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WORLD SOFTWARE

Service Billing

Release
A8.1

JD Edwards®



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J.D. Edwards World Source Company
8055 E. Tufts Avenue
Denver, CO 80237

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Where Do I Look?



Guides



Important Note for Students in Training Classes

This guide is a source book for online helps, training classes, and user reference. Training classes may not cover all the topics contained here.

Welcome

About this Guide

This guide provides overviews, illustrations, procedures, and examples for the current release of J.D. Edwards software. Forms (screens and windows) shown are only examples. If your company operates at a different software level, you might find discrepancies between what is shown in this guide and what you see on your screen.

This guide includes examples to help you understand how to use the system. You can access all of the information about a task using either the guide or the online help.

Before using this guide, you should have a fundamental understanding of the system, user defined codes, and category codes. You should also know how to:

- Use the menus
- Enter information in fields
- Add, change, and delete information
- Create and run report versions
- Access online documentation

Audience

This guide is intended primarily for the following audiences:

- Users
- Classroom instructors
- Client Services personnel
- Consultants and implementation team members

Organization

This guide is divided into sections for each major function. Sections contain chapters for each task or group of related tasks. Each chapter contains the information you need to accomplish the task, run the program, or print the

report. Chapters normally include an overview, form or report samples, and procedures.



When it is appropriate, chapters also might explain automatic accounting instructions, processing options, and warnings or error situations. Some chapters include self-tests for your use outside the classroom.

This guide has a detailed table of contents and an index to help you locate information quickly.

Conventions Used in this Guide

The following terms have specific meanings when used in this guide:

- *Form* refers to a screen or a window.
- *Table* generally means “file.”

We assume an “implied completion” at the end of a series of steps. That is, to complete the procedure described in the series of steps, either press Enter or click OK, except where noted.

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Revenue Recognition and Billing

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Service Billing Overview

You use the J.D. Edwards Service Billing system to bill your customers for services and goods rendered. Every service billing process begins with an agreement between a customer and a provider. The customer requests a product or service. Your company, as the provider, bills the customer for the product or services that you provide.

You can use the Service Billing system to:

- Account for the costs of goods and services
- Mark up the costs to account for profit
- Bill for the services and goods you provide
- Provide written proof that justifies the charges
- Create accounting entries for the services and goods

System Integration

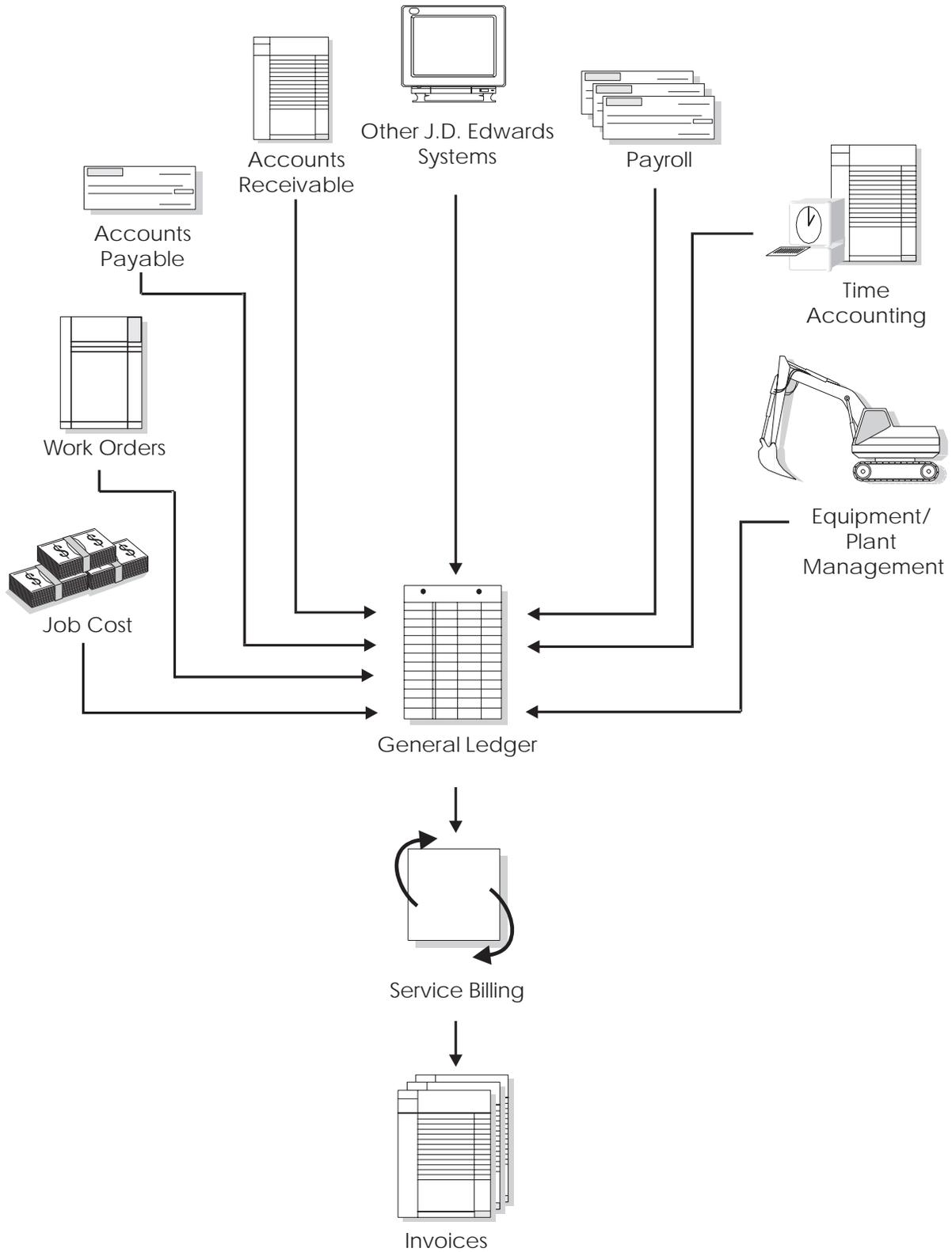
The Service Billing system can retrieve costs from any system that stores information in the Account Ledger table (F0911) within the General Accounting system. You can classify costs as either payroll-based or non-payroll-based. Payroll-based costs are labor-related costs for your employees and equipment. Non-payroll-based costs are costs such as subcontractors, materials, and travel.

The information can include costs for:

- Labor costs and associated burden, such as fringe benefits and payroll taxes, from the Payroll and Time Accounting systems
- Equipment operating and maintenance costs from the Equipment/Plant Management system
- Other costs, such as travel, that you charge directly to projects from the Accounts Payable system

The following graphic illustrates the system integration between the Service Billing system and other J.D. Edwards systems.





General Accounting

The Service Billing system uses the information in the Account Master table (F0901) and the transactions in the Account Ledger table (F0911) to determine whether a transaction is billable in the Service Billing system.

Account Master

The Billable Y/N field in the Account Master table controls whether you can bill an account through the Service Billing system.

Account Ledger

The Bill Code field in the Account Ledger table identifies whether the Service Billing system has processed a transaction. The following codes relate to Service Billing:

- Blank = Available for processing
- N = Non-billable because the Billable Y/N field in the Account Master table is set to N or blank
- Z = Already processed into the Billing Workfile

The system assigns eligibility codes to workfile transactions based on the Billable (Y/N) field in the Account Master table and the value of the Journal Generation Control that you set up for your system constants.

For example, if the Billable (Y/N) field for an account is Y and the Journal Generation Control field is set for both revenue recognition and billing, the eligibility code for a related transaction is 0. An eligibility code of 0 indicates that the transaction is eligible for both revenue recognition and billing.

In the same example, but with the Journal Generation Control field set for billing only, the eligibility code for the transaction is 1. An eligibility code of 1 indicates that the transaction is eligible for billing only.

Payroll and Time Accounting

Payroll-based costs can include the following:

- Actual amount of the employee's pay before deductions and the actual hours worked
- Actual or estimated burden amounts
- The marked-up labor billing distribution amount for the employee and the related hours
- Actual hours that the employee uses the equipment and the billing rate for the equipment
- Account numbers for labor and equipment distribution

You can process payroll information on a daily basis or based on your payroll cycle. The Payroll system updates the following tables:

- Employee Transactions Detail (F06116)
- Payroll Transaction History (F0618)
- Burden Distribution (F0624)
- Account Ledger (F0911)

The Service Billing system processes the transactions in the Payroll Transaction History table (F0618) and creates corresponding workfile transactions in the Billing Workfile (F4812). The system retrieves transactions that are identified by the following document types:

- T2 – Payroll labor distribution
- T3 – Burden distribution
- T4 – Labor billing distribution
- T5 – Equipment distribution

Burden distribution transactions (T3) are always linked to corresponding payroll labor distribution transactions (T2). Burden is the cost over and above wages or salaries that a company incurs as a result of employing people. These costs can include taxes and insurance. Depending on how you set the system constants for service billing, these burden transactions can be processed in conjunction with the related labor transactions in the Billing Workfile.

You can calculate burden in two ways:

- Use the actual burden rate and percentage with the employee's actual hours and pay rate
- Use an estimated burden percentage (flat burden)

During the normal payroll cycle, the system can calculate flat and actual burden amounts. If you process payroll journal entries on a daily basis without completing the payroll cycle, the system calculates only flat burden.

After the Service Billing system processes the payroll information, the system updates the transactions in the Payroll Transaction History, Employee Transactions Detail, and Account Ledger tables as processed.

Equipment/Plant Management

Jobs, projects, and work orders often involve equipment. For example, a security guard uses a company-owned truck to patrol the grounds of an office building. The agreement between the security agency and building management contains a provision to bill an hourly rate for the time that the guard uses the truck.

The Service Billing system processes transactions with document type TE from the Equipment/Plant Management system. The Equipment/Plant Management system uses the following information to process equipment transactions for service billing:

- Equipment item number to identify the equipment for the billing
- Number of hours that the employee used the equipment
- The Billable Y/N field in Equipment Rate Code Definition table (F1390) to determine whether to use the billing rental rate

Work Orders

For some jobs, such as vehicle repairs, the provider performs the service and bills for it the same day. You can use a work order to identify such a short-term project. Work order information exists when the transaction contains a subledger number with subledger type W, and the status of the work order is billable.

Depending on how you set up the system constants for the Service Billing system, you can use the customer number in the Work Order Master table (F4801) to identify the customer that you bill. Other information from the work order can affect the markup, tax, and accounting rules for the transactions.

Job Cost

Some services might not be associated with a work order, such as preventative maintenance performed on a routine basis. In this case, the customer information must exist in the Job (Business Unit) Master table (F0006). The Service Billing system attaches a customer number to each workfile transaction that makes up the billing detail on the invoice. The owner address number in the Job Master table identifies the customer. The Job Master table can also include the tax information for the jobs. Other information from the Job Master table can affect the markup and accounting rules for the transactions.

Accounts Receivable

The Service Billing system can use the Customer Master table (F0301) to identify:

- Payment terms
- Tax explanation and rate/area
- Accounting rules

After you generate a billing, you post the invoice information to the A/R Account Ledger table (F0311). When you receive the customer's payments, you apply them to the customer's receivable account.

Address Book

The Service Billing system uses the address book number in the work order or job to identify:

- The name of a party in the Address Book Master table (F0101) and Who's Who Information table (F0111), such as a person, company, or branch
- Mailing addresses for the billing in the Address Book Master and Address by Date (F0116) tables

Accounts Payable

The Service Billing system accumulates cost transactions that you record in the the Accounts Payable system. Service billing uses the information in the Accounts Payable Ledger table (F0411) to identify:

- Supplier numbers
- Supplier invoice numbers
- Supplier service dates
- Actual amounts
- Responsible business units
- Work order number

System Features

Services can require specific cost-markup rules and precise audit trails. Many services involve work that requires different combinations of time, burden, equipment usage, and materials.

You can use the features of the Service Billing system to:

- Identify and mark up costs
- Generate invoices
- Design printed invoices to customer specifications
- Create accounting entries for billings

Workfile Generation

With workfile generation, the system accumulates billable costs. During the generation, the system:

- Identifies the specific accounts for billing
- Updates the records in the Account Ledger table as billed or nonbilled
- Creates workfile transactions in the Billing Workfile (F4812)
- Assigns a customer number to the workfile transaction
- Marks up the source transactions
- Calculates the applicable tax amounts

Journal Processing

The system uses journal generation programs to create:

- G/L journal transactions for revenue recognition
- A/R and G/L journal transactions for billing

Billing

Use the Service Billing system to identify and invoice costs for the services and goods you provide. For example, you can:

- Generate invoices
- Change billing transactions on invoices
- Print the invoices

System Management

The Service Billing system accumulates billable cost transactions based on system constants and rules you define. System constants control the global processes for the Service Billing system, such as the processing of costs, customer information, and dates. System rules define markup, accounting, retainage, and tax information. You can also design the invoice layouts the system uses to print customer invoices.

Multi-Currency Environments

You can use the multi-currency functionality in J.D. Edwards software to maintain account balances and invoices in domestic and foreign currency amounts.

When you set up your system, you define a currency for your company and for your customers and suppliers. The system recognizes the currency that you define for your company as the domestic currency. The system recognizes any customer or supplier currencies that are different from your company's currency as foreign currencies. Finally, the system determines foreign and domestic amounts based on exchange rates that you define for specific effective date ranges.

Multi-Currency for Service Billing

As you build a global customer network, you can use the J.D. Edwards Service Billing system to optimize your revenue recognition and billing processes in multi-currency environments. When you use multi-currency with the Service Billing system, you can:

- Accumulate billable costs that originate in multiple currencies, such as the costs for employees' time
- Apply markup amounts to costs in either the domestic or foreign currency
- Generate invoices for your customers in a currency (foreign) that is different than the currency (domestic) of the job or work order

The Service Billing system uses a business unit (job) or a work order as the basis for an invoice. The system recognizes the currency of the company that is responsible for the job as the domestic currency. In the case of a work order, the system recognizes the currency of the work order's "charge to" business unit as the domestic currency.

While the currency that you define for your customer is different than the currency you set up for your system (domestic currency), you manage the job or work order in the domestic currency. Then, when you generate an invoice for the job or work order, the system creates the invoice using the currency of the customer (foreign currency).

Service Billing Tables

The J.D. Edwards Service Billing system stores and accesses billing information in the following tables:

Billing System Constants (F48091)	Controls the global processing of: <ul style="list-style-type: none">• Billable costs• Customer information• Dates• Invoices• Revenue• Journals• Default markup percentage
Cost Plus Markup Information (F48096)	Determines the transactions that the system selects to mark up. The system uses one or more of the following markup rules: <ul style="list-style-type: none">• Per unit rate• Percentage of costs• Fixed amount added to costs• No markup added to costs
Billing Workfile (F4812)	Stores workfile transactions as an inventory of the billable costs. The workfile transactions correspond to the cost transactions generated in other systems. This information is the starting point for the revenue recognition and billing processes. You can also use the information for printing the detail in an invoice.
Billing Workfile - History (F4812H)	Stores historic information for workfile transactions you have processed. The information provides an audit trail of the changes related to individual workfile transactions.
Account Derivation Information (F48126)	Stores accounting rules that control creation of the journal entries for: <ul style="list-style-type: none">• Actual or unbilled revenue• Unbilled accounts receivable• Reallocations
Detail Journal Workfile (F48910)	Temporarily stores the information that the system uses prior to creating accounting journal entries.

**Compressed Journal
Workfile (F48911)**

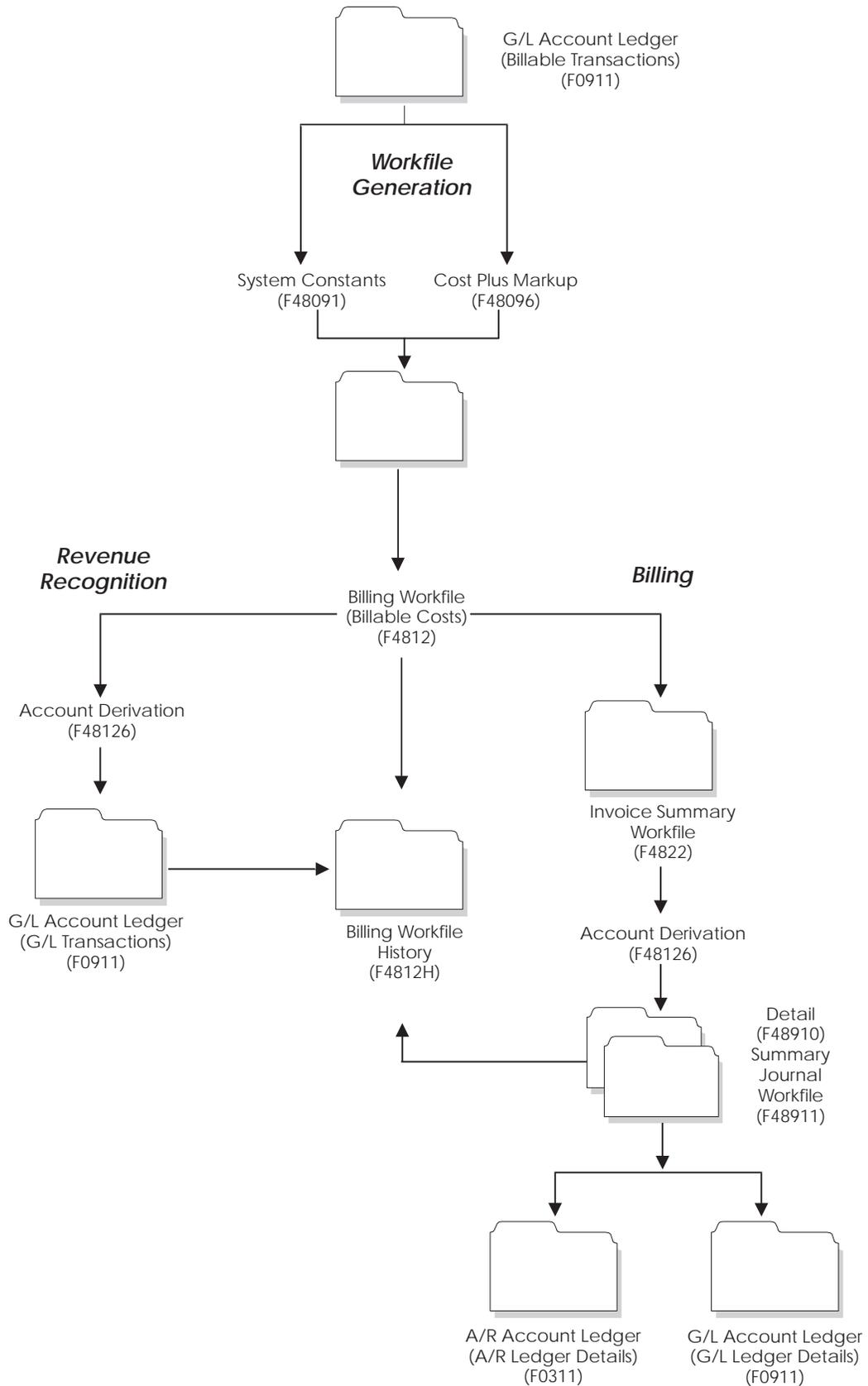
Temporarily stores a summary of the transactions in the Detail Journal Workfile, based on the business unit, object, subsidiary, and subledger, prior to creating the final journal entries.

**Invoice Summary
Workfile (F4822)**

Stores the information that the system uses to:

- Print invoices
- Create A/R ledger information

The following graphic illustrates the relationships between the primary tables in the Service Billing system.



Service Billing Menu Overview

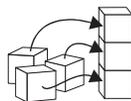
The Service Billing menus are listed below. The list does not show navigation among the menus.

