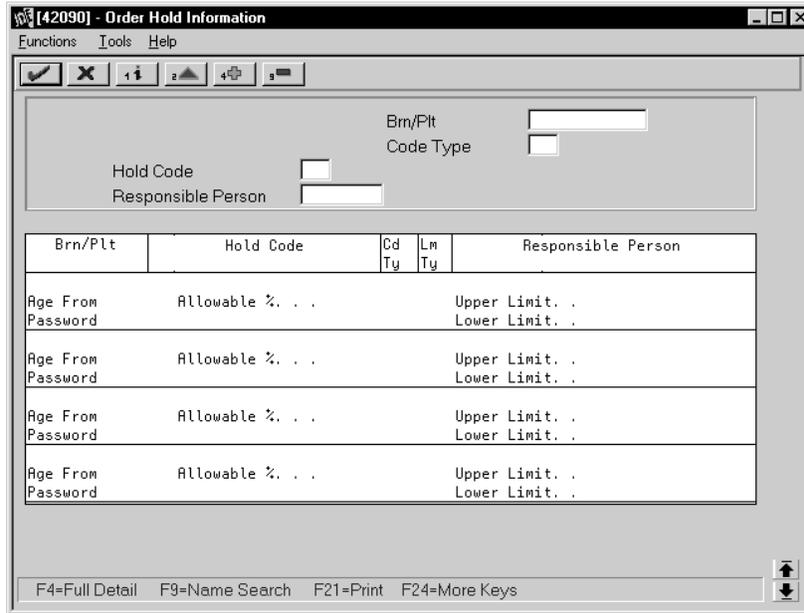
3. Complete the following field:

- Password

Field	Explanation
Hold Code	A user defined code (table 42/HC) that identifies why an order was placed on hold (for example, credit, budget, or margin standards were exceeded).
	. . . . *Form-specific information* . . . .
	Enter the Hold Code that you want to review in the first Hold Code field. You define hold codes (user defined code table 42/HC) to identify why a particular order was placed on hold.
	Enter each hold code that you want to define in the Hold Code column. This is a required field when you add a new code. The system retrieves the description from the user defined code table 42/HC.
Responsible Person	The address book number of the person that is responsible for reviewing and releasing orders placed on hold.

Field	Explanation
Password	A series of characters that you must enter before the system updates a table. In the Distribution systems, the password secures commissions setup and the release of held orders. Only users with access to the password can release an order. The system does not display the password on the form. You should not enter blanks anywhere in the password.

What You Should Know About

System assigned hold codes	The system will automatically assign budget holds to orders if you set processing options for purchase order entry accordingly. The system will also assign a hold code to an order if you have entered a hold code for the supplier on procurement instructions. You must manually assign all other hold codes to purchase orders. Criteria for hold codes such as upper limit, lower limit, and limit type pertain to sales orders only.

See Also

- *Entering Purchase Order Holds (P42070)*
- *Releasing Purchase Order Holds (P42070)*
- *Setting Up Order Hold Codes (P42090)* in the *Sales Order Management Guide*

Processing Options for Order Hold Constants

```
Enter Branch                                    _____
```

Set Up Landed Costs

Setting Up Landed Costs

From Stock Based Procurement (G43A), enter 29

From Procurement System Setup (G43A41), choose Landed Cost Revisions

Landed costs are costs that exceed the purchase price of an item. They are generally associated with the expected delivery charges of an order, but might also be for broker fees, commissions, and so on.

You can assign landed costs to a specific item and branch/plant or to a cost rule (a group of landed costs to which you assign a name). After you create a cost rule, you can assign it to an inventory item, a supplier, a purchase order, or a detail line. By assigning landed costs, you can keep track of the actual cost of purchasing an item.

When you assign landed costs to an item or cost rule, you define the calculation for each landed cost on a per item basis. You can add landed costs for an item based on:

- A percentage of the unit price
- A dollar amount
- A specific rate multiplied by the item's weight or volume

For each landed cost, you can specify:

- The effective dates
- The supplier to which the cost is paid
- The general ledger class code to which you apply the cost

You can also specify:

- Whether to match the cost using the Voucher Entry program
- Whether to include the cost in item cost updates

The system searches for landed costs that apply to a detail line in the following order:

4. Searches for landed costs that are assigned to the item/branch on Landed Cost Revisions.

5. Searches for a cost rule that is assigned to the detail line.

6. Searches for a cost rule that is assigned to the purchase order.

7. Searches for a cost rule assigned to the item and branch/plant on Branch Plant Information.

8. Searches for a cost rule assigned to the item on Item Master Information.

You determine when to add landed costs to a detail line. For example, you can add landed costs during the receipt process, the voucher match process, or as a stand-alone process.