Service Billing Processing (G4821)



Periodic Operations

- Workfile Generation (G4822)
- Revenue Recognition (G4823)
- Invoice Generation (G4824)
- Special Function Reports (G4825)



Setup Setup

- Work Order/Service Billing Setup (G4841)
- Table Information (G4843)
- User Defined Codes (G4842)



Advanced and Technical Operations

- Work Order/Service Billing Advanced Operations (G4831)

Test Yourself: Service Billing Overview

1. True or False

The Service Billing system uses the information in the Account Master (F0901) and the transaction in the Account Ledger (F0911) to determine whether a transaction is billable.

2. The _____ field in the Account Master table (F0901) controls whether you can bill an account.

3. Match the bill code to the description for an account ledger transaction.

_____ Z	A. Non-billable
_____ Blank	B. Processed
_____ N	C. Available for processing

4. When you process payroll, the system updates the following tables:

A. Burden Distribution (F0624)
B. Account Master (F0901)
C. Account Ledger (F0911)
D. Employee Transaction History (F0618)
E. Employee Transaction Detail (F06116)
F. All of the above

5. True or False

Payroll burden transactions do not have to link to corresponding payroll labor distribution transactions.

6. Match the following payroll document types.

_____ T2	A. Labor billing distribution
_____ T3	B. Equipment distribution
_____ T4	C. Payroll labor distribution
_____ T5	D. Burden distribution

7. List the two ways the system calculates burden.

8. True or False

The Service Billing system processes transactions with the document type TA from the Equipment/Plant Management system.

9. Work order information exists for a service billing transaction when the transaction includes:

- A. Subledger type of W
- B. Subledger number
- C. None of the above
- D. A and B

10. The customer number can be used from either the _____ or the _____ systems depending on how you set the billing system constants.

11. True or False

The Service Billing system uses information in the Accounts Receivable Customer Master (F0301) to identify payment terms, tax explanation, tax rate/area and accounting rules.

12. The Service Billing uses the Address Book number for a customer to identify:

- A. Name of the customer
- B. Mailing address of the customer
- C. Payment terms for a customer
- D. A and B
- E. B and C

13. True or False

The Service Billing system uses cost transactions from the Accounts Payable system.

14. Match the feature of the Service Billing system to the type of feature.

- | | |
|--|------------------------|
| ___ Generate invoices | A. Workfile generation |
| ___ Create transactions for A/R, G/L and revenue | B. Journal processing |
| ___ Define rules for global processes, markup and accounting | C. Billing |
| ___ Accumulate billable costs | D. System management |

15. The _____ stores workfile transactions as an inventory of billable costs.

The answers are in *Appendix A – Test Yourself Answers*.

Billing



Billing

Objectives

- To understand the origination of costs
- To understand the Billing Workfile
- To apply markups to costs
- To create, print, and void invoices
- To create and record accounting journal entries

About the Billing Process

The typical billing process includes accumulating costs, creating and printing invoices, and recording journal entries for income and receivables.

When you perform the billing process using the Service Billing system, you can:

- Accumulate billable costs from multiple systems, such as Accounts Payable, Equipment/Plant Management, and Payroll, without re-entering the cost information into the billing system
- Calculate markup amounts and taxes based on a hierarchy of multiple user defined rules
- Revise workfile transactions
- Facilitate immediate billing upon entering the costs into the system
- Print invoices to customer specifications
- Automatically create and record the journal entries for the Accounts Receivable and General Accounting systems that result from billing

The billing process consists of the following tasks:

- Accumulating costs
- Reviewing the workfile
- Revising the workfile
- Working with the workfile history



- Generating invoices automatically
- Working with invoices
- Creating invoices manually
- Printing invoices
- Working with A/R and G/L entries
- Working with final invoices

Before You Begin

- Set the journal generation control in system constants to invoicing only

What You Should Know About

Alternate displays and system constants

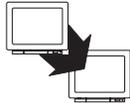
Many of the forms you use in the Service Billing system change in functionality and appearance, depending on the way you set up your system constants. For example, if you set your system constants for billing (*invoicing*) only, the forms and functionality apply only to the billing process.

See Also

- *Setting Up System Constants (P48091)*

Accumulate Costs for Billing

Accumulating Costs for Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Workfile Generation

From Workfile Generation (G4822), choose Generation

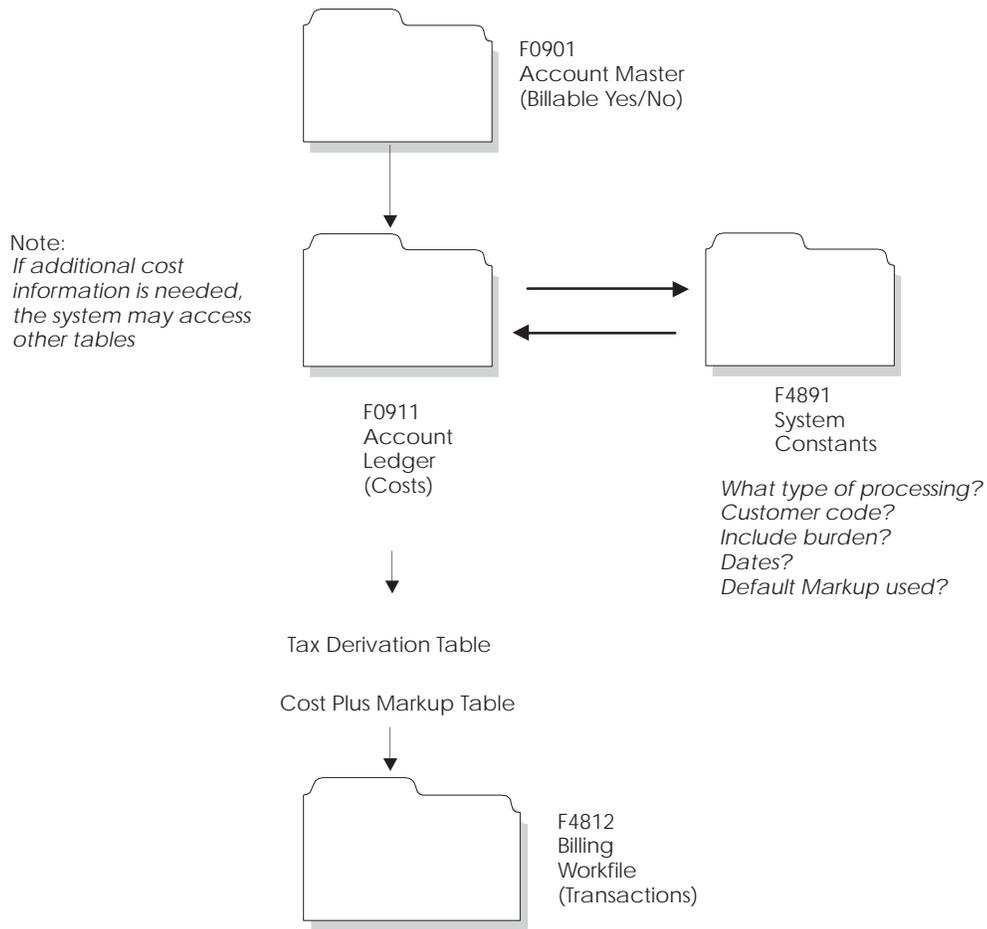
Invoices are based on billable costs. The first step in the billing process is to accumulate billable costs. Billable costs are represented by source transactions that the system stores in the Account Ledger table (F0911).

Source transactions originate from multiple sources, such as the Accounts Payable, Equipment/Plant Management, and Payroll systems. You run the Generation program to accumulate the cost information from these sources.

To maintain the integrity of the original source transactions, the system creates copies of the source transactions. The copied transactions are referred to as workfile transactions and are stored in the Billing Workfile (F4812).

Workfile transactions include costs with any applicable markup, taxable amounts and other key billing information. You base the rest of the billing process, including components, on the information stored in workfile transactions.

The following graphic illustrates the process the system uses to accumulate costs.



When you run the Generation program to accumulate costs, the system:

- Identifies all the unbilled source transactions in the system
- Determines whether the account for each source transaction is billable, based on the Billable (Y/N) field in the Account Master table (F0901)
- Uses related tables when constants and source transactions indicate the need for additional information, such as when burden is associated with payroll transactions
- Updates the source transactions in the Account Ledger table as billed or non-billable
- Updates the payroll transaction history and employee transaction details for all payroll-related transactions
- Calculates markup and tax amounts

- Creates copies of source transactions in the Billing Workfile
- Assigns appropriate eligibility codes to the copied transactions based on the Journal Generation Control field in the system constants and the Billable (Y/N) field in the Account Master table
- Assigns each transaction in the Billing Workfile a customer number

After you accumulate costs to generate workfile information, the system marks the source transactions in the Account Ledger table with N (non-billable) or Z (billed) to indicate that the transactions have been included in the billing process. The next time you accumulate costs, the system generates workfile transactions for only the source transactions that have not been previously included in the workfile generation.

Before You Begin

- Define all billable accounts in the chart of accounts
- Set up the system constants to identify the costs that you want to accumulate
- Define the following applicable Service Billing rules:
 - Cost Plus Markup
 - Tax Derivation
 - Component
- Verify that you have defined a customer number for your work orders or an customer address number for your jobs

What You Should Know About

Customer numbers

All workfile transactions must include a customer number. The system uses the customer number to bill the transactions.

You must identify a customer number on individual jobs or work orders. The address book number on the Single Business Unit form is *not* the customer number.

Eligibility codes

The system assigns eligibility codes to workfile transactions based on the Billable (Y/N) field in the Account Master table and the Journal Generation Control field you set up for your system constants.

For example, if the Billable (Y/N) field for a transaction is a Y and the Journal Generation Control field is set for both revenue recognition and billing, the eligibility code for the transaction is 0. An eligibility code of 0 indicates that the transaction is eligible for both revenue recognition and billing. If the same account with a Y in the Billable (Y/N) field is processed through the billing system and the Journal Generation Control field is set for billing only, the eligibility code for the transaction is 1. An eligibility code of 1 indicates that the transaction is eligible for billing only.

Changing source and payroll transactions

The system might need additional information from the Payroll Transaction History (F0618) or the Employee Transactions Detail (F06116) tables to process certain source transactions.

After the system creates payroll and source transaction tables, do not change or delete any of the following transaction information:

- Account number
- Dates
- Subledger information
- Employee address book number

In order for the system to create workfile transactions from payroll transactions, all information must be identical in the Payroll or Employee tables and Account Ledger tables.

Burden transactions

The eligibility code for burden transactions must be compatible with the eligibility code for the associated workfile transaction.

Specifically, the system prevents the eligibility code for a workfile transaction from being more restrictive than the eligibility code of its burden transactions. If, for example, the burden transaction for a workfile transaction is eligible for both revenue and billing, but the workfile transaction is eligible only for billing, the system assigns the burden transaction the same eligibility code as the workfile transaction.

See Also

- *Defining Markup Rules (P48096)*
- *Setting Up System Constants (P48091)* for more information about Journal Generation Control
- *Appendix C – Searches for Markup Rules* for more information about calculating markup
- *Technical Foundation Guide* for information about running, copying, and changing a DREAM Writer version

Processing Options for Workfile Generation

CONTRACT REVENUE GENERATION OPTIONS:

1. To generate revenue for Contract non-T&M lines, enter the Contract Revenue Workfile Generation (P52801) DREAM Writer version to run. _____
2. If you entered a version number above, you must also enter the following dates:
 - a. Enter the beginning date for revenue generation: _____
 - b. Enter the ending date for revenue generation: _____

HOME BUSINESS UNIT SELECTION:

3. Enter a '1' (default) to use the Item Master file as the source of the Home Business Unit for payroll equipment records. Enter a '2' to use the Payroll Master file as the source. _____



Exercises

See the exercises for this chapter.

Review the Workfile for Billing

Reviewing the Workfile for Billing

After you accumulate billable cost information, you can review the related workfile transactions to verify that the information the system retrieved from the source transactions is correct. Source transactions are the transactions that the system stores in the Account Ledger table (F0911). The system might also require other information from the originating systems to process some source transactions.

Reviewing the workfile consists of the following tasks:

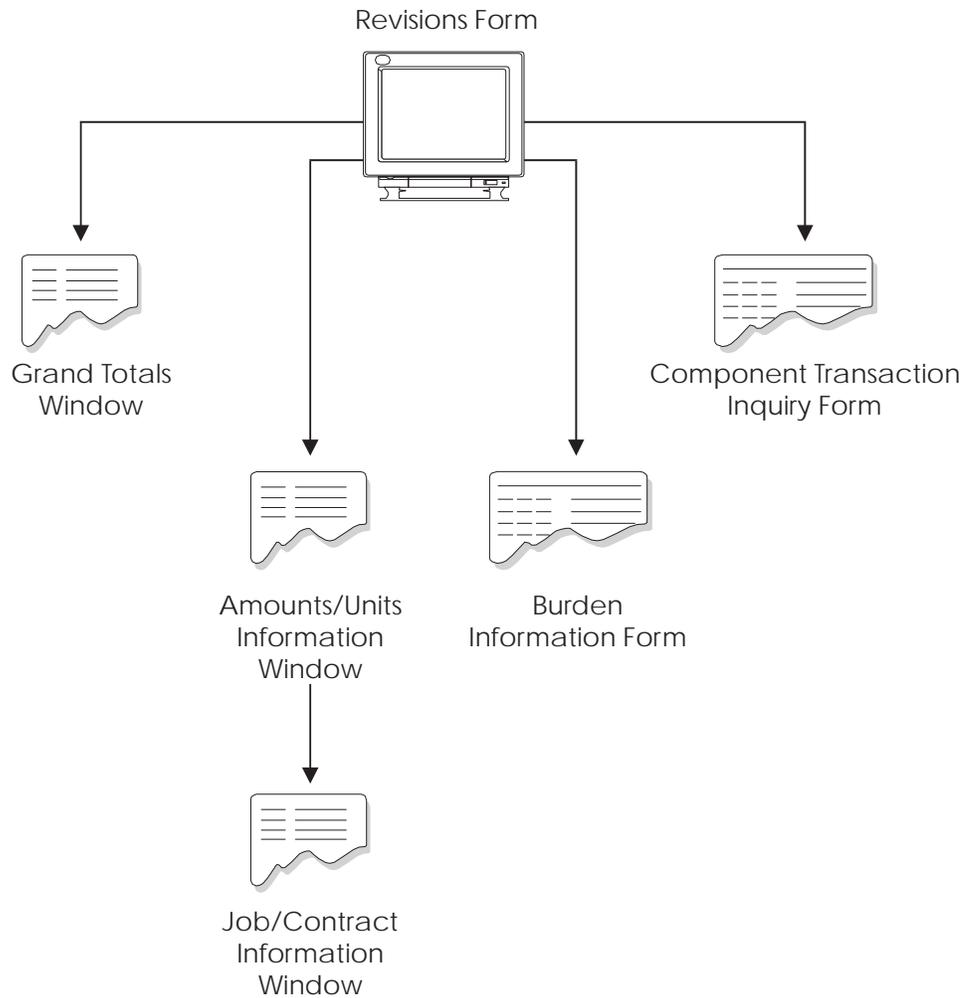
- Locating transactions in the workfile
- Reviewing transaction totals
- Verifying the customer number

When you review transactions in the Billing Workfile (F4812), you should look for potential errors, such as:

- Payroll transactions charged to the incorrect work order or job
- Incorrect markup amounts (if changes are made to your markup tables since the creation of your workfile transactions)

If you work in a multi-currency environment, you can review the workfile in the domestic currency or in a foreign currency.

The following graphic illustrates the windows and forms that you can access as you review workfile transactions.



Locating Transactions in the Workfile for Billing

To review the transactions in the Billing Workfile (F4812), you must first locate them. You can enter search criteria to control the workfile transactions that the system displays. If you specify more values in your search criteria, the system displays more specific transaction information.

Locating transactions in the workfile consists of the following tasks:

- Reviewing workfile transactions
- Reviewing burden transactions
- Reviewing component transactions

You can review the following transactions in the workfile:

Workfile transactions Workfile transactions are copies of source transactions that represent the billable costs for your company. When you accumulate costs, the system copies source transactions to create workfile transactions with any applicable markup and tax amounts.

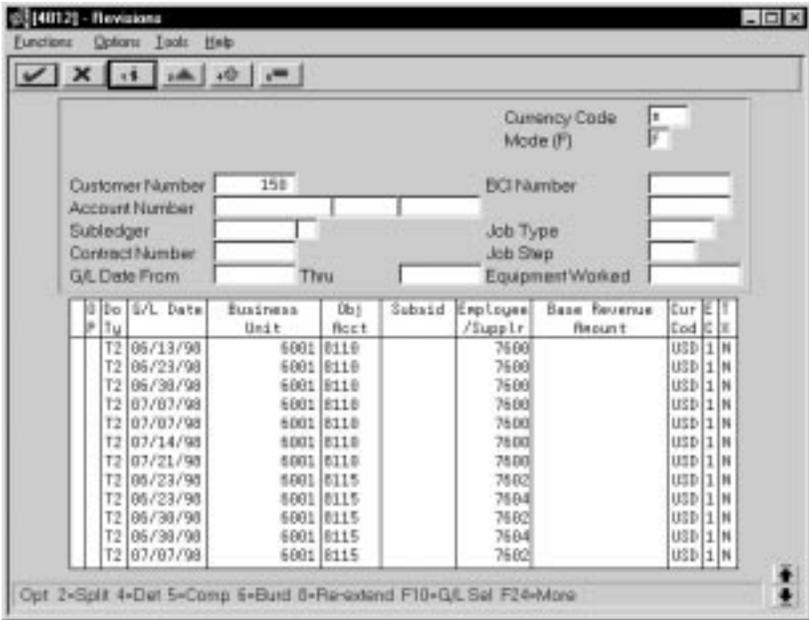
Burden transactions Burden transactions represent the cost over and above the direct labor wages or salaries that a company incurs as a result of employing people. Burden transactions might include:

- Company-paid payroll taxes
- Insurance
- Fringe benefits, such as union pensions

The billing system always processes burden transactions in conjunction with associated workfile transactions.

Component transactions Component transactions represent additional costs that you add to the original cost of services or time and materials when you bill a customer. For example, component transactions might be used to offset the cost of borrowing money.

The billing system always processes component transactions in conjunction with associated workfile transactions.



Reviewing Workfile Transactions for Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Workfile Generation

From Workfile Generation (G4822), choose Revisions

You can review specific workfile transactions to verify accounting and billing information, such as the document type, classification, account number, amount, and eligibility for processing. You can also determine whether a workfile transaction is taxable and whether it includes associated burden or component transactions.