You determine at which point the system adds landed costs to a detail line. For example, you can add landed costs during the receipt process, the voucher match process, or as a stand-alone process.

Before You Begin

❑ Set up the landed cost rules in user defined code table 41/P5

❑ Set up the landed cost level in user defined code table 40/CA

▶ **To set up landed costs**

On Landed Cost Revisions
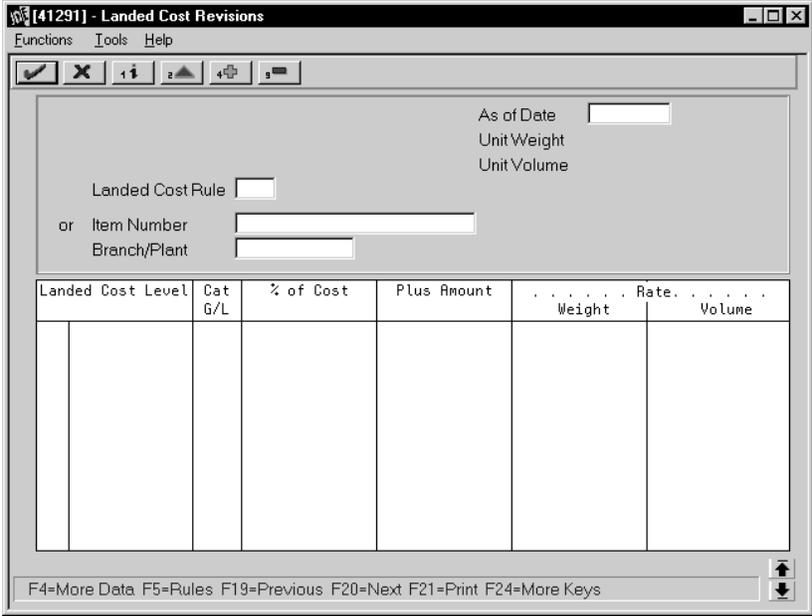
1. To specify the rule to which the landed costs apply, complete the following field:

   - Landed Cost Rule

2. To specify the item to which the landed costs apply, complete the following fields:

   - Item Number

   - Branch/Plant

3. To specify calculations for each landed cost, complete the following fields:

   - Landed Cost level

   - % of Cost

   - Plus Amount

   - Rate Weight

   - Rate Volume

4. To specify more details for each landed cost, complete the following fields:

- Based on Level
- Cat G/L (General Ledger category)
- Eff From Date
- Voucher
- Eff Thru Date
- Include in Unit Cost (Y/N)
- Supplier

Field	Explanation
Landed Cost Rule	A user defined code (41/P5) that indicates the landed cost rule for an item. The landed cost rule determines purchasing costs that exceed the actual price of an item, such as broker fees, commissions, and so forth. You set up landed cost rules on Landed Cost Revisions.
Landed Cost Level	User defined code (table 40/CA) designating an add-on cost. This code also specifies the sequence of the cost add-ons for a particular item or group of items.
% of Cost	Percentage of the item's primary purchasing cost that the system add as a landed cost component to the base cost of the item as indicated on a purchase order.
Plus Amount	An amount to be added to the indicated cost to equal the total cost amount.
Rate Weight	The system multiplies the rate you add to this field by the unit weight you specify for an inventory item to calculate a landed cost component.
Volume	The system multiplies the rate you add to this field by the unit volume you specify for an inventory item to calculate a landed cost component.
Based on Level	User defined code (table 40/CA) designating the basis of cost for an item. If you use this code, you can roll costs based on a previous level total.