► To review workfile transactions

On Revisions

1. Complete one or more of the following fields to locate workfile transactions:
 - Customer Number
 - BCI Number
 - Account Number
 - Employee/Supplier
 - Equipment Worked
2. To locate specific workfile transactions, complete the following optional fields:
 - Subledger
 - Subledger Type
 - Job Type
 - Job Step
 - G/L Date From
 - G/L Date Thru
3. Review the following fields:
 - Type Code
 - Eligibility Code
 - Taxable
 - Components
 - Burden

Field	Explanation
Customer Number	<p>The address book number to which the system posts billing and accounts receivable transactions.</p> <p>..... <i>Form-specific information</i></p> <p>Enter a customer’s address book number in this field to search for transactions associated with that customer.</p>
Billing Control ID	<p>A unique number that identifies a detail transaction for the billing of customer information. The system uses the number, which is automatically assigned through the Next Numbers facility (system 48, index 2), to create an audit trail for tracking transactions through the billing process. A component record has the same billing control ID as the billing transaction on which it is based.</p> <p>..... <i>Form-specific information</i></p> <p>Enter the billing control ID of the billing transaction you want the system to display.</p>
Business Unit	<p>A code that identifies a separate entity for which you want to track costs within a business. For example, a business unit might be a job, project, work center, or branch/plant.</p> <p>Business unit security can prevent you from locating business units for which you have no authority.</p> <p>..... <i>Form-specific information</i></p> <p>Enter a business unit in this field to search for transactions associated with that business unit.</p>
Obj Acct	<p>The object account portion of a general ledger account. The term “object account” refers to the breakdown of the Cost Code (for example, labor, materials, and equipment) into subcategories (for example, dividing labor into regular time, premium time, and burden). If you are using a flexible chart of accounts and the object is set to 6 digits, J.D. Edwards recommends that you use all 6 digits. For example, entering 000456 is not the same as entering 456, because the system enters three blank spaces to fill a 6-digit object.</p>
Subsid	<p>A subdivision of an object account. Subsidiary accounts include more detailed records of the accounting activity for an object account.</p>
Employee /Supplr	<p>A number that identifies an entry in the Address Book system. Use this number to identify employees, applicants, participants, customers, suppliers, tenants, and any other Address Book members.</p>

Field	Explanation
Equipment Worked	Enter an equipment number to search for transactions associated with a particular piece of equipment. The system can use a default value for this field from the Account Ledger file (F0911) or the Time Entry History file (F0618).
Subledger	<p>A number that identifies a work order in the Service and Contract Billing systems. In general, if you specify a work order, you must also specify W as the subledger type for the work order.</p> <p>..... <i>Form-specific information</i></p> <p>Enter a work order number in this field to search for transactions associated with that work order.</p>
Work Order Type (Subledger Type)	<p>A user defined code (00/ST) that you use with the Work Order (Subledger) field. For a work order, the subledger type must be W.</p> <p>NOTE: If you use A/P speed code entry, the field can be blank.</p>
Job Type	A user defined code (07/G) that defines the jobs within your organization. You can associate pay and benefit information with a job type and apply that information to the employees who are linked to that job type.
Job Step	A user defined code (07/GS) that designates a specific level within a particular job type. The system uses this code in conjunction with job type to determine pay rates by job in the Pay Rates Table.
G/L Date	<p>A date that identifies the financial period to which the transaction is to be posted. The general accounting constants specify the date range for each financial period. You can have up to 14 periods. Generally, period 14 is for audit adjustments.</p> <p>The system edits this field for PBCO (posted before cutoff), PYEB (prior year ending balance), and so on.</p>
Date – Ending Effective	The date on which the item, transaction, or table becomes inactive or the date through which you want transactions to display.

Field	Explanation
Transaction Classification	<p>A code that identifies the classification of a billing transaction. Valid codes are:</p> <ul style="list-style-type: none"> blank Ad hoc entry in the active Billing Workfile (F4812) 0 System-generated basis record of overage for components 1 Labor 2 Payroll burden 3 Equipment 4 Inventory (future use) 5 Purchasing 6 Journal 7 Ad hoc entry in an existing invoice batch 8 System-generated control record 9 System-generated limiting offset for a contract (future use) A System-generated revenue record for a contract
Eligibility Code	<p>A code that identifies the type of processing for which a transaction in the Billing Workfile (F4812) is eligible. This code controls the operation at the single transaction level. The values are:</p> <ul style="list-style-type: none"> 0 Eligible for both invoicing and revenue recognition 1 Eligible for invoicing only 2 Eligible for revenue recognition only 3 Non billable 4 Eligible for cost only <p>Note: If the transaction belongs to a billable account, the system generates the eligibility code using the information in the Journal Generation field on the Billing Constants form.</p>
Taxable (Y/N)	<p>A code that indicates whether the item, by itself, is subject to sales tax.</p>
Alternate Item Description	<p>A brief description of a code or abbreviation.</p> <p>..... <i>Form-specific information</i></p> <p>An "X" in the C column denotes that components exist for this workfile transaction. An "X" in the B column denotes that there is burden associated with this workfile transaction.</p>

What You Should Know About

Eligibility codes

The system assigns eligibility codes to workfile transactions based on the Billable (Y/N) field in the Account Master table and the Journal Generation Control field you set up for your system constants.

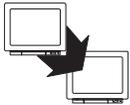
For example, if the Billable (Y/N) field for a transaction is a Y and the Journal Generation Control field is set for both revenue recognition and billing, the eligibility code for the transaction is 0. An eligibility code of 0 indicates that the transaction is eligible for both revenue recognition and billing. If the same account with a Y in the Billable (Y/N) field is processed through the billing system and the Journal Generation Control field is set for billing only, the eligibility code for the transaction is 1. An eligibility code of 1 indicates that the transaction is eligible for billing only.



Exercises

See the exercises for this chapter.

Reviewing Burden Transactions for Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Workfile Generation

From Workfile Generation (G4822), choose Revisions

Burden is the cost that a company incurs as a result of employing people. Burden can include:

- Company-paid payroll taxes
- Insurance
- Fringe benefits, such as union pensions
- Direct labor costs, such as small tools

You use a system constant to control whether burden transactions are processed for the workfile. The system calculates burden transactions when you create payroll journal entries. The only way you can process burden within the billing system is in conjunction with its associated workfile transaction.

The eligibility code for burden transactions must be compatible with the eligibility code for the associated workfile transaction. Specifically, the system prevents the eligibility code for a workfile transaction from being more restrictive than the eligibility code of its burden transactions.

For example, if the burden transaction for a workfile transaction is eligible for revenue and billing, but the workfile transaction is eligible only for billing, the system assigns the burden transaction the same eligibility code as the workfile transaction.

The Payroll system calculates the following types of burden:

Actual burden

The actual cost of payroll taxes, insurance, and fringe benefits. The system calculates the burden for the actual costs that are associated with each employee's timecard.

Flat burden

An estimated burden amount that the system derives from the direct labor costs. The system calculates the burden on a timecard-by-timecard basis as a percentage of the labor costs.

When burden transactions are associated with a workfile transaction, the system displays an X in the Burden (B) field for that transaction. The system also updates the Burden Pending field to indicate the type of burden that was processed for the workfile transaction.

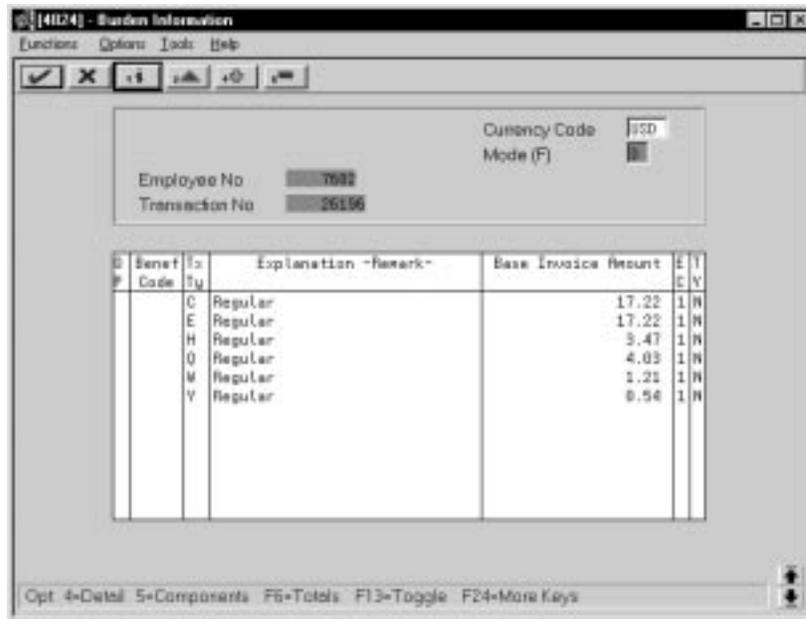
▶ To review burden transactions

On Revisions

1. Complete the steps for reviewing workfile transactions.

See *Reviewing Workfile Transactions for Billing*.

2. Verify the following field to identify the transactions with burden:
 - Burden (B)
3. Choose Burden for the transaction you want to review.



4. On Burden Information, verify the information in the following fields:

- Transaction Number
- Benefit Code
- Tax Type
- Explanation – Remark

Field	Explanation
Transaction No	The unique number that the system assigns to a transaction in payroll. The system uses this field to tie a payroll transaction to each audit record for actual burden created during the Actual Burden Journaling process.
Benefit Code	A code to define the type of pay, deduction, benefit, or accrual. Pay types are numbered from 1 to 999. Deductions and benefits are numbered from 1000 to 9999.
Tax Type – Payroll	A user defined code (07/TT) that identifies the type of payroll tax associated with this billing detail transaction.
Explanation –Remark–	A description, remark, explanation, name, or address retrieved from the following cost (source) transactions: <ul style="list-style-type: none"> • Journal entry (Explanation 2 field) • A/P voucher entry (Explanation field) • Payroll (pay type description — regular, overtime, and so on)

What You Should Know About

Daily payroll processing and burden

When you use daily time entry, the only type of burden that you can associate with a workfile transaction is flat burden. After you process the daily payroll transactions and accumulate their costs in the workfile, the system marks the original payroll transactions as billed.

After the original payroll transactions have been processed, the system does not retrieve any new burden transactions calculated for the transactions. For example, if you reverse the flat burden amount and calculate the actual burden amount for the original payroll transactions, the system does not retrieve the new burden transactions.

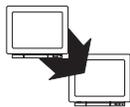
See *Entering Timecards by Day* in the *Payroll Guide* for more information.



Exercises

See the exercises for this chapter.

Reviewing Component Transactions for Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Workfile Generation

From Workfile Generation (G4822), choose Revisions

A component is a type of markup. The system calculates component transactions based on amounts or units from source transactions or burden transactions. For example, you might include a component transaction to offset the cost of borrowing money.

You can use component transactions based on the invoice amount to apply charges in addition to the markup amount for the workfile transaction. Use a compounded component to include additional markup added to the source transaction plus additional charges added to the marked-up amount for the billing.

When a component transaction is associated with a workfile transaction, the system displays an X in the Component (C) field for that transaction.

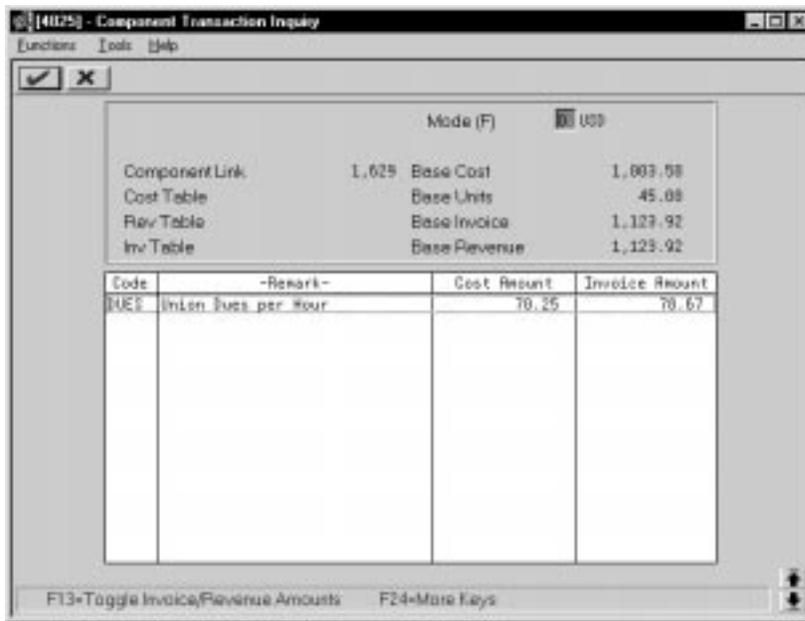
► **To review component transactions**

On Revisions

1. Complete the steps for reviewing workfile transactions.

See *Reviewing Workfile Transactions for Billing*.

2. Verify the following field to identify the transactions with components:
 - Component (C)
3. Choose Component for the transaction you want to review.



4. On Component Transaction Inquiry, verify the information in the following fields:
 - Component Link
 - Cost Table
 - Invoice Table
 - Base Cost
 - Base Units
 - Base Invoice
 - Code (Component Code)
 - Cost Amount
 - Invoice Amount

Field	Explanation
Component Link	The component link field attaches the component record to its base work file record.
Component Cost Rate Table	A code that identifies a component bill table to use for this Cost Plus Markup Table entry. The component table identifies the components and their calculation rules. These component amounts are applied as overhead to the original cost. You set up component tables on the Component Table Definition form.
Component Invoice Rate Table	A code that identifies a component bill table to use for this Cost Plus Markup table entry. The component table identifies the components and their calculation rules. These component amounts are billed in addition to any invoice markups. You set up component tables on the Component Table Definition form.
Cost Amount	The cost (source) amount for a billing detail transaction.
Units	The quantity of something that is identified by a unit of measure. For example, it can be the number of barrels, boxes, cubic yards, gallons, hours, and so on.
Base Invoice	The invoice amount for a billing detail transaction.
Code	A component code identifies a provisional burden that is accounted for at the billing detail transaction level.



Exercises

See the exercises for this chapter.

Reviewing Transaction Totals for Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Workfile Generation

From Workfile Generation (G4822), choose Revisions

You can review the total amounts for one or more transactions. Review transaction totals so you can:

- Make projections relating to the invoice and cost totals
- Verify the accuracy between the invoice information that the system stores in the workfile and the invoice information that you print for your customers
- Verify totals with burden and component amounts

Reviewing transaction totals consists of the following:

- Reviewing totals for a specific transaction
- Reviewing totals for a group of selected transactions

If you find a discrepancy with the transaction totals, you should make any necessary revisions before you continue with the billing process.

► **To review totals for a specific transaction**

On Revisions

1. Complete the steps for reviewing workfile transactions.

See [Reviewing Workfile Transactions for Billing](#).

2. Choose Toggle Amounts to display totals in the following field:
 - Amount

The system displays only billing amounts when the system constants are set to invoicing only.

What You Should Know About

Alternate formats

You can review six different total formats in the Amount field for workfile transactions. Toggle to review the following amounts:

- Base revenue – Revenue total without components or burden. Applies only when system constants are set to process revenue.
- Base invoice – Invoice total without components or burden. Applies only when the system constants are set to process invoices.
- Total revenue – Revenue total with components and burden. Applies only when system constants are set to process revenue.
- Total invoice – Invoice total with components and burden. Applies only when the system constants are set to process invoices.
- Base cost – Cost without components or burden.
- Total cost – Cost with components and burden.

You can set a processing option to control which amount the system displays when you initially access the Revisions form.



Exercises

See the exercises for this chapter.

▶ To review totals for a group of selected transactions

On Revisions

1. Complete the steps for reviewing workfile transactions.

See *Reviewing Workfile Transactions for Billing*.

2. Choose Total Amounts for All Records to access the Grand Totals form.

Grand Totals includes only the transactions that appear on Revisions. To include all transactions that meet the search criteria you specified on Revisions, you must scroll to the end of the subfile in the detail portion of Revisions before you choose Total Amounts.

	Base	Total w/ Components
Revenue		
Invoice	8,215.02	9,077.66
Cost	7,449.95	8,232.90

3. On Grand Totals, review the following fields:
 - Invoice
 - Cost

Field	Explanation
Invoice	<p>The invoice amount for a billing detail transaction.</p> <p>..... <i>Form-specific information</i></p> <p>The total of the invoice amounts for the billing detail transactions that are displayed. The total appears in two formats: base invoice amount and total invoice amount.</p> <ul style="list-style-type: none"> • Base invoice = source cost + invoice markup + sales tax For example, the invoice markup is 10% and the sales tax is 1.5%. A source cost of 1000 then results in a base invoice amount of 1115. $1115 = 1000 + 100 + 15$ • Total invoice = base invoice + components + burden For example, components consist of 50 for administration and 100 for overhead. Burden consists of 100 for payroll taxes. A base invoice of 1115 then results in a total revenue amount of 1365. $1365 = 1115 + 150 + 100$
Cost	<p>The cost (source) amount for a billing detail transaction.</p> <p>..... <i>Form-specific information</i></p> <p>The total of the cost (source) amounts for the billing detail transactions that are displayed. The total appears in two formats: base cost amount and total cost amount</p> <ul style="list-style-type: none"> • Base cost = source cost For example, a source cost of \$1000 results in a base cost amount of \$1000. • Total cost = base cost + components For example, components consist of \$50 for administration and \$100 for overhead. A base cost of \$1000 then results in a total cost amount of \$1150. $1150 = 1000 + 150$

What You Should Know About

- Totals for components** The system does not calculate the total for components. You must manually compute this amount.

- Totals for burden** You can review totals for burden. On the Revisions form, choose Burden Information. Choose Total Amounts for All Records to review the burden totals.



Exercises

See the exercises for this chapter.

Verifying the Customer Number for Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Workfile Generation

From Workfile Generation (G4822), choose Revisions

You must use either a work order or a job to bill a customer. You can review specific workfile transactions to verify the customer number. You can set up your system to retrieve the customer number from the Job Cost or Work Orders systems on system constants.

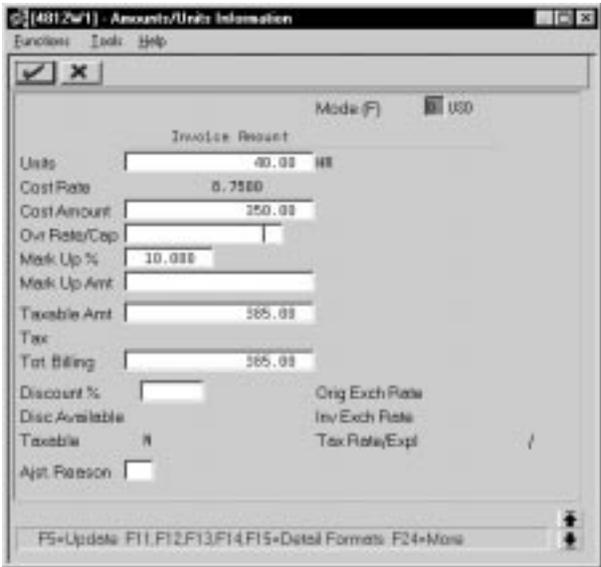
▶ To verify the customer number

On Revisions

1. Complete the steps for reviewing workfile transactions.

See Reviewing Workfile Transactions for Billing.

2. Choose Detailed Transaction for a specific transaction.



3. On Amounts/Units information, choose Job/Contract Information.



Processing Options for Unbilled Detail Revisions

UPDATE OPTIONS:

1. Enter a '1' to allow updating all workfile record information (except G/L Date, Cost, and Units). Leave blank (default) to secure certain fields from being updated except when adding improvised transactions.

DISPLAY OPTIONS:

2. Enter a '1' to load all records that meet the search criteria. Leave blank (default) to load two pages at a time (this improves performance).
3. Enter the amount to initially display on the screen. All amounts can be accessed using the toggle function.
 - '1' = Base Revenue (default)
 - '2' = Base Invoice
 - '3' = Total Revenue
 - '4' = Total Invoice
 - '5' = Base Cost
 - '6' = Total Cost
4. Enter a '1' to display records that are included in a revenue batch. Leave blank to display only records which have not been included in a revenue batch.



Exercises

See the exercises for this chapter.

Revise the Workfile for Billing

Revising the Workfile for Billing

The transactions in the Billing Workfile (F4812) are the basis for the rest of the billing process. You should make any necessary additions and revisions to the workfile transactions before you continue. For example, you can:

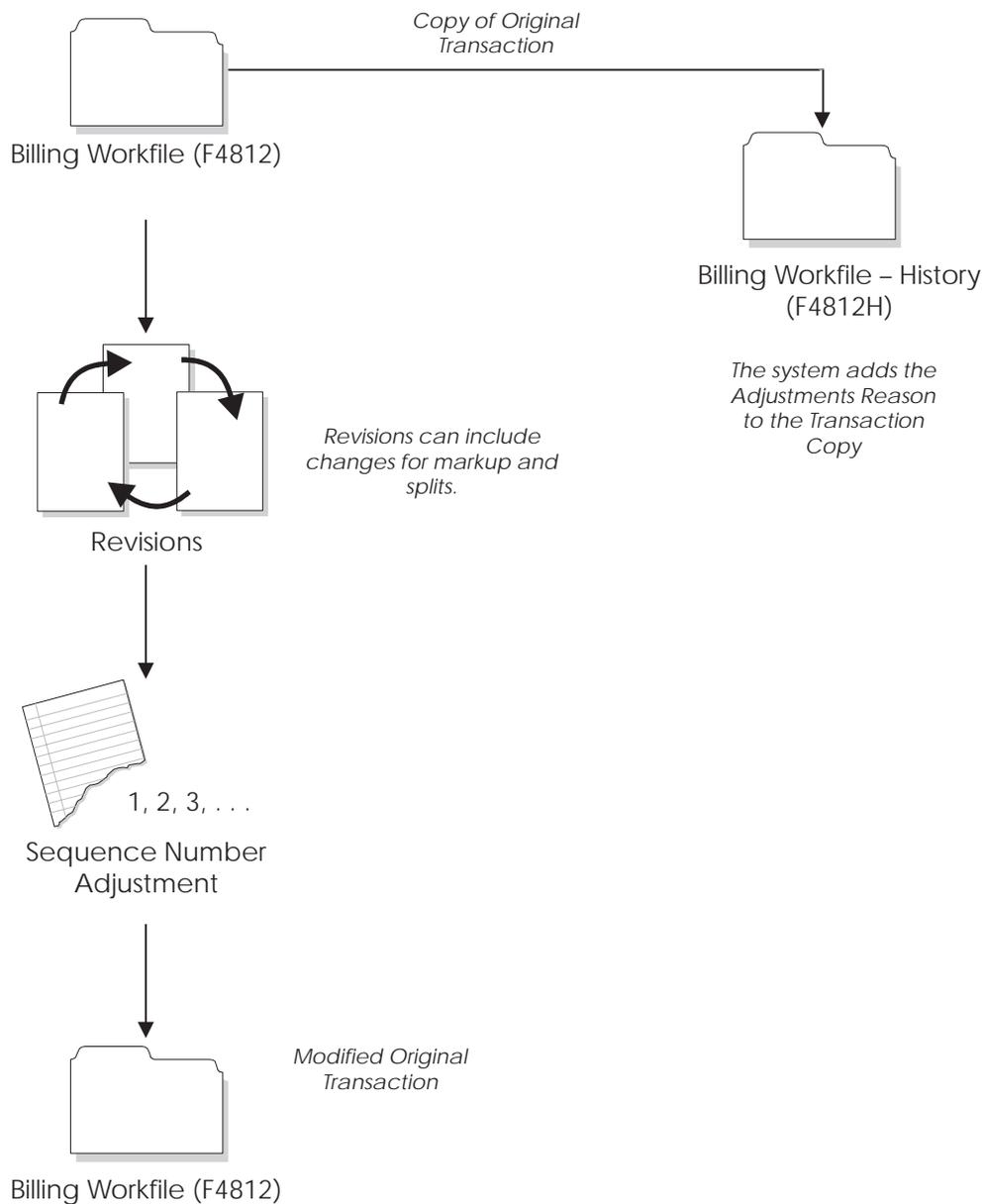
- Add informational text that you want to print on an invoice.
- Add any G/L transactions that were omitted from the workfile without running the Generation program again.
- Change the markup for a transaction.
- Add transactions directly to the workfile without entering them into the G/L first, such as transactions for expense reports that have not yet been processed in the Accounts Payable system.
- Assign a hold status to a transaction with a release date to prevent a transaction from being included on an invoice until that date.
- Split a transaction into two new transactions. You can then revise the billing status for the new transactions.

You can also move a transaction from the active workfile to the workfile history table so that it is not included on an invoice.

Revising the workfile consists of the following tasks:

- Adding text to a workfile transaction
- Adding existing G/L transactions
- Changing the markup
- Entering ad-hoc transactions
- Assigning a hold status
- Splitting a workfile transaction
- Moving a workfile transaction to history
- Printing workfile transactions

When you revise workfile transactions, the system assigns the transactions and each new revision a series of sequence numbers.



You can use these numbers to track the progression of revisions to original workfile transactions. The system assigns each workfile transaction the following sequence numbers:

Sequence number

The sequence number of the original workfile transaction is always 1. If you split the original transaction, the system assigns the next available sequence numbers to the resulting transactions.

Parent sequence number

The parent sequence number for an original workfile transaction is always blank. The system assigns a parent number to transactions that result from a split. The parent number for resulting transactions is always the *sequence number* of the transaction that you split. For example, if you split an original workfile transaction with a sequence number of 1 and a blank parent sequence number, the system assigns the resulting transactions a parent number of 1.

Secondary sequence number

The secondary sequence number tracks the number of revisions you make to a workfile transaction. For example, you might revise a transaction three times. The secondary sequence number of the transaction you revise is 1. After the revision, the secondary sequence number for the transaction is 2. When you change the transaction again, the secondary sequence number is 3.

What You Should Know About

Cost transactions in the G/L

Any changes you make to a workfile transaction affect only the information in the workfile. The changes do not affect the cost (source) transactions in the Account Ledger table (F0911).

Revised transactions

Revised transactions remain in the workfile. The system retains a copy of the transaction prior to any changes in the Billing Workfile – History table (F4812H) for audit purposes.

Adding transactions directly to the workfile

CAUTION: If you add transactions directly to the workfile and then process the original transaction through the normal accounting and billing cycles, the system creates a duplicate transaction.

See *Entering Ad-Hoc Transactions for Billing* for more information.

Adding Text to a Workfile Transaction for Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Workfile Generation

From Workfile Generation (G4822), choose Revisions

You can enter text to associate additional information with a workfile transaction. For example, the text might be a further description of the services for which you bill customers. You can enter text for a transaction at any point in the billing process. You can also print this text on an invoice. The system uses the billing control ID (BCI) number to attach text to workfile transactions.

► To add text to a workfile transaction

On Revisions

1. Complete the steps for reviewing workfile transactions.

See *Reviewing Workfile Transactions for Billing*.

2. Choose Text for a specific transaction.

Text	OP
	0F

3. On Invoice/Batch Extended Text, enter free-form text.

If you need to enter more text, you can scroll to display additional lines. After you enter text, the system highlights the Option field on the Revisions form to indicate that the text exists for the transaction.

What You Should Know About

Formatting text	The system prints any text you enter for a workfile transaction exactly as it appears on the Invoice/Batch Extended Text form.
Inserting a blank line	You can insert a blank line between two existing lines of text to enter new information. The system inserts a line directly below the line on which you choose Insert Line.
Deleting text	You can use two methods to delete text you have entered for a transaction: <ul style="list-style-type: none">• To delete all the text, use the Delete action• To delete individual lines of text, choose Delete Line for the respective lines
Renumbering lines of text	The system automatically assigns a sequence number to each line of text. The sequence number is not displayed on the form. If the system prevents you from inserting a blank line, choose Renumber Text. The system updates the numbers to prepare the text for additional lines.



Exercises

See the exercises for this chapter.

Adding Existing G/L Transactions for Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Workfile Generation

From Workfile Generation (G4822), choose Revisions

You can add transactions from the Account Ledger table (F0911) to the Billing Workfile without running the Generation program. For example, you can include costs for workfile processing that you did not include in the workfile generation. You can also include costs in the workfile for processing that were entered in the General Accounting system after you accumulated billable costs.

You can add transactions to the workfile using one of the following amounts:

- The cost without markup
- The cost plus markup, based on the markup rules you define or the default markup percentage you specify in the system constants

When you add a source transaction to the workfile, the system marks the transaction as billed in the Account Ledger table, and, if applicable, in the Payroll Transaction History (F0618) or Employee Transactions Detail (F06116) tables.

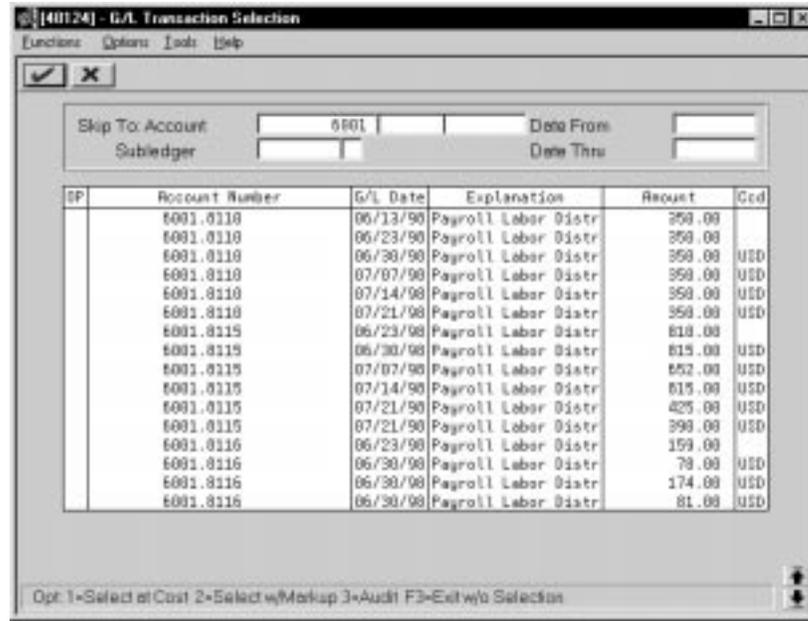
▶ **To add existing G/L transactions**

On Revisions

1. Complete the steps for reviewing workfile transactions.

See [Reviewing Workfile Transactions for Billing](#).

2. Choose G/L Selection.



3. On G/L Transaction Selection, complete the following field to display the existing source transactions:
 - Business Unit
4. To limit the list of transactions, complete one or more of the following fields:
 - Date From
 - Date Thru
 - Object
 - Subsidiary
 - Subledger
 - Subledger Type

The system automatically supplies the information for these fields if you completed them on the Revisions form.

5. Choose one of the following for a specific transaction:
 - Select at Cost
 - Select with Markup

What You Should Know About

G/L audit trail

If you do not know how a transaction originated, you can choose Audit for the transaction. The system displays the audit trail from the Account Ledger table.



Exercises

See the exercises for this chapter.

Changing the Markup for Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Workfile Generation

From Workfile Generation (G4822), choose Revisions

The markup for a transaction is the increase in costs to account for overhead and profit. You define markup rules when you set up your system. You can also change markup information after you accumulate costs.

After you make changes to the markup, you can apply the revised markup information to the transaction, or you can reapply the markup rules you originally defined for your system on the Cost Plus Markup Table.

► To change the markup

On Revisions

1. Complete the steps for reviewing workfile transactions.

See [Reviewing Workfile Transactions for Billing](#).

2. Choose Detailed Transaction Window for a specific transaction.

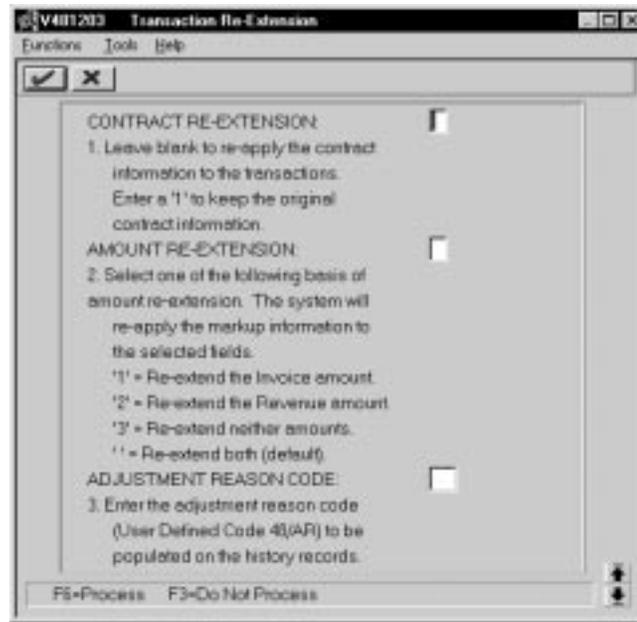
3. To review the origin of the markup and tax information for the transaction, choose Table Information.

4. On Table Information, choose Amounts/Units Information to return to the Amounts/Units Information form.
5. On Amounts/Units Information, complete any combination of the following applicable fields:
 - Override Rate
 - Cap or Rate
 - Mark Up Percent
 - Mark Up Amount
6. Choose Update.

The system calculates the markup and displays the changes.

7. Choose Exit Program.

The system displays Transaction Re-Extension.



The screenshot shows a window titled "Transaction Re-Extension" with a menu bar containing "Functions", "Tools", and "Help". The main area contains three sections, each with a checkbox on the right:

- CONTRACT RE-EXTENSION:** 1. Leave blank to re-apply the contract information to the transactions. Enter a '1' to keep the original contract information.
- AMOUNT RE-EXTENSION:** 2. Select one of the following basis of amount re-extension. The system will re-apply the markup information to the selected fields.
 - '1' = Re-extend the Invoice amount.
 - '2' = Re-extend the Revenue amount.
 - '3' = Re-extend neither amounts.
 - '4' = Re-extend both (default).
- ADJUSTMENT REASON CODE:** 3. Enter the adjustment reason code (User Defined Code 40(AR)) to be populated on the history records.

At the bottom, there are function keys: F8=Process and F3=Do Not Process.

8. On Transaction Re-Extension, complete the following fields:
 - Amount Re-Extension
 - Adjustment Reason Code

The revenue amount does not apply. If you choose 2 for the Amount Re-Extension, the system does not re-extend the invoice information.

9. Choose Process.

The system retains the information you entered on the form and displays it the next time you access the Transaction Re-Extension form.

Field	Explanation
Ovr Rate/Cap	<p>The rate the system uses to mark up the invoice amount reflected in the billing of professional services such as draftsmen, engineers, or consultants fees. This rate does not affect the employee's paycheck.</p> <p>You can use this markup rate as an override rate or as a maximum rate. The Override Rate Calculation for the Total Invoice Markup is:</p> $(Override\ Rate * Unit) * (1 + Markup\ Percent) + Markup\ Amount$ <p>When a Maximum or Cap Rate is Specified: Compare override rate with rate from cost transaction. Use the lower rate as the override rate.</p> <p>You can set up this override or maximum unit rate on the Cost Plus Markup Table form. Use generation type 1 to specify a table for invoice markup rates.</p> <p>With the new Service Billing and Contract Billing modules, you can mark up the revenue amount at a different rate than the invoice amount. The Independent Invoice flag in the system constants controls this function. Use generation type 2 on the Cost Plus Markup Table form to specify a markup table for revenue and invoice markup rates.</p>
Cap or Override Rate – Invoice	<p>This flag indicates whether the associated amount is the override rate or the cap of the rate.</p> <p>Valid codes are:</p> <ul style="list-style-type: none"> blank Override Rate. 1 Cap of the Rate. If the cost rate is less than the cap rate, the cost rate will be used; if the cost rate is greater than the cap rate, the Cap Rate will be used.
Mark Up %	<p>The percentage the system uses to mark up the invoice amount reflected in the billing of professional services, such as draftsmen, engineers, or consultants fees. Enter the percentage as a whole number. For example, 50.275 percent would be entered as 50.275. This percentage rate does not affect the employee's paycheck.</p> <p>You set up this percentage on the Cost Plus Markup Table form. Use generation type 1 to specify a table for invoice markup percentage rates.</p> <p>With the new Service Billing and Contract Billing modules, you can mark up the revenue amount at a different rate than invoice amount. The Independent Invoice flag in the system constants controls this function. Use generation type 2 on the the Cost Plus Markup Table form to specify a markup table for revenue and invoice markup rates.</p>

Field	Explanation
Mark Up Amt	<p>An amount the system uses to mark up the invoice amount reflected in the billing of professional services such as draftsmen, engineers, or consultants fees. This amount will not affect the employee's paycheck.</p> <p>You define this amount on the Cost Plus Markup Table form. Use generation type 1 to specify a table for invoice markup amounts.</p> <p>With the new Service Billing and Contract Billing modules, you can mark up the revenue amount at a different rate than invoice amount. The Independent Invoice flag in the system constants controls this function. Use generation type 2 on the Cost Plus Markup Table form to specify a markup table for revenue and invoice markup rates.</p>
Option – Amount Re-extension	<p>You re-extend a transaction when you want to change or reapply the markup for the transaction based on your specific overrides or on the information that you have defined in the markup tables. The valid values are:</p> <ol style="list-style-type: none"> <li data-bbox="721 846 1338 940">1 Reapply the established invoice markup rates from the Cost Plus Markup Table. The revenue amount is not changed. <li data-bbox="721 947 1338 1041">2 Reapply the established revenue markup rates from the Cost Plus Markup Table. The invoice amount is not changed. <li data-bbox="721 1047 1338 1192">3 Use the rates or amounts entered in the Amounts/Units Information window or on the Revisions form. Do not apply the established invoice or revenue markup rates from the Cost Plus Markup Table. <p>blank Reapply both the invoice and revenue markup rates using the established rates from the Cost Plus Markup Tables.</p> <p>Note: You cannot use options 1 or 2 when the Independent Invoice flag in the system constants specifies that the invoice and revenue amounts must be the same.</p>
Adjustment Reason Code	<p>A user defined code (system 48, code AR) that you use to specify the reason for a revision to a single or a group of billing detail transactions in the Billing Workfile (F4812). The system updates the historical billing detail transaction with this reason for audit purposes.</p>

What You Should Know About

Multi-currency

To change the amounts for workfile transactions in a multi-currency environment, you must enter the amounts in the currency of the workorder or business unit. For example, if the workorder was entered in the foreign currency, you must make all revisions in the foreign currency. The system prevents you from entering both foreign and domestic currency amounts for a multi-currency workorder or business unit.

Updating a workfile transaction

You can update individual workfile transactions to reflect the most current rules you have set up to calculate discounts, taxes, and markups. Choose Transaction Re-Extension next to the transaction you want to update on the Revisions form.

Updating workfile transactions globally

You can update multiple workfile transactions to reflect the most current rules you have set up to calculate discounts, taxes, and markups. Choose Re-Extension from the Workfile Generation menu to access the DREAM Writer. The processing options are identical to the Transaction Re-Extension form.

Identifying taxable transactions

The system determines whether a transaction is taxable by searching for tax information using the following hierarchy:

- Tax derivation rules
- Job Master table (F0006)
- Customer Master table (F0301)

You can change only the rules and tables that the system uses to determine the taxable status of a transaction. You cannot change the tax information for a workfile transaction in the following fields:

- Taxable Y/N
- Tax Explanation
- Tax Rate/Area

See *Defining Tax Derivation Rules* for more information.

Changing amounts for a workfile transaction To change the amounts for a workfile transaction, you can change the markup information or complete one of the following fields on Amounts/Units Information:

- Taxable Amount
- Total Billing

If you change an amount for a transaction, the system automatically recalculates and updates all the related amounts, including the Markup % field.

Changing the discount You can change the discount percent only if the payment terms you define for the transaction allow for a discount. To change the discount for a workfile transaction, complete the Discount Percent field on Amounts/Units Information.

See Also

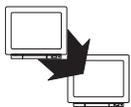
- *Defining Markup Rules (F48096)* for more information about setting up markup rules on the Cost Plus Markup Table



Exercises

See the exercises for this chapter.

Entering Ad-Hoc Transactions for Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Workfile Generation

From Workfile Generation (G4822), choose Revisions

If you do not enter cost information during an accounting cycle, the transactions are not available when you accumulate costs. You can manually add transactions to the workfile on an as-needed basis for costs that are not processed during the accounting cycle. Transactions you enter into the workfile manually are referred to as ad-hoc transactions.