Field	Explanation
G/L Cat	A user defined code that identifies the G/L offset to use when the system is searching for the account to which it will post the transaction. If you do not want to specify a class code, you can enter **** (four asterisks) in this field.
	The table of Automatic Accounting Instructions (AAIs) allows you to predefine classes of automatic offset accounts for the Inventory, Purchase, and Sales Order Management systems. G/L categories might be assigned as follows:
	IN20 Direct Ship Orders
	IN60 Transfer Orders
	IN80 Stock Sales
	The system can generate accounting entries based upon a single transaction. As an example, a single sale of a stock item can trigger the generation of accounting entries similar to these:
	Sales–Stock (Debit) xxxxx.xx
	A/R Stock Sales (Credit) xxxxx.xx
	Posting Category: IN80
	Stock Inventory (Debit) xxxxx.xx
	Stock COGS (Credit) xxxxx.xx
	Although this field is four characters, the system uses only the last two characters of the Category and the last character of the Document Type to find the AAI.
	. . . . *Form-specific information* . . . .
	Enter the value for the G/L account to which you want to add a particular landed cost. You use AAI tables 4385 and 4390 to specify landed cost accounts. You can assign different landed costs to different accounts. For example, you can enter brokerage fees separately from harbor fees.

Field	Explanation
Eff From Date	A date that indicates one of the following: • When a component part goes into effect on a bill of material • When a routing step goes into effect as a sequence on the routing for an item • When a rate schedule is in effect The default is the current system date. You can enter future effective dates so that the system plans for upcoming changes. Items that are no longer effective in the future can still be recorded and recognized in Product Costing, Shop Floor Control, and Capacity Requirements Planning. The Material Requirements Planning system determines valid components by effectivity dates, not by the bill of material revision level. Some forms display data based on the effectivity dates you enter. . . . . *Form-specific information* . . . . A date you can enter to limit the information that displays. If you leave this field blank, the system displays information for all dates.
Voucher (Y/N)	Code indicating whether the landed cost is to be displayed during Voucher Match or not. The possible values are as follows: Y A receipt record (F43121) is created, and the landed cost may be vouchered in the Voucher Match program. The Landed Cost Code (LAND) field in the receipt record will contain a value of 2. N A receipt record (F43121) is created, but the landed cost is not allowed to be vouchered in the Voucher Match program. The Landed Cost Code (LAND) field in the receipt record will contain a value of 3. The receipt record is necessary if the receipt is reversed. NOTE: Journal entries are still created when the value is N. As a result, you may want the Landed Cost AAI's (4385/4390) pointed to the same G/L account, in order to cancel out the entries.

Field	Explanation
Eff Thru Date	A date that indicates one of the following: • When a component part is no longer in effect on a bill of material • When a routing step is no longer in effect as a sequence on the routing for an item • When a rate schedule is no longer active The default is December 31 of the default year defined in the Data Dictionary for Century Change Year. You can enter future effective dates so that the system plans for upcoming changes. Items that are no longer effective in the future can still be recorded and recognized in Product Costing, Shop Floor Control, and Capacity Requirements Planning. The Material Requirements Planning system determines valid components by effectivity dates, not by the bill of material revision level. Some forms display data based on the effectivity dates you enter.
Include in Unit Cost (Y/N)	Indicate whether you want the landed cost to be added to the item's unit cost. Valid values are: Y Add the landed cost to the unit cost N Do not add the landed cost to the unit cost
Supplier	The supplier from whom you are purchasing items or services. . . . . *Form-specific information* . . . . Enter a supplier address number when you know the supplier for the landed cost. You can override this value when you receive the item.

What You Should Know About

AAIs   The G/L Class Code field determines the general ledger accounts for which the system creates journal entries for landed costs. You use AAI tables 4385 and 4390 to specify landed cost accounts.

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Notes

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A8.1

Exercises

Table of Contents

Enter Purchase Order Detail Information

Exercise: Enter Purchase Orders for Stock Items

BeforeYou Begin

Enter the following purchase orders using the Stock Procurement menu.

Steps to Complete the Exercise

1. Go to the Supplier and Voucher Entry menu (G0411) and choose Supplier Master Information.

2. Enter the following information for suppliers 4343 and 4345:

Field	Value
Tax Explanation	C
Tax Area	CO

3. Go to the Purchase Order Processing menu (G43A11) and choose Enter Purchase Orders.

4. Enter two purchase orders using the information in the table below. Use the following values for the purchase order header screen:

Field	Value
Branch/Plant	30
Order Date	06/30/98 (also change on detail screen)
Requested/Promised	07/15/98

(Record your order numbers in the space provided.)
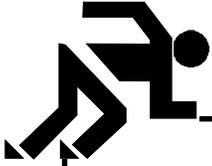
Supplier	Item	Qty	G/L Date	Landed Cost	Order Number
4343	TS001	50	Change to 06/30/98		
	TS002	50			
4345	M001	100	Change to 06/30/98	IMP	
	M002	100			
	M003	100			

Note that order 2 has a landed cost rule. To view landed costs, press F8 from the detail screen after you enter the order.