For example, an accounting department processes expense reports on the 15th of each month. The supervisor's expenses contain a billable cost that must be in the Billing Workfile by the 5th of the month. In this case, you enter the cost as an ad-hoc transaction to the workfile. The ad-hoc transaction is created to represent cost information that is not in the Account Ledger table and is independent of the regular accounting cycle. After you enter the ad-hoc transaction into the workfile, you can mark up the cost, enter a remark, and complete the billing process.

When you enter an ad-hoc transaction into the workfile:

- You cannot record a reason why the transaction was created
- No source document exists to backup the transaction
- The detail information for the costs in the general ledger and the workfile is inconsistent



If you enter an ad-hoc transaction and then process the related source transaction through the normal accounting and billing cycles, the system creates a duplicate transaction in the workfile. To prevent this, you must manually change the eligibility code for the duplicate workfile transaction to nonbillable and remove it from the workfile.

If you do not remove the duplicate workfile transaction from the workfile, the system continues to display the transaction on the Revisions form. You might bill for the transaction in error if the eligibility code for the transaction is changed.

▶ **To enter ad-hoc transactions**

On Revisions

1. Complete the steps for reviewing workfile transactions.

See *Reviewing Workfile Transactions for Billing*.

2. Complete the following fields on a blank line of the Revisions form:
 - G/L Date
 - Business Unit
 - Object
 - Subsidiary
3. Complete the following optional fields for the new transaction:
 - Employee/Supplier
 - Amount
 - Eligibility Code

4. Choose More Details.
5. Complete the following optional fields:
 - Subledger
 - Subledger Type
6. Choose the Add action.

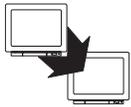
The system displays Transaction Re-Extension.

7. On Transaction Re-Extension, complete the following fields:
 - Amount Re-Extension
 - Adjustment Reason Code
8. Choose Process.

See Also

- *Moving a Transaction to History for Billing* for more information about changing the status of a transaction to nonbillable.

Assigning a Hold Status



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Workfile Generation

From Workfile Generation (G4822), choose Revisions

If you are not ready to process a workfile transaction, you can put the transaction on hold. You can hold a transaction indefinitely, or you can specify a release date. When you put a workfile transaction on hold, the transaction remains in the Billing Workfile, but the system does not process it until the release date. The system stores the release date as part of the audit trail for the transaction.

► To assign a hold status

On Revisions

1. Complete the steps for reviewing workfile transactions.
See [Reviewing Workfile Transactions for Billing](#).
2. Choose Detailed Transaction for a specific transaction.

3. On Amounts/Units Information, choose Accounting/Internal Control Information.

[4812W4] - Internal Control Information			
Functions Tools Help			
Hold Code	<input type="checkbox"/>	G/L Offset	/
Summarization Key		% Retainage	
Control ID	10770	Split Link	
Parent Sequence		Component Link	
Sequence Number	1	Cost Comp Table	
Secondary Sequence	1	Rev Comp Table	
Last Sequence		Inv Comp Table	
Client Inv Status	0	Void (V)	
Client Inv Number		Printed Flag	/
Client Inv Date		User ID	JL5495188
Client Pay Item		Work Station ID	J481201
Revenue Batch No		Date Entered	07/28/97
Batch Number		Date Updated	07/28/97
Active Batch Number		Time Last Updated	8:59:15
Payment Seq No			
Journal Status	0/	Override Account	Subldgr T
Rev Bill When Paid	<input type="checkbox"/> Revenue		
Payment Completed	<input type="checkbox"/> Offset		

F5=Update F11,F12,F13,F14,F15=Detail Formats F24=More

4. On Internal Control Information, complete the following field:

- Hold Code

Revenue Hold does not apply. If you choose R or 4 for the Hold Code, the system does not hold the workfile transaction.

5. On Internal Control Information, complete the following optional field:

- Released Date

If you leave the Released Date field blank, the system holds the transaction indefinitely.

6. Choose Update.
7. Choose Exit Program.

The system displays Transaction Re-Extension.

8. On Transaction Re-Extension, complete the following fields:

- Amount Re-Extension
- Adjustment Reason Code

9. Choose Process.

Field	Explanation
Hold Code	<p>This code identifies the type of “hold” status applied to a billing detail transaction.</p> <p>Valid alpha values are:</p> <ul style="list-style-type: none"> blank Not on hold. A On hold for invoicing, revenue recognition, and cost transfers. B On hold for invoicing and revenue recognition. Cost transfers are allowed. I On hold for invoicing only. Revenue recognition and cost transfers are allowed. R On hold for revenue recognition. This value applies only when the Journal Generation Control flag in the system constants is set to process revenue only. <p>Valid numeric values are:</p> <ul style="list-style-type: none"> blank Not on hold. 1 On hold for invoicing, revenue recognition, and cost transfers. 2 On hold for invoicing and revenue recognition. Cost transfers are allowed. 3 On hold for invoicing only. Revenue recognition and cost transfers are allowed. 4 On hold for revenue recognition. This value applies only when the Journal Generation Control flag in the system constants is set to process revenue only.
Date – Released (Julian)	<p>The release date. This billing detail transaction will not be eligible for processing until this date is greater than or equal to the “billed-through” date specified in Service Billing or the “cut-off” date specified in Contract Billing.</p>

What You Should Know About

Transactions with related transactions

If you assign a hold status to a workfile transaction with associated burden transactions, component transactions, or both, the system automatically assigns the hold to all the related transactions.



Exercises

See the exercises for this chapter.

Splitting a Workfile Transaction for Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Workfile Generation

From Workfile Generation (G4822), choose Revisions

After you accumulate costs, you can split a workfile transaction into two new transactions. You can split a transaction by a specific currency amount, unit amount, or a percent.

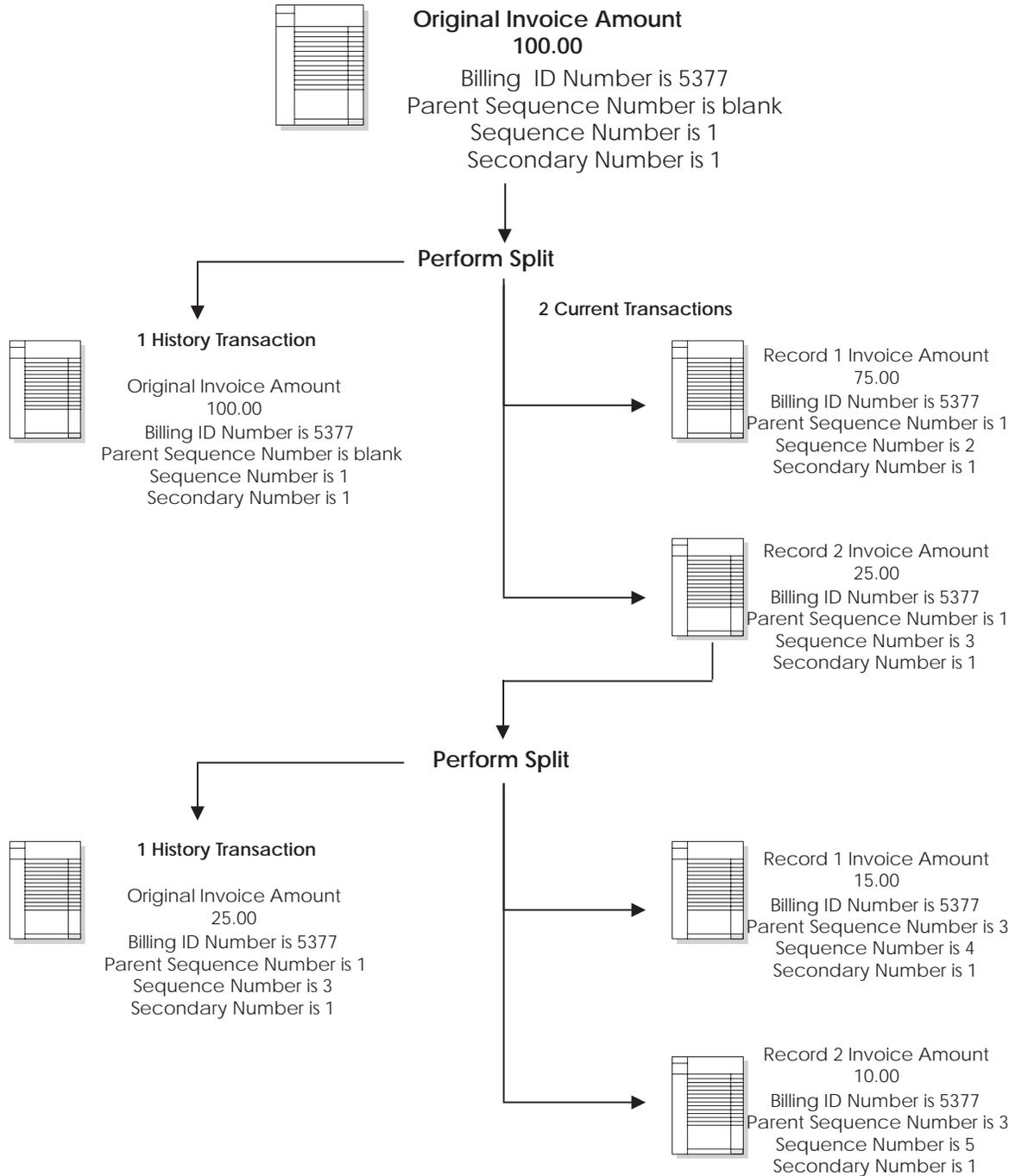
You might want to split a transaction so that you can process one of the new transactions for billing, but not the other. For example, an employee works overtime and is paid at twice the regular hourly rate. If you need to bill the employee's time at the regular rate, you can split the workfile transaction into two equal portions. One portion can be billable and the other nonbillable.

You can split only payroll transactions that do not include associated burden. You cannot split burden transactions.

When you split a workfile transaction, the system:

- Displays two new transactions. The amounts and units for the new transactions equal that of the transaction prior to the modification.
- Moves a copy of the workfile transaction prior to the modification to the Billing Workfile – History.
- Assigns sequence numbers to all the related transactions. The control ID remains the same for the workfile transactions. You can review the sequence numbers and control ID in the accounting and internal control information.
- Splits associated component transactions.

The following graphic illustrates how the Service Billing system processes and assigns sequence numbers to transactions when you split a workfile transaction.



► **To split a workfile transaction**

On Revisions

1. Complete the steps for reviewing workfile transactions.

See *Reviewing Workfile Transactions for Billing*.

2. Choose Split for a specific transaction.

3. On G/L Transaction Split Window, complete one of the following fields:
 - Units
 - Cost
 - Invoice Amount
4. Complete the following field:
 - Amount or % for Split Record 1
5. Choose Update with Redisplay to update the displayed information.
6. Verify that the information is correct.
7. Choose Perform Split to update the workfile transactions.

Field	Explanation
Units	<p>The quantity of something that is identified by a unit of measure. For example, it can be the number of barrels, boxes, cubic yards, gallons, hours, and so on.</p> <p>..... <i>Form-specific information</i></p> <p>If you enter X in this field, the system performs the split based on the units of the billing detail transaction.</p>
Cost	<p>The cost (source) amount for a billing detail transaction.</p> <p>..... <i>Form-specific information</i></p> <p>If you enter X in this field, the system performs the split based on the cost (source) amount of the billing detail transaction.</p>
Invoice Amount	<p>The portion of the invoice amount that is subject to tax.</p> <p>..... <i>Form-specific information</i></p> <p>If you enter X in this field, the system performs the split based on the taxable portion of the invoice amount of the billing detail transaction.</p>
Split Amount/Percent	<p>The split amount or percent. You can split the taxable amount, the revenue total, the cost, or the units.</p> <p>If you enter an amount, it must be less than the amount of the field you are using as the basis of the split. If you enter a percentage (for example, 25% or %25), the percentage must be less than 100%. The system automatically calculates the amount or percentage for the second split record.</p>

What You Should Know About

Splitting a transaction with a markup amount

When you split a transaction with a markup amount based on cost, the system allocates the entire markup amount to Split Record 1. If you split a transaction with a markup amount based on the invoice amount, the system allocates the markup amount to both split records.

Splitting a transaction with a hold code

When you split a transaction with a hold code, the system assigns the hold code and released date information to the resulting new transactions.

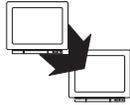
See *Assigning a Hold Status for Billing* for more information about hold codes.



Exercises

See the exercises for this chapter.

Moving a Workfile Transaction to History for Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Workfile Generation

From Workfile Generation (G4822), choose Revisions

You can move a transaction out of the active Billing Workfile if the transaction does not belong in the workfile. Before you can move a transaction out of the workfile, the status for the transaction must be nonbillable. For example, if you do not want to bill for a portion of a split transaction, you would move the nonbillable portion to history.

Moving a transaction to history consists of the following:

- Moving a transaction without burden to history
- Moving a transaction with burden to history

If burden is associated with the transaction, you first change the eligibility code for the burden to nonbillable. Then, change the eligibility code for the workfile transaction to nonbillable.

When you move a transaction to history, the system:

- Copies the transaction to the Billing Workfile – History (F4812H) for audit purposes
- Removes the transaction from the active Billing Workfile (F4812)

Transactions that you move to history do *not* appear on the Revisions form.

The system does not remove the original transaction from the Account Ledger table.



To move a transaction without burden to history

On Revisions

1. Complete the steps for reviewing workfile transactions.

See *Reviewing Workfile Transactions for Billing*.

2. Complete the following field for a specific transaction to make it nonbillable:

- Eligibility Code

3. Use the Change action.

The system displays Transaction Re-Extension.

4. On Transaction Re-Extension, complete the following fields:

- Amount Re-Extension
- Adjustment Reason Code

5. Choose Process.

The system displays Revisions.

6. On Revisions, choose Delete for the workfile transaction.
7. Use the Change action.

To move a transaction with burden to history

On Revisions

1. Complete the steps for reviewing burden transactions for a specific workfile transaction.

See *Reviewing Burden Transactions for Billing*.

2. On Burden Information, complete the following field for all burden transactions to make them nonbillable:

- Eligibility Code

You must make all the burden transactions related to the workfile transaction nonbillable. If you do not, the system prevents you from moving the workfile transaction to history.

3. Use the Change action.
4. Choose Exit Program.
5. On Revisions, complete the following field for the workfile transaction to make it nonbillable:
 - Eligibility Code
6. Use the Change action.

The system displays Transaction Re-Extension.

7. On Transaction Re-Extension, complete the following fields:
 - Amount Re-Extension
 - Adjustment Reason Code
8. Choose Process.

The system displays Revisions.

9. On Revisions, choose Delete for the workfile transaction.
10. Use the Change action.

What You Should Know About

Changing the status of burden transactions

You can make burden transactions nonbillable without moving the related workfile transaction to history. You can do this if you need to change the billing status of a burden transaction without changing the billing status of the related workfile transaction.

For example, you might want to do this if a burden account in the chart of accounts has been incorrectly designated as billable. You can change the resulting burden transactions for that account to nonbillable without changing the billing status of the related workfile transaction.



Exercises

See the exercises for this chapter.

Printing Workfile Transactions for Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Workfile Generation

From Workfile Generation (G4822), choose Print Workfile

You can review workfile transactions online. You can also generate a report that prints a list of selected transactions. You might want to use this report for a number of reasons, including:

- As an exception report, for example, to print all of the transactions that are on hold
- As a comparison with the detail in the general ledger

To compare the workfile transactions to the detail in the general ledger, you can review the general ledger online using Account Ledger Inquiry, or you can print the G/L by Object Account report.

If you find a discrepancy, you should make the necessary revisions before you continue with the billing process.

Billing Workfile Listing

48405		J.D. Edwards & Company				Page No. . . . 2		Service Billing Workfile Listing									
						Date - . . . 5/20/96											
G/L	Cost	Units	Rate	Billed	Account Number	Sub-	S	Job	Job	PDBA	Employee	Journal	Invoice	Pay			
Date				Amount		ledger	T	Contract	Type	Step	Code	/Supplr	Equipment	Batch	Batch	Invoice	Itm Pha
06/13/98	350.00	40.00	8.7500	525.20	6001.8110						6S-1	1	7600				
					Explanation Malwitz, Terry M.				W/O Class		J. Class		Equip Class	Home B.U.		50 PO No.	
					Company 50						Jrnl Status	0	Printed Flg	A/R Exmpt	Sequence Number	1	
					Component Code										Component Link		
06/23/98	350.00	40.00	8.7500	525.20	6001.8110						6S-1	1	7600				
					Explanation Malwitz, Terry M.				W/O Class		J. Class		Equip Class	Home B.U.		50 PO No.	
					Company 50						Jrnl Status	0	Printed Flg	A/R Exmpt	Sequence Number	1	
					Component Code										Component Link		
06/30/98	350.00	40.00	8.7500	525.20	6001.8110						6S-1	1	7600				
					Explanation Malwitz, Terry M.				W/O Class		J. Class		Equip Class	Home B.U.		50 PO No.	
					Company 50						Jrnl Status	0	Printed Flg	A/R Exmpt	Sequence Number	1	
					Component Code										Component Link		
07/07/98	280.00	32.00	8.7500	420.16	6001.8110						6S-1	1	7600				
					Explanation Malwitz, Terry M.				W/O Class		J. Class		Equip Class	Home B.U.		50 PO No.	
					Company 50						Jrnl Status	0	Printed Flg	A/R Exmpt	Sequence Number	1	
					Component Code										Component Link		
07/07/98	70.00	8.00	8.7500	105.04	6001.8110						6S-1	1	7600				
					Explanation Malwitz, Terry M.				W/O Class		J. Class		Equip Class	Home B.U.		50 PO No.	
					Company 50						Jrnl Status	0	Printed Flg	A/R Exmpt	Sequence Number	1	
					Component Code										Component Link		
07/14/98	350.00	40.00	8.7500	525.20	6001.8110						6S-1	1	7600				
					Explanation Malwitz, Terry M.				W/O Class		J. Class		Equip Class	Home B.U.		50 PO No.	
					Company 50						Jrnl Status	0	Printed Flg	A/R Exmpt	Sequence Number	1	
					Component Code										Component Link		
07/21/98	350.00	40.00	8.7500	525.20	6001.8110			00065023 W			6S-1	1	7600				
					Explanation Malwitz, Terry M.				W/O Class	SUP	J. Class		Equip Class	Home B.U.		50 PO No.	
					Company 50						Jrnl Status	0	Printed Flg	A/R Exmpt	Sequence Number	1	
					Component Code										Component Link		
06/23/98	260.00	40.00	6.5000	390.00	6001.8115						6S-3	1	7602				
					Explanation McFadden, Jeanine P.				W/O Class		J. Class		Equip Class	Home B.U.		50 PO No.	
					Company 50						Jrnl Status	0	Printed Flg	A/R Exmpt	Sequence Number	1	
					Component Code										Component Link		

See Also

- *Technical Foundation Guide* for information about running, copying, and changing a DREAM Writer version

Processing Options for Billing Workfile Listing

PRINT OPTION:

1. Choose one of the following to print: _____
 '0' = All detail (default).
 '1' = Only one line of detail.

Work with the Workfile History for Billing

Working with the Workfile History for Billing

For every revision of a transaction that you create as you process workfile transactions, the system stores a copy of the previous transaction. You can review this audit trail to see all the changes you have made to a transaction. For example, if you change a markup and include a reason for the change, you can access the workfile history to review the markup change reason.

Working with the workfile history includes the following tasks:

- Reviewing transaction revisions
- Moving a transaction out of history

As you review the workfile history, you can reactivate eligible transactions. When you reactive a transaction, you move it from history back to the active workfile. For example, if you move a transaction to history in error, the transaction is eligible to be moved back to the workfile. After you move the transaction back to the workfile, you can include the transaction on an invoice.

To maintain the integrity of the workfile, the system determines whether a transaction is eligible for reactivation based on the billing control ID number and a combination of other factors.

The following transactions are not eligible for reactivation:

- Invoiced transactions
- Voided transactions
- Transactions copied to history during the split process
- Transactions copied to history during the modification process

Reviewing Transaction Revisions for Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Workfile Generation

From Workfile Generation (G4822), choose Revisions

For every revision of a transaction that you create as you process workfile transactions, the system stores a copy of the previous transaction. You can review this audit trail to see all the changes you have made to a transaction. The system displays the revision history of a transaction starting with the most recent revision to the original transaction.

► To review transaction revisions

On Revisions

1. Complete the steps for reviewing workfile transactions.

See *Reviewing Workfile Transactions for Billing*.

2. Choose Transaction History Inquiry for a specific transaction.

P	Par Seq	Seq Num	Seq	Description of Adjustment Reason	Invoiced Amount	Date Changed	User ID
		1	1		1,103.05	07/31/97	315495188

3. On Inquire Workfile History, review the revision history for the transaction.

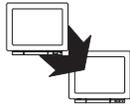
If text, components, tax, or burden are associated with the transaction, the Option field for the transaction is highlighted on the form.



Exercises

See the exercises for this chapter.

Moving a Transaction Out of History for Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Workfile Generation

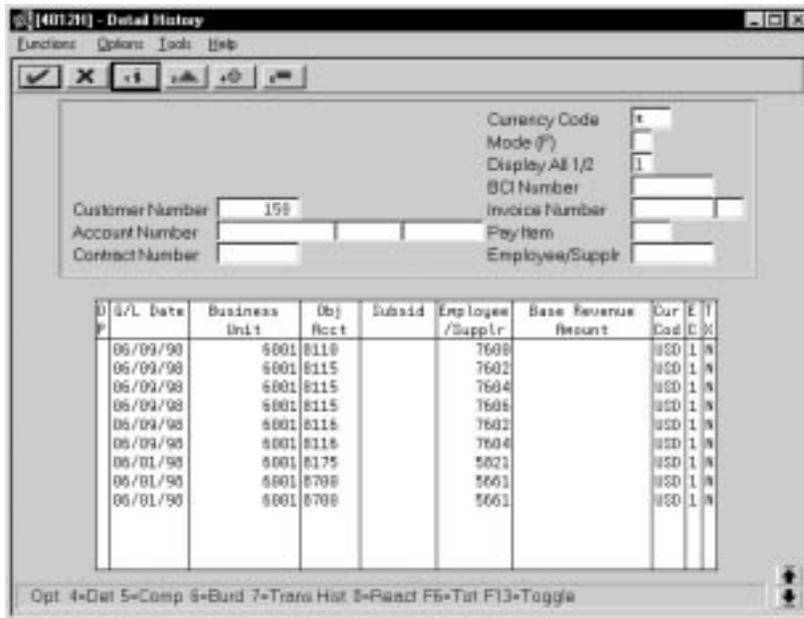
From Workfile Generation (G4822), choose Detail History

As you review the workfile history, you can move transactions that you previously assigned as nonbillable out of history. When you move a transaction out of history, you reactivate the transaction. When you reactivate a transaction, the system:

- Makes the transaction and all its associated components, burden, tax, and text eligible for processing
- Marks the historical transaction as reactivated
- Moves a copy of the historical transaction from the Billing Workfile – History table to the Billing Workfile table

► **To move a transaction out of history**

On Detail History



1. To locate a transaction, complete any of the following fields:
 - Customer Number
 - Account Number
 - BCI Number
 - Employee/Supplier
2. Choose Reactivate for the transaction.

After you reactivate a transaction, the system continues to display the transaction on Detail History until you reinquire on the form.

What You Should Know About

Limiting the records that display

You can use the Display All field to display all the transactions in the Billing Workfile – History table. If you use this field, the number of records to display often exceeds the maximum number allowed.

J.D. Edwards recommends that you enter additional criteria to narrow your search when you review the history for workfile transactions.

Displaying eligible transactions

You can use a processing option to control whether the system initially displays all transactions or only those eligible for reactivation.

Billing status for reactivated transactions

Reactivated transactions are nonbillable when they return to the active workfile. You must manually update the billing status before you can complete the billing process for the transaction.

See Also

- *Moving a Workfile Transaction to History for Billing (P4812)*

Processing Options for Detail History

DISPLAY OPTIONS:

1. Enter a '1' to display all history records (default). Enter a '2' to display only the records that are eligible for re-activation. _____
2. Enter a '1' to load all records that meet the search criteria. Leave blank (default) to load two pages at a time (this improves performance). _____
3. Enter the amount to initially display on the screen. All amounts can be accessed using the toggle function. _____
'1' = Base Revenue (default)
'2' = Base Invoice
'3' = Total Revenue
'4' = Total Invoice
'5' = Base Cost
'6' = Total Cost



Exercises

See the exercises for this chapter.

Generate Invoices Automatically for Billing

Generating Invoices Automatically for Billing

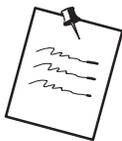
When you accumulate costs, the system creates the workfile transactions that contain the information for creating invoices. The next step is to generate invoices.

The term *invoice* has two meanings in the Service Billing system:

- Invoice information that the system generates from the workfile transactions in the Service Billing Workfile (F4812). The system stores the summarized invoice information in the Invoice Summary Workfile (F4822).
- A copy of the invoice that you print for customers. The system prints invoices based on the invoice layouts that you define using Invoice Formatting.

When you generate invoices, the system assigns invoice numbers and summarizes active workfile transactions to create pay items. Pay items are the billing lines that summarize one or more workfile transactions. The pay items for a specific invoice make up the total amount of the invoice.

The system stores pay item information in the Invoice Summary Workfile (F4822).



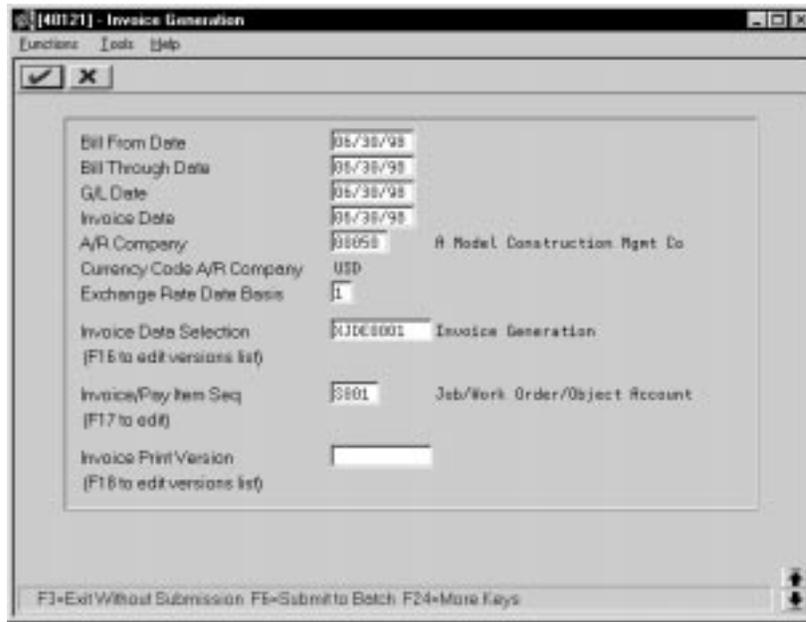
The system stores the current invoice information in the active transaction to prevent workfile transactions from being assigned to more than one invoice at a time.

You can run the Invoice Generation program to generate invoices automatically, or you can create invoices manually. When you run the Invoice Generation program to create invoices automatically, the system:

- Creates a batch of invoices
- Assigns customer and invoice numbers to individual invoices
- Summarizes workfile transactions to create the pay items for invoices
- Assigns A/R information to the invoices, such as the G/L date, offset codes, and retainage percent
- Updates the workfile transactions with invoice information
- Prints invoices (optional)

Generating invoices automatically consists of the following tasks:

- Defining the sequence and summarization
- Generating a batch of invoices



What You Should Know About

Assigning G/L offset and retainage information

When you generate invoices automatically, the system assigns values to the following fields for each transaction:

- Payment Terms
- G/L Offset
- Retainage Percentage
- Retainage Offset

The system determines the correct values for these fields based on the sequence and summarization key that you define for the invoice batch and the information you define in the G/L Offset and Retainage rules.

For example, if your Invoice Level Summarization field is by subledger (work order), then you might define rules on the G/L Offset and Retainage Table form with the valid key types subledger (work order) or work order class to locate the correct retainage rule.

See *Defining G/L Offset and Retainage Rules* for more information.

Defining the Sequence and Summarization for Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Invoice Generation

From Invoice Generation (G4824), choose Invoice Generation

When you generate a batch of invoices from the transactions in the Billing Workfile, the system automatically creates a new invoice for each customer. You must further define how you want the system to sequence and summarize the transaction information that appears on the invoices. To do this, you define a sequence and summarization key.

Defining the sequence and summarization consists of the following:

- Locating a sequence and summarization key
- Defining a sequence and summarization key

The sequence and summarization key that you define indicates divisions within generated batches of invoices and the individual invoices within a batch. You must define these divisions at the following levels:

Invoice level (I)

When the sequence and summarization key you define changes at the invoice level, the system creates a new invoice with a unique invoice number.

Pay item level (P)

When the sequence and summarization key you define changes at the pay item level, the system creates a new line of billing detail for the invoice. The system assigns the new line of billing detail a unique pay item number.

The system uses the sequence and summarization key that you define to:

- Assign invoice numbers
- Summarize transactions by invoice and pay item
- Control how the transactions appear in the A/R Account Ledger table when you create the A/R and G/L entries
- Update the workfile transaction with the applicable key information

For example, you can define a sequence and summarization key with business units (jobs) at the invoice level and subledgers (work orders) at the pay item level. During invoice generation, the system uses the key to:

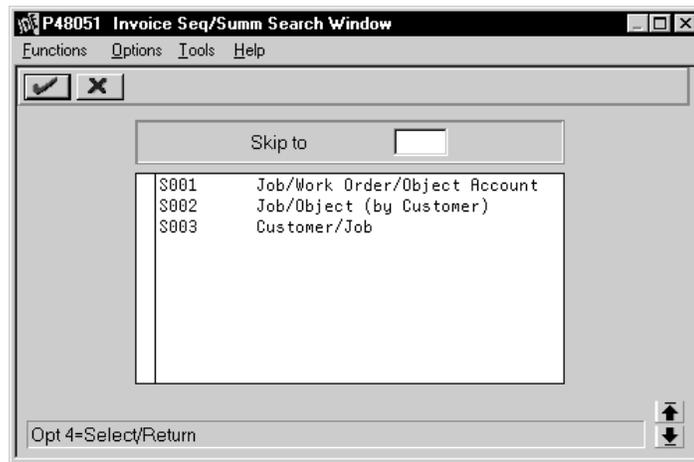
- Create a new invoice number when the business unit (job) changes
- Create a new pay item number when the subledger (work order) changes for a business unit (job)

You can have only one customer number per invoice. The system creates a new invoice number if the customer number changes, regardless of how you set up your sequence and summarization key.

► To locate a sequence and summarization key

On Invoice Generation

1. Choose Field Sensitive Help for the following field:
 - Invoice/Pay Item Sequence



2. On Invoice Sequence/Summarization Search Window, choose Select/Return for a specific sequence and summarization key.

Field	Explanation
Summarization Key – Service Billing	The table key that identifies how the system summarized the service billing invoice. Within each table that is identified by the table key, there are multiple associated key fields to specify the level and method for sorting and summarizing the service billing detail transactions.

What You Should Know About

Invoice generation selections

After you run the generation, the system retains the values you entered on the Invoice Generation form. If you do not change the values on the form, the system runs the program using the values you entered for the last generation.

Accessing sequence and summarization keys

You use Field Sensitive Help to access sequence and summarization keys directly from Invoice Generation. Alternately, you can access sequence and summarization keys from the Service Billing Setup menu (G4841).

Displaying all sequence and summarization keys

The system displays the last value you entered on the Invoice Generation form in the Skip To field. Clear the Skip To field to review a list of all the sequence and summarization keys you have defined for your system.

► To define a sequence and summarization key

On Invoice Generation

1. Choose Edit Invoice/Pay Item Key.



2. On Invoice Sequence/Summarization Key Setup, complete the following fields for each data item you want to include in the key:
 - Sequence/Summarization Key
 - Key Description
 - Sequence Number
 - Summarization Code

Field	Explanation
Key Description	A description, remark, name, or address. <i>Form-specific information</i> A description that identifies the sequence of data items that this table controls.
Sequence Number	A number that identifies where in the sequence this data item should appear.
Summarization Code – Service Billing	A code that identifies how the system summarizes records in the Service Billing Workfile when you generate invoices. <ul style="list-style-type: none"> I Summarize at the invoice number level P Summarize at the invoice pay item level Note: You must specify one I and one P for each sequence/summarization key.

What You Should Know About

Assigning sequence numbers

You can use as many data items as you want to sequence billing detail. The sequence numbers you use control how the system groups billing information within the generated batch of invoices and on the invoices within the batch.

Generating a Batch of Invoices for Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Invoice Generation

From Invoice Generation (G4824), choose Invoice Generation

Run the Invoice Generation program to group workfile transactions and assign invoice numbers. When you run the Invoice Generation program, the system creates pay item records. Pay items are the billing lines that summarize one or more workfile transactions. The pay items for a specific invoice make up the total amount of the invoice. The system stores pay item information in the Invoice Summary Workfile (F4822). The program also updates the workfile transaction records with the new invoice information and the sequence/summarization key information.

After you run the Invoice Generation program, the system generates a report that includes the following information:

- Invoice number and related pay items
- Totals by invoice
- Batch number
- Any applicable tax information
- Sequence and summarization code

Before You Begin

- Generate workfile transactions
- Define the sequence and summarization of the invoice information
- Define layouts if you want to print invoices during generation

► **To generate a batch of invoices**

On Invoice Generation

1. Complete the following fields:
 - G/L Date
 - A/R Company
 - Invoice Data Selection
 - Invoice/Pay Item Sequence
2. Complete the following optional fields:
 - Bill Thru Date
 - Invoice Date
3. Choose Submit to Batch.

The system prompts you to submit the batch.

4. Choose Submit.

Field	Explanation
Document Company (Invoice)	Invoice Document Company.
Bill Through Date	<p>A cut-off date. The transactions you enter after this date will not be billed in this billing cycle.</p> <p>If you leave this field blank, the system provides a default cut-off date based on the G/L date. The invoice generation process uses this cut-off date to compare against the Table Basis Date (WDTBDT) stored on the billing detail transaction. If the Table Basis Date is greater than the cut-off date, the billing detail transaction will NOT be included in the invoice batch.</p>
Invoice Date	The date assigned to the invoice. The system updates this date during the invoice generation process.

Service Billing Invoice Generation

Batch Number . . . 6067522		G/L Date 06/30/98		Invoice Date . . 06/30/98		Summarization Key . . S001		Page No. 2		Table Key. . . 5/20/96		
Invoice Number	Pay Itm	Revenue Amount	Tax Amount	Customer Address	Customer Name	Business Unit	G/L Offs	Rtnng Offs	Table Type/	Information Key	Cur Cod	Exchange Rate
8158	001	1.12		150 DIA Property Management C				RETN	5		150	
Inv. Total:		1.12										
8159	001	1,575.60		150 DIA Property Management C		6001		RETN	5		150 USD	
8159	002	2,446.40		150 DIA Property Management C		6001		RETN	5		150	
8159	003	740.32		150 DIA Property Management C		6001		RETN	5		150	
8159	004	11.56		150 DIA Property Management C		6001		RETN	5		150 USD	
8159	005	271.84		150 DIA Property Management C		6001		RETN	5		150 USD	
8159	006	531.30		150 DIA Property Management C		6001		RETN	5		150	
Inv. Total:		5,577.02										

What You Should Know About

Creating preliminary invoices

If you set up the system constants to renumber invoices, the system assigns preliminary numbers to the invoices during invoice generation. When you create the G/L and A/R entries for the final invoices, the system reassigns the numbers and document types.

Invoice generation selections

After you run the generation, the system retains the values you entered on the Invoice Generation form. If you do not change the values on the form, the system runs the program using the values you entered for the last generation.

See Also

- *Printing Invoices Automatically for Billing (P48504)*
- *Invoice Formatting – Service Billing Guide* for more information about defining layouts

Processing Options for Service Billing Invoice Generation

INVOICE DOCUMENT TYPE OVERRIDE:
1. Enter the Invoice Document Type.
Leave blank (default) to use the Document Type specified in the Service Billing Constants.



Exercises

See the exercises for this chapter.

Test Yourself: Generate Invoices Automatically

1. True or False

You create a sequence and summarization key to separate the billing information for a batch of invoices at either the invoice or the pay item level.

2. True or False

The sequence and summarization keys control how transactions appear in the Accounts Receivable Ledger table.

3. True or False

Regardless of other sequence and summarization information, the system creates a new invoice number each time the customer number changes.

4. True or False

Sequence numbers can be assigned without summarization information, but summarization information must be assigned with a sequence number.

The answers are in *Appendix A – Test Yourself Answers*.

Work with Invoices for Billing

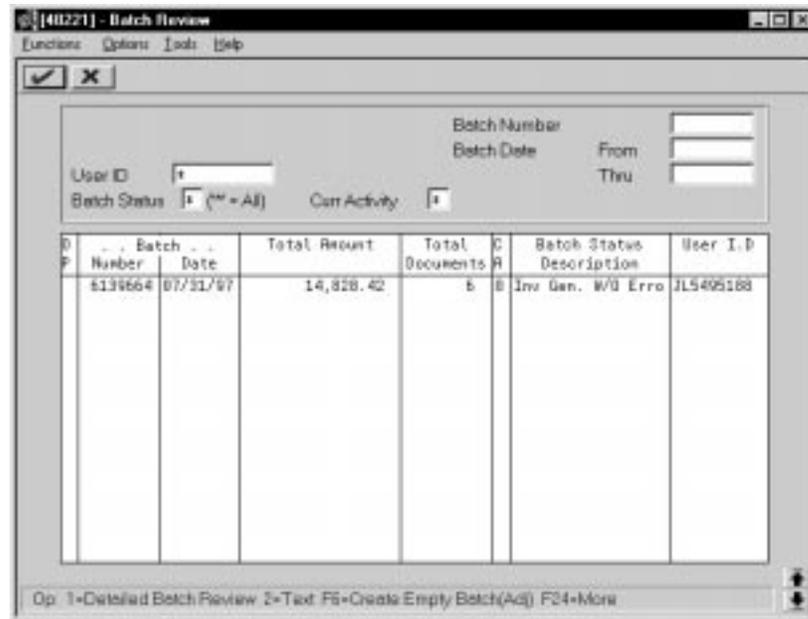
Working with Invoices for Billing

When you generate invoices, the system creates a batch of invoice transactions and stores the information in the Invoice Summary Workfile. You can review and revise the batch of transactions to prepare it for further processing.

For example, if you print invoices for review by project managers, you can use the batch review process to make any corrections.

Working with invoices consists of the following tasks:

- Reviewing invoices
- Decreasing invoice amounts
- Calculating retainage amounts



See Also

- *Adding Transactions to an Invoice for Billing* to increase the amount on an invoice

Reviewing Invoices for Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Invoice Generation

From Invoice Generation (G4824), choose Batch Review

When you generate invoices, the system creates a batch of invoice transactions. It also updates the workfile transaction with the following information:

- Invoice number
- Invoice date
- Pay item number
- Batch number
- Journal status

To verify the invoice information, you can review it at the following levels:

- Batch header information, including the batch status description and current activity
- Invoices for a selected batch
- Pay items for a selected invoice
- Individual workfile transactions for a selected pay item

As you review the different levels of an invoice, you can revise specific information. For example, you can decrease an invoice amount or add transactions to an invoice.