5. Inquire on the first purchase order using the purchase order header screen.

6. Press Enter to review the purchase order detail screen.

7. Access the fold area to review status codes and defaults.

8. Press F6 to view the Order Summary.
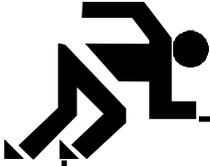
Exercise: Enter Purchase Orders for Non–Stock Items

Business Purpose

Enter the following purchase orders using the Non–Stock Procurement menu. These orders are for services.

Steps to Complete the Exercise

1. Go to the Non–Stock PO Processing menu (G43B11) and choose Enter Purchase Orders.

2. Enter the first purchase order, which is for advertising services.

Field	Value
Branch/Plant	30
Order Date	06/30/98
G/L Date	06/30/98
Supplier	Halliburton Services (Press F1 on the Supplier field to find the number)
Requested Date	07/15/98
Account Number	9.8605
Item Number	ADVERTISING
Quantity	1
Unit Cost	4,000.00

Record your order number: _____

3. Enter the second purchase order, which is for janitorial services.

Field	Value
Branch/Plant	30
Order Date	06/30/98
G/L Date	06/30/98
Supplier	**Venus Universal Supply**
Requested Date	07/29/98
Account Number	9.8720
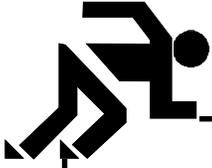
Item Number	JANITORIAL
Quantity	1
Unit Cost	1,575.00

Record your order number: _____
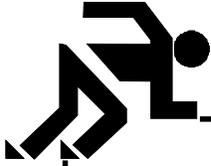
Enter Receipts

Exercises: Receive Stock Purchase Orders

Business Purpose

Enter receipts for the purchase orders (stock items) you entered in the previous exercise.

Steps toComplete the Exercise

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

2. Inquire on your first purchase order.

3. Enter the following information:

Field	Value
G/L Date	07/31/98
Received Date	07/15/98

4. Enter a receipt for the purchase order:

   - Enter packing slip number 3476–421 in the Supplier Remark field

   - Receive all lines completely

   - Press Enter to bypass the Landed Cost window

   - Inquire on your purchase order number

      Is it there? _____

      Why or why not? _____

5. Inquire on your second purchase order.

6. Enter the following information:

Field	Value
G/L Date	07/31/98
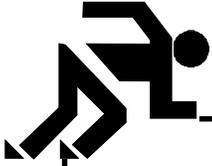
Received Date	07/15/98

7. Enter a receipt for the purchase order:

- Receive lines 1 and 2 completely

- Receive a quantity of 75 for line 3 and cancel the remaining quantity.

- Note the landed cost amounts below:

    Harbor Fees _____

    Brokerage Fees _____

- Receive all landed costs

8. Go to the Receipts Matching and Posting menu (G43A15) and choose Review G/L Receipts Journal.

9. Review your receipt batches.

10. Approve and post your batches
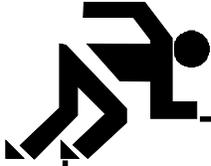
Exercises: Reverse Receipts

Business Purpose

One of your receipts is incorrect. Use the following steps to correct the receipt.

Steps to Complete the Exercise

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

2. Inquire on your first purchase order (remember to enter Y in the Received field).

3. Reverse the receipt of item TS002 using a G/L date of 7/31/98.

4. Receive a quantity of 25 using a receipt date of 7/15/98. Leave the remaining quantity open to receive at a later date.

5. Review and post the batch.
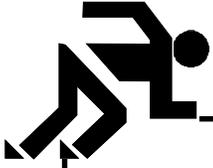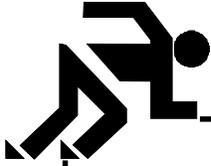
Create Vouchers Using Invoices

Exercise: Create Vouchers Using Stock Receipts

Business Purpose

Create vouchers for your stock purchase orders using the Match Voucher to Open Receipts program.