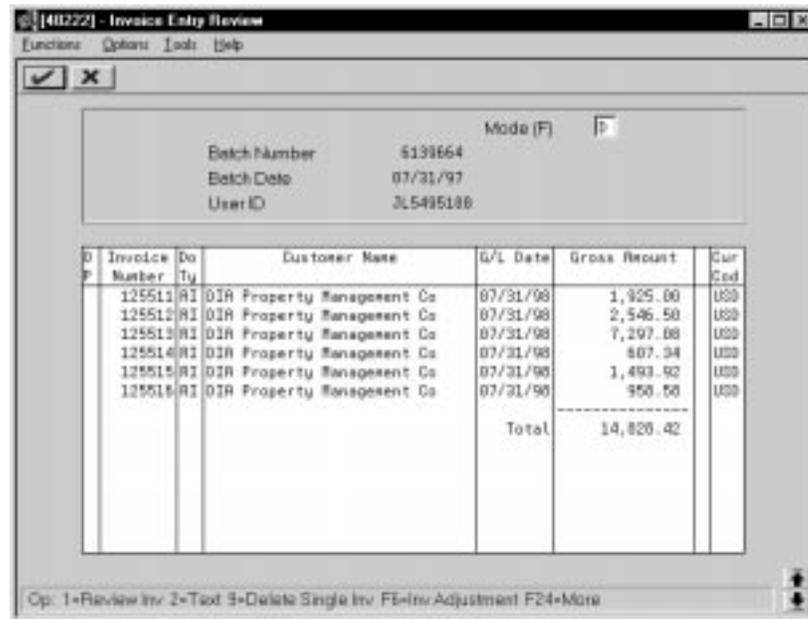
► **To review invoices**

On Batch Review

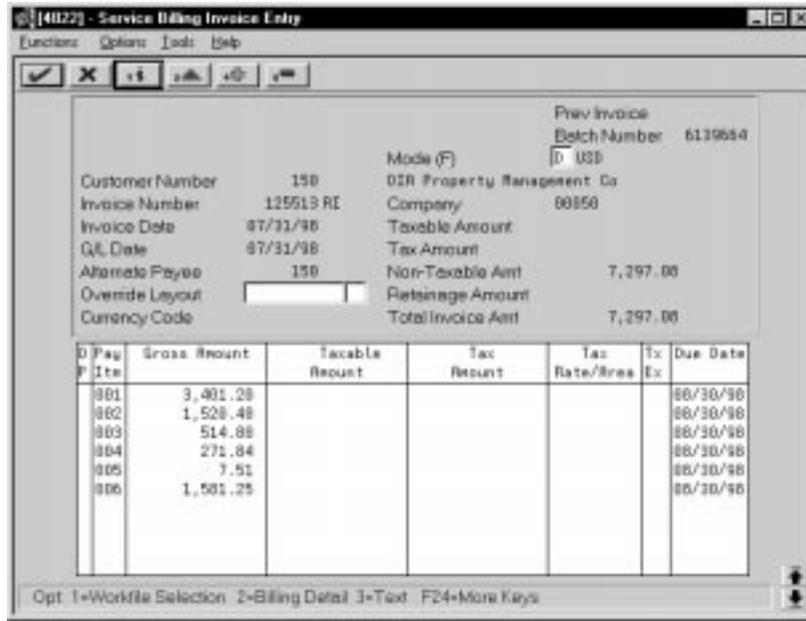
1. To locate a batch of invoices, complete any of the following fields:
 - Batch Number
 - Batch Date From
 - Batch Date Thru
 - User ID

If you place an asterisk in the User ID field, the system displays all batches created by all users regardless of the batch activity status. The system displays the most current batch last.

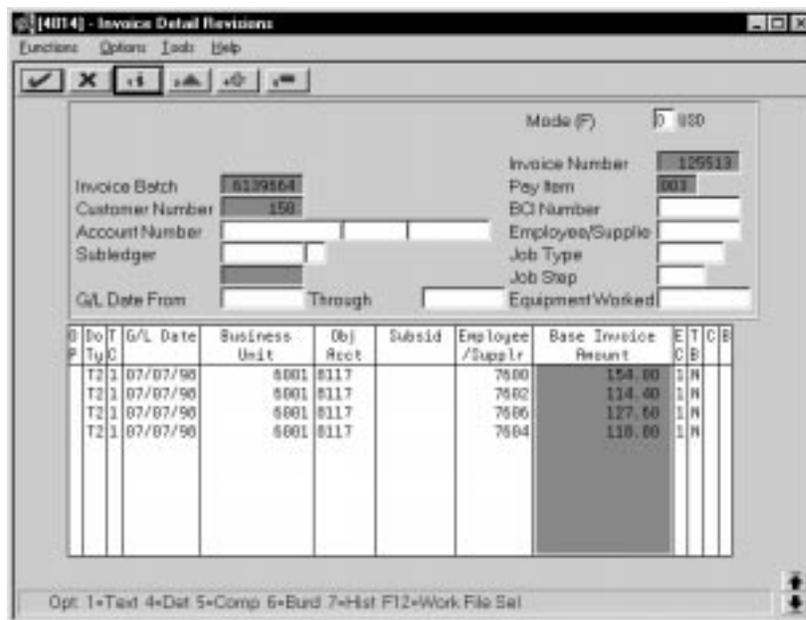
2. To limit the list of batches, complete the following optional fields:
 - Batch Status
 - Current Activity
3. Review the following fields for a batch:
 - Batch Number
 - Current Activity
 - Batch Status Description
4. To review the invoice information for a specific batch, choose Detailed Batch Review.



5. On Invoice Entry Review, review the following fields:
 - Invoice Number
 - Customer Name
 - G/L Date
6. To review the details for an invoice, choose Review Invoice.



7. On Service Billing Invoice Entry, review the following fields:
 - Pay Item
 - Gross Amount (This Period)
 - Taxable Amount
 - Tax Amount
8. To review the details for a specific pay item, choose Billing Detail.



9. On Invoice Detail Revisions, review the workfile transactions that make up a pay item.

Field	Explanation
Batch Number	<p>A number that associates a group of transactions with an invoice batch.</p> <p>..... <i>Form-specific information</i></p> <p>The header field identifies the number of a particular batch that you want to display.</p> <p>The detail field indicates the numbers of the individual batches that display.</p> <p>NOTE: If the OP (Option) field to the left of a batch number is highlighted, has extended text attached to it.</p>
Batch Date	<p>The date of the batch. If you leave this field blank, the system date is used.</p> <p>..... <i>Form-specific information</i></p> <p>The Batch Date From/Thru fields let you select batches that were created within a specified date range.</p> <p>The Batch Date field indicates the date that the individual batches were created.</p>
Date Thru:	<p>The ending date of the range for the batches you want to display. If you specify a From date and leave the Thru date blank, the system displays all batches with that batch date and future batch dates.</p>
Batch Status	<p>A control function in the Service Billing and Contract Billing systems. The system verifies the following values prior to executing various jobs to ensure the functions are performed in the proper sequence. Valid codes are:</p> <ul style="list-style-type: none"> blank Invoices have not been created 0 Manual adjustment in Contract Billing 1 Invoices generated without errors 2 Invoices generated with errors 3 Revenue journals created without errors 4 Revenue journals created with errors 5 Invoice journals created without errors 6 Invoice journals created with errors 7 Batch changed – rerun journals 8 Active revenue batch found <p>The batch status description is a user defined code (48/BS).</p>

Field	Explanation
Current Activity	<p>Identifies the processing cycle step that is currently active. This field maintains the integrity of the batch member throughout the Service Billing and Contract Billing systems. The Batch Validation form uses this field to ensure that the Batch Number selected is qualified for a particular function.</p> <p>Valid values are:</p> <ul style="list-style-type: none"> 0 Available 1 Generation in process 2 Maintenance in process 3 Journal generation in process 4 Batch delete in process 5 Invoice printing in process 6 Batch posting 7 Selection in progress * Display all batches <p>..... <i>Form-specific information</i></p> <p>There are two Current Activity fields on this form.</p> <ul style="list-style-type: none"> • Header Field – lets you display batches that are in a particular step of the invoice cycle. • Detail Field (CA) – indicates the current step of the invoice cycle for the individual batches that display.
Data Item Description	<p>A brief description of a code or abbreviation.</p> <p>..... <i>Form-specific information</i></p> <p>A description that identifies the status of the batch.</p>
Data Item Description	<p>A brief description of a code or abbreviation.</p> <p>..... <i>Form-specific information</i></p> <p>The customer who will receive the invoice.</p>
Amount – Total Pay Item	<p>The amount that is billed for this pay item, including any applicable sales tax.</p> <p>..... <i>Form-specific information</i></p> <p>The 'Total' row that appears on this screen indicates the total amount of all of the invoices in this batch.</p> <p>The Gross Amount is the total current billing amount for an invoice.</p>

What You Should Know About

Deleting a batch

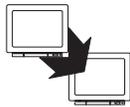
Use Batch Delete to delete any batches with or without invoice information that you do not want. When you delete a batch:

- You can set the processing option to print a report to retain an audit trail of the invoice information you delete.
- The system does not keep an audit trail for the batch number, which comes from the Foundation Environment (system 00).

Revising a batch header

Use Batch Header Revisions to revise the status and current activity of a batch. For example, you might need to do this if the generation program does not complete normally due to power failure. In this case, the current activity status would prevent you from accessing the batch for further processing.

Decreasing Invoice Amounts for Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Invoice Generation

From Invoice Generation (G4824), choose Batch Review

As you review invoice information, you might need to decrease an invoice amount. You can decrease the amount of an invoice by changing the pay items or deleting the invoice.

Decreasing invoice amounts consists of the following:

- Decreasing a pay item amount
- Deleting a pay item
- Deleting an invoice

See Also

- *Adding Transactions to an Invoice for Billing* to increase the amount of an invoice

To decrease a pay item amount

On Batch Review

1. To locate a batch of invoices, complete any of the following fields:
 - Batch Number
 - Batch Date From
 - Batch Date Thru
 - User ID

If you place an asterisk in the User ID field, the system displays all batches created by all users regardless of the batch activity status. The system displays the most current batch last.

2. To limit the list of batches, complete the following optional fields:
 - Batch Status
 - Current Activity
3. To review the invoice information for a specific batch, choose Detailed Batch Review.
4. On Invoice Entry Review, choose Review Invoice to review the details for an invoice.
5. To review the details for a specific pay item, choose Billing Detail.
6. On Invoice Detail Revisions, choose Remove Transaction From Invoice to delete a specific transaction in the pay item.
7. Use the Change action.

If the pay item no longer includes transactions and the gross amount field is blank, the system does not delete the pay item number.

To delete a pay item

On Batch Review

1. To locate a batch of invoices, complete any of the following fields:
 - Batch Number
 - Batch Date From
 - Batch Date Thru
 - User ID

If you place an asterisk in the User ID field, the system displays all batches created by all users regardless of the batch activity status. The system displays the most current batch last.

2. To limit the list of batches, complete the following optional fields:
 - Batch Status
 - Current Activity
3. To review the invoice information for a specific batch, choose Detailed Batch Review.
4. On Invoice Entry Review, choose Review Invoice to review the details for an invoice.
5. On Service Billing Invoice Entry, choose Delete for a specific pay item in the invoice.
6. Use the Change action.

 **To delete an invoice**

On Batch Review

1. To locate a batch of invoices, complete any of the following fields:
 - Batch Number
 - Batch Date From
 - Batch Date Thru
 - User ID

If you place an asterisk in the User ID field, the system displays all batches created by all users regardless of the batch activity status. The system displays the most current batch last.

2. To limit the list of batches, complete the following optional fields:
 - Batch Status
 - Current Activity
3. Choose Detailed Batch Review to review the invoice information for a specific batch.
4. On Invoice Entry Review, choose Delete for the invoice.

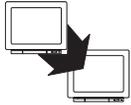
If you delete the only remaining invoice in the batch, the system automatically deletes the batch header information without leaving an audit trail.



Exercises

See the exercises for this chapter.

Calculating Retainage Amounts for Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Invoice Generation

From Invoice Generation (G4824), choose Batch Review

Retainage is a percentage of the invoice amount that your company is paid after the work is complete. For example, you can have a 10 percent retainage withheld on the billings to a customer. After the work is complete, the customer authorizes the payment of the amount of the invoice that was withheld.

When you enter a retainage amount or percent for an invoice amount, the system calculates the retainage and updates the pay item with the retainage amount. After the customer authorizes payment of the retainage amount, you must release the retainage.

You can change retainage amounts or percents for individual invoices on the Service Billing Invoice Entry form. For example, you might need to change a retainage amount if you have changed the retainage rules for the system, but you generated invoices prior to the change.

► **To calculate retainage amounts**

On Batch Review

1. To locate a batch of invoices, complete any of the following fields:
 - Batch Number
 - Batch Date From
 - Batch Date Thru
 - User ID

If you place an asterisk in the User ID field, the system displays all batches created by all users regardless of the batch activity status. The system displays the most current batch last.

2. To limit the list of batches, complete the following optional fields:
 - Batch Status

- Current Activity
3. To review the invoice information for a specific batch, choose Detailed Batch Review.
 4. On Invoice Entry Review, choose Review Invoice to review the details for an invoice.
 5. On Service Billing Invoice Entry, choose Tax Amount/Retainage Toggle.

The screenshot shows a window titled "[4022] - Service Billing Invoice Entry". It contains the following fields:

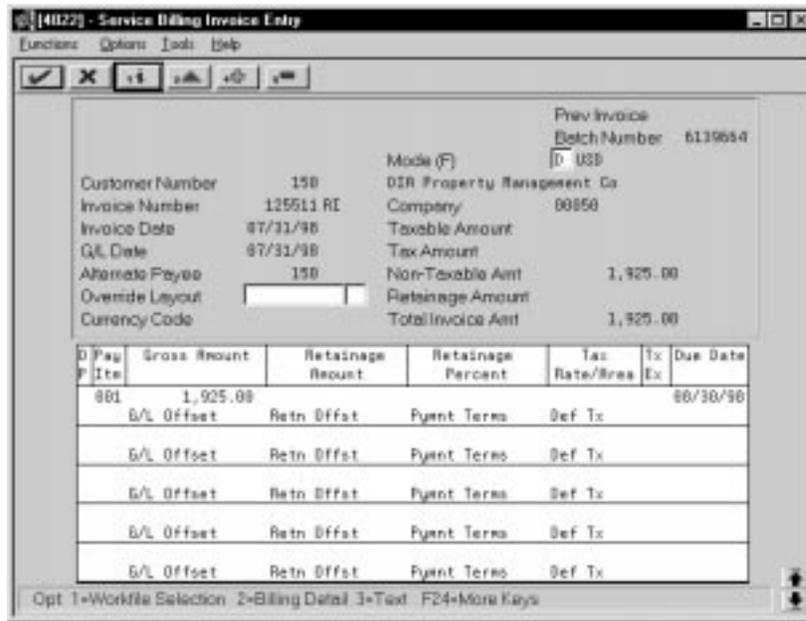
- Customer Number: 150
- Invoice Number: 125511 RI
- Invoice Date: 07/31/98
- Q/L Date: 07/31/98
- Alternate Payee: 150
- Override Layout: []
- Currency Code: []
- Mode (F): []
- DIR Property Management Co
- Company: 00550
- Taxable Amount: []
- Tax Amount: []
- Non-Taxable Amt: 1,925.00
- Retainage Amount: []
- Total Invoice Amt: 1,925.00
- Prev Invoice Batch Number: 613954
- Prev Invoice: []

Below the fields is a table with the following columns: D Pag, P Its, Gross Amount, Retainage Amount, Retainage Percent, Tax Rate/Rate, Tax Ex, and Due Date.

D Pag	P Its	Gross Amount	Retainage Amount	Retainage Percent	Tax Rate/Rate	Tax Ex	Due Date
	001	1,925.00					08/30/98

At the bottom of the window, there is a legend: Opt 1=Workfile Selection 2=Billing Detail 3=Text F24=More Keys.

6. To calculate or change retainage, complete one of the following fields:
 - Retainage Amount
 - Retainage Percent
7. Choose More Details.



8. To change the accounting rules associated with the journal entries for retainage, complete the following field:
 - Retainage Offset
9. Use the Change action.

What You Should Know About

Retainage offset

If you do not complete the Retainage Offset field to direct the system to a specific retainage account, the system uses the AAI for the Trade Accounts Receivable account.

See *Setting Up Automatic Accounting Instructions* in the *Accounts Receivable Guide* for more information.

Assigning G/L offset and retainage information

When you generate invoices automatically, the system assigns values to the following fields for each transaction:

- Payment Terms
- G/L Offset
- Retainage Percentage
- Retainage Offset

The system determines the correct values for these fields based on the sequence and summarization key that you define for the invoice batch and the information you define in the G/L Offset and Retainage rules.

For example, if your Invoice Level Summarization field is by subledger (work order), then you might set up your G/L Offset and Retainage Table with the valid key types subledger (work order) or work order class to locate the correct retainage rule.

See *Defining G/L Offset and Retainage Rules* for more information.

See Also

- *Defining G/L Offset and Retainage Rules (P48128)*
- *Releasing Retainage for Billing (P48221)*



Exercises

See the exercises for this chapter.

Create Invoices Manually for Billing

Creating Invoices Manually for Billing

You can manually generate invoices without running the Invoice Generation program. When you generate invoices manually, you can:

- Create a new batch header or add the invoices to an existing batch
- Create invoices you want to include in a batch
- Add transactions to individual invoices in a batch

For example, you might have an existing batch which includes invoices that you have already reviewed and revised. You can add another invoice to the batch manually without having to delete and regenerate the entire batch.

Creating invoices manually consists of the following tasks:

- Creating a batch header manually
- Creating an invoice manually
- Adding transactions to an invoice
- Releasing retainage

Creating a Batch Header Manually for Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Invoice Generation

From Invoice Generation (G4824), choose Batch Review

You can manually create a new batch header for invoices. When you create a new batch header, you can create a new batch. Creating a new batch is optional because you can add invoices to an existing batch. If you do not want to create a new batch, you do not need to create a batch header.

▶ **To create a batch header manually**

On Batch Review

1. Complete the following field and press Enter:
 - User ID

You do not have to specify a user ID. You can also create a batch header with an asterisk (*) in the User ID field. In either case, the system uses only the current user ID for the batch header.

2. Choose Create Empty Batch.

Creating an Invoice Manually for Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Invoice Generation

From Invoice Generation (G4824), choose Batch Review

You can manually create a new invoice. You can add the invoice to an existing batch or to a new batch header. Creating a new invoice is optional. You can also add transactions to an existing invoice.

▶ **To create an invoice manually**

On Batch Review

1. To locate a batch of invoices, complete any of the following fields:

- Batch Number
- Batch Date From
- Batch Date Thru
- User ID

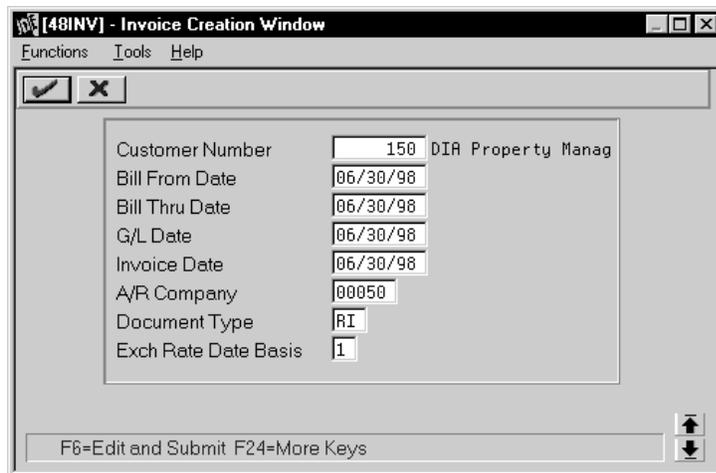
If you place an asterisk in the User ID field, the system displays all batches created by all users regardless of the batch activity status. The system displays the most current batch last.