Steps to Complete the Exercise

1. Go to the Receipts Matching and Posting menu (G43A15) and select Match Voucher to Open Receipt.

2. Inquire on your first purchase order.

3. Enter the following information:

Field	Value
Invoice Number	B2147–001
Invoice Date	07/18/98
G/L Date	07/31/98

4. Press F4 to review the Supplier Remark field in the fold area.

5. Enter 1 in the Option field for both lines to match the lines to the invoice.

   Enter the voucher number assigned: _____

6. Inquire on your order number again using a Match Type 2 (or press F9).

   - Press F10 to view the voucher you created

   - Press F3 to return to Match Voucher to Open Receipt

   - Press F13 to view the journal entries you created

   - Press F22 to clear the screen

7. Inquire on your second purchase order

   - Notice that the landed costs must be received separately

8. Enter the following information to create a voucher for the stock items:

Field	Value
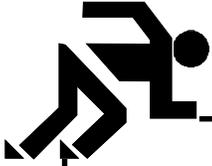
Invoice Number	1243-CO
Invoice Date	07/31/98
G/L Date	07/22/98

9. Record the supplier numbers for the landed costs:

   Supplier number for harbor fees: _____

   Supplier number for brokerage fees: _____

10. Enter 1 in the Option field for the stock items to match the lines to the invoice.

    Enter the voucher number assigned: _____

11. Inquire on the supplier for the harbor fees and use the following to voucher:

Field	Value
Invoice Number	1249C
Invoice Date	07/18/98

    Enter the voucher number assigned: _____

12. Inquire on the supplier for the brokerage fee and use the following to voucher:

Field	Value
Invoice Number	112341
Invoice Date	07/18/98

    Enter the voucher number assigned: _____

13. Press F10 and inquire on each of the vouchers created for the landed cost suppliers.

    - Press F13 to view the journal entries created

    - Note the expense accounts are different for each landed cost expense
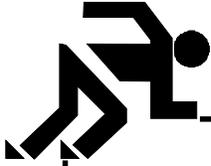
Exercise: Add Landed Costs

Business Purpose

Add landed costs to a receipt for which a voucher has been created.
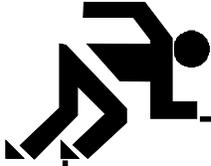
Steps to Complete the Exercise

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

2. Inquire on the voucher you created for your first purchase order (remember to use a Match Type 2).

3. Type D in the Action Code field and press Enter to void the voucher. The system will create the appropriate entries in both the Procurement and Accounts Payable systems.

4. From the Receipts Matching and Posting menu (G43A15), choose Stand Alone Landed Cost.

5. Inquire on your first purchase order. Type the following:

Field	Value
Option (for line 1)	1
Cost Rule (F4)	IMP
G/L Date	07/31/98

   Press Enter on the Landed Cost screen to accept the landed costs.

6. Create a voucher for the purchase order with landed costs using Match Voucher to Open Receipt.
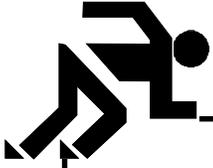
### Exercise: Receive and Voucher Non–Stock Purchase Orders

Business Purpose

Receive and voucher purchase orders using the Non–Stock PO Processing menu (G43B11).

Steps to Complete the Exercise

1. Go to the Non–Stock PO Processing menu (G43B11) and choose Receive and Voucher POs.

2. Inquire on your first non–stock purchase order and enter the following information:

Field	Value
Invoice Number	B45127
Invoice Date	07/18/98
G/L Date	07/31/98
Payment Remark (F4)	Advertising

3. Match the detail lines to the invoice to create a voucher.

   Enter the voucher number assigned: _____

4. Inquire on the voucher number (remember to use a match type 2).

5. Press F10 to review the voucher.

6. Press F13 to review the journal entries.

7. Inquire on your second non–stock purchase order and enter the following information:
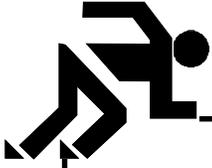
Field	Value
Invoice Number	748912
Invoice Date	07/22/98
G/L Date	07/31/98
Payment Remark (F4)	Cleaning Services

8. Match the detail lines to the invoice to create a voucher.

   Enter the voucher number assigned: _____

9. Inquire on the voucher number.

10. Press F10 to review the voucher created.

11. Press F13 to review the journal entries.