2. To limit the list of batches, complete the following optional fields:

- Batch Status
- Current Activity

3. To review the invoice information for a specific batch, choose Detailed Batch Review.

4. On Invoice Entry Review, choose Invoice Adjustment.



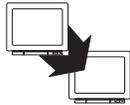
5. On Invoice Creation Window, complete the following fields:
 - Customer Number
 - Bill From Date
 - Bill Thru Date
 - Invoice Date
 - A/R Company
6. If you work in a multi-currency environment, complete the following field:
 - Exchange Rate Date Basis
7. Complete the following optional fields:
 - G/L Date
 - Document Type
8. Choose Edit and Submit.

The new invoice appears on Invoice Entry Review without a gross amount. You can then add workfile transactions to the invoice or release retainage.

Field	Explanation
Application Date	The date of the last or current application. (An application is assigned each time an invoice is issued for the contract.) <i>Form-specific information</i> The date that the system assigns to the invoice. This date is updated during the invoice generation process, but you can override it when you select an invoice batch for invoice journal generation. This override function is controlled by the Billing System Constants.

Field	Explanation
G/L Date	<p>The date that identifies the financial period to which the source transaction was posted. Based on the company's fiscal year and current accounting period, the system edits the date for PBCO (posted before cutoff), PYEB (prior year ending balance), PACO (post after cutoff), and WACO (post way after cutoff).</p> <p>..... <i>Form-specific information</i></p> <p>The system assigns the G/L date during the invoice generation process. You can override that date, however, when you select an invoice batch for invoice journal generation. You control this override function with the Billing system constants.</p>

Adding Transactions to an Invoice for Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Invoice Generation

From Invoice Generation (G4824), choose Batch Review

The Invoice Summary Workfile might not contain all the billable amounts you have entered during the accounting cycle. To account for this, you need to:

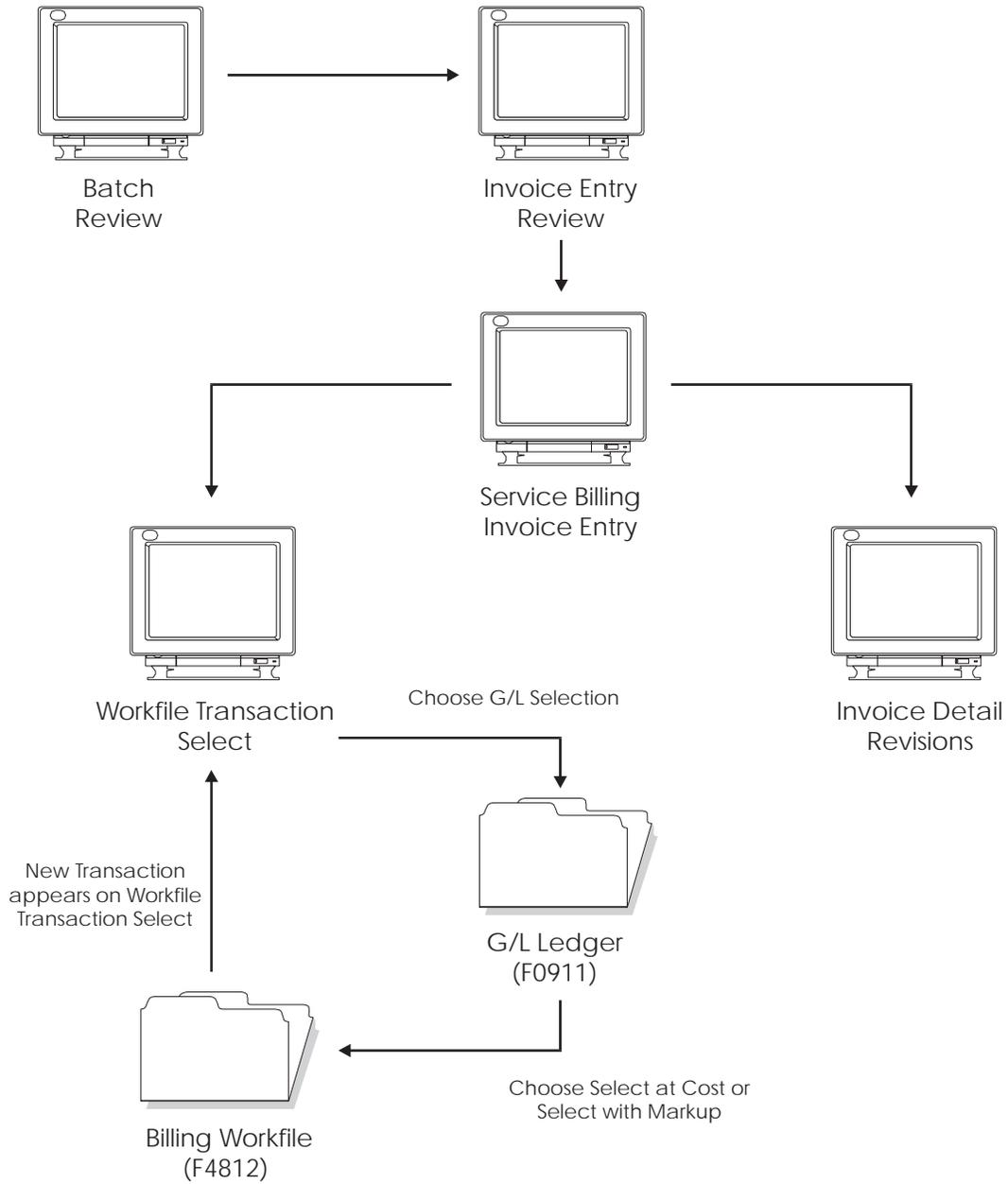
- Review the existing transactions in the Billing Workfile that are not currently in an invoice batch
- Manually add transactions that exist in the Billing Workfile
- Manually add costs that exist in the Account Ledger table and are not currently in the Billing Workfile, if necessary
- Manually add ad-hoc costs or credits to the invoice, if necessary

You can add workfile transactions to a new invoice, an existing pay item in an invoice, or a new pay item.

Adding transactions to an invoice consists of the following:

- Adding transactions from the workfile
- Adding existing G/L transactions
- Adding ad-hoc transactions to an invoice

The following graphic illustrates the steps that you take to add transactions to an invoice.



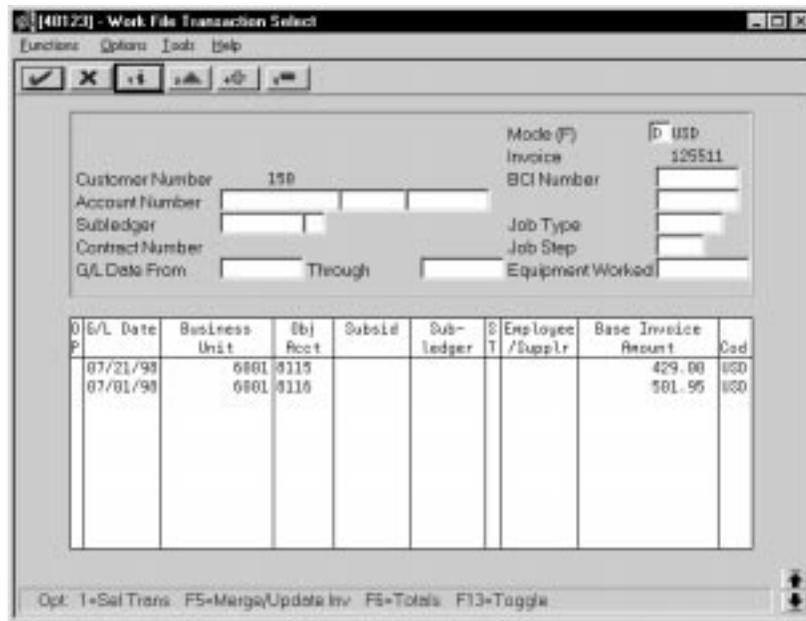
► **To add transactions from the workfile**

On Batch Review

1. To locate a batch of invoices, complete any of the following fields:
 - Batch Number
 - Batch Date From
 - Batch Date Thru
 - User ID

If you place an asterisk in the User ID field, the system displays all batches created by all users regardless of the batch activity status. The system displays the most current batch last.

2. To limit the list of batches, complete the following optional fields:
 - Batch Status
 - Current Activity
3. To review the invoice information for a specific batch, choose Detailed Batch Review .
4. On Invoice Entry Review, choose Review Invoice to review the details for an invoice.
5. On Service Billing Invoice Entry, choose Workfile Selection for a specific pay item.



6. On Work File Transaction Select, choose Select Transaction for one or more transactions.
7. Choose Merge/Update Invoice.

The system merges the workfile transaction information into the invoice pay item.



The system prevents you from merging taxable and nontaxable transactions into the same pay item. If you merge taxable transactions into the same pay item, the transactions must have the same tax rate area and tax explanation. A blank in the Tax Rate/Area field is a valid tax code indicating that the pay item is nontaxable.

8. Choose Exit Program.
9. On Service Billing Invoice Entry, choose Billing Detail to review the transaction.

To add existing G/L transactions

On Batch Review

1. To locate a batch of invoices, complete any of the following fields:
 - Batch Number
 - Batch Date From
 - Batch Date Thru
 - User ID

If you place an asterisk in the User ID field, the system displays all batches created by all users regardless of the batch activity status. The system displays the most current batch last.

2. To limit the list of batches, complete the following optional fields:
 - Batch Status
 - Current Activity
3. To review the invoice information for a specific batch, choose Detailed Batch Review .
4. On Invoice Entry Review, choose Review Invoice to review the details for an invoice.
5. On Service Billing Invoice Entry, choose Workfile Selection for a specific pay item.
6. On Work File Transaction Select, choose G/L Selection.

7. On G/L Transaction Selection, complete the following field:
 - Business Unit
8. To limit the list of transactions, complete one or more of the following fields:
 - Date From
 - Date Thru
 - Object
 - Subsidiary
 - Subledger
 - Subledger Type
9. Choose one of the following for a specific transaction or a group of transactions:
 - Select at Cost
 - Select with Markup

The system processes the source transactions.

10. Choose Exit Program.
11. On Work File Transaction Select, use the Inquire action to review the transaction.
12. Choose Merge/Update Invoice.

The system merges the workfile transaction information into the invoice pay item.



The system prevents you from merging taxable and nontaxable transactions into the same pay item. If you merge taxable transactions into the same pay item, the transactions must have the same tax rate area and tax explanation. A blank in the Tax Rate/Area field is a valid tax code indicating that the pay item is nontaxable.

13. Choose Exit Program.
14. On Service Billing Invoice Entry, choose Billing Detail to review the transaction.



Exercises

See the exercises for this chapter.

► **To add ad-hoc transactions to an invoice**

You can add transactions to an invoice on an as-needed basis. For example, you might want to add a transaction to an invoice to create a credit memo.

On Batch Review

1. To locate a batch of invoices, complete any of the following fields:
 - Batch Number
 - Batch Date From
 - Batch Date Thru
 - User ID

If you place an asterisk in the User ID field, the system displays all batches created by all users regardless of the batch activity status. The system displays the most current batch last.

2. To limit the list of batches, complete the following optional fields:
 - Batch Status
 - Current Activity
3. To review the invoice information for a specific batch, choose Detailed Batch Review.
4. On Invoice Entry Review, choose Review Invoice to review the details for an invoice.
5. On Service Billing Invoice Entry, choose Billing Detail.
6. On Invoice Detail Revisions, complete the following fields:
 - G/L Date
 - Business Unit
 - Object
 - Subsidiary
 - Employee/Supplier (optional)
 - Eligibility Code
7. Choose More Details.
8. Complete the following optional fields:
 - Subledger
 - Subledger Type
9. Choose Transaction Detail.

10. On Amount/Unit Information, complete the following field:
 - Total Billing
11. Choose Transaction Update with Redisplay.
12. Choose Exit Program.
13. On Invoice Detail Revisions, choose Update and Redisplay.
14. Choose Exit Program to review the details for the invoice on Service Billing Invoice Entry.

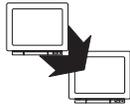
What You Should Know About

Removing ad-hoc transactions from an invoice

CAUTION: Ad-hoc transactions that you add to an invoice are not represented in the Account Ledger table. After you void the invoice, the system returns the ad-hoc transactions to the workfile. Ad-hoc transactions in the workfile are eligible for processing. You must change the status of the ad-hoc transactions and remove them from the workfile to prevent billing for the transactions in error.

See *Entering Ad-Hoc Transactions for Billing* for more information.

Releasing Retainage for Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Invoice Generation

From Invoice Generation (G4824), choose Batch Review

You release retainage when work is completed and the customer authorizes payment for the retained invoice amounts. When you release retainage, you manually create a pay item for the retained amount. You can add the pay item for retainage to an existing invoice or you can create an additional invoice. This retainage release invoice shows a negative amount representing the retained amounts from prior billings for your customer. You cannot release partial retained amounts.

J.D. Edwards recommends that you maintain a one-to-one relationship between your invoices and retainage release invoices. If you combine the retainage for multiple invoices on a single retainage release invoice, and you need to void one of the invoices and its retainage, you will have to void the retainage release invoice for all the invoices. Then, you must re-release retainage on the remaining invoices.

► **To release retainage**

On Batch Review

1. Complete the steps for creating an invoice manually.

See *Creating an Invoice Manually for Billing*.

2. On Invoice Entry Review, choose Review Invoice for the invoice.
3. On Service Billing Invoice Entry, choose Retainage Release for a pay item that does not include billing detail.

The system displays Invoice History Inquiry.

4. On Invoice History Inquiry, choose Release Retainage to release retainage for the invoice.
5. Choose Edit and Submit.

The system marks each invoice with P in the Retainage Release Only field.

6. Choose Exit Program.

After you release retainage, the system updates the following fields:

- On Service Billing Invoice Entry, the released retainage amount is displayed as a negative number in the Retainage Amount field.
- On Invoice Entry Review, the Gross Amount field is blank.
- On Batch Review, the Total Amount field includes the released retainage amount.

What You Should Know About

Retainage release invoices in a batch

If you generate a batch of invoices that includes invoices that were created to release retainage, the total amount for the batch is reduced by the total amount of the released retainage.

See Also

- *Voiding a Final Invoice for Billing* for more information about voiding invoices with retainage



Exercises

See the exercises for this chapter.

Print Invoices for Billing

Printing Invoices for Billing

After you generate and review invoices, you can print invoices for your customers. You can use the following methods to print invoices:

Automatically

You can print invoices for your customers as you generate invoices. Use this method to print invoices in a batch during invoice generation.

Manually

You can print invoices after you generate them. When you use this method, you can:

- Print invoices from any existing batch
- Reprint batches that include revised invoices
- Print invoices that have completed the billing process with workfile transactions in history

As you print invoices, the system adds the format type code in the accounting and internal control information for the related workfile transactions. This code indicates which invoice type was used to print the invoices.

Printing invoices consists of the following tasks:

- Printing invoices automatically
- Printing invoices manually

What You Should Know About

Invoice types

The invoice type you choose in the processing options when you run the Print Invoices program must correspond to the invoice type for the layout design you assign to the invoices. If the invoice types do not match, the invoices will not print.

Invoice layouts

You must assign a key type and table key combination to an invoice layout on the Format Cross-Reference form. If invoices do not print, you must revise the cross-reference information for the layout.

See *Assigning Layouts Globally*.

See Also

- *Invoice Formatting – Service Billing Guide* for more information about designing invoice layouts

Printing Invoices Automatically for Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Workfile Generation

From Workfile Generation (G4822), choose an option under the Invoice Processing heading

You can print invoices as you generate them. For example, you might want to print preliminary invoices for review.

Before You Begin

- Generate workfile transactions
- Define the sequence and summarization for the invoice information
- Define invoice layouts if you want to print the invoices during generation

▶ **To print invoices automatically**

On Invoice Generation

1. Complete the steps for generating invoices.

See *Generating Invoices for Billing*.

2. Complete the following field:
 - Invoice Print Version
3. Choose Submit to Batch.

Printing Invoices Manually for Billing

After you generate invoice batches, you can print the invoices. You can use the following methods to control the invoice type that the system uses to print the invoices:

- Override Format and Invoice Type fields on Service Billing Invoice Entry
- Key Type and Table Key fields on Format Cross Reference

You can assign an override format if you want to print invoices using a layout other than the one you specify on Format Cross-Reference. If you do not specify an override format, the system uses the key type and table key combination that you define on Format Cross-Reference to determine which invoice layout to print. The system uses the following hierarchy to search for layouts:

- Work order number
- Work order class
- Customer
- Job number
- Job class
- Company number

Printing invoices manually consists of the following:

- Assigning an override invoice layout
- Locating a batch of invoices to print
- Printing invoices after generation

Before You Begin

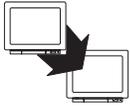
- Generate workfile transactions
- Define invoice layouts if you want to print the invoices during generation

What You Should Know About

Printing selected invoices in a batch

You can print selected invoices rather than an entire batch. To do this, use the data selection for the DREAM Writer version you specify during the printing process. For example, you can limit the print selection to a business unit or an invoice number.

▶ **To assign an override invoice layout**



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Workfile Generation

From Workfile Generation (G4822), choose Batch Review

On Batch Review

1. To locate a batch of invoices, complete any of the following fields:

- Batch Number
- Batch Date From
- Batch Date Thru
- User ID

If you place an asterisk in the User ID field, the system displays all batches created by all users regardless of the batch activity status. The system displays the most current batch last.

2. To limit the list of batches, complete any of the following optional fields:

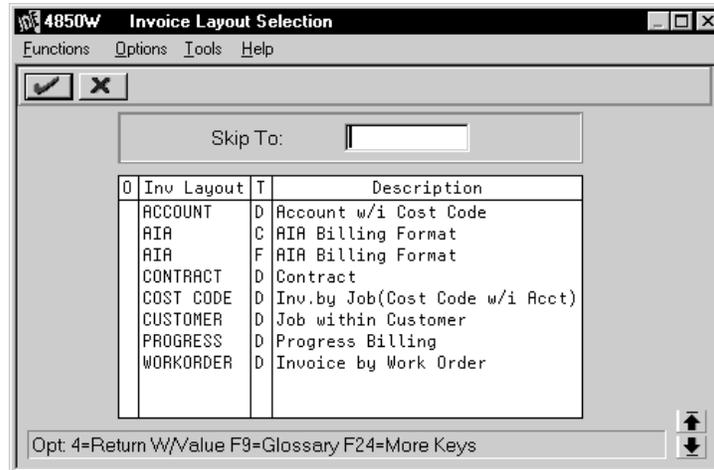
- Batch Status
- Current Activity

3. To review the invoice information for a specific batch, choose Detailed Batch Review.

4. On Invoice Entry Review, choose Review Invoice to review the details for an invoice.

5. On Service Billing Invoice Entry, choose Field Sensitive Help for the following field:

- Override Layout



- On Invoice Layout Selection, choose the invoice layout that you want the system to use.

The system completes the Override Format and Invoice Type fields.

- Use the Change action.

Both the Override Layout and Invoice Type fields must be complete for the override to work properly. You can select the invoice layout from the Invoice Format Selection form to complete both the Override Format and Invoice Type fields.

Field	Explanation
Override Layout	<p>A code that uniquely identifies a series of formats and determines the overall layout of the invoice.</p> <p>..... <i>Form-specific information</i></p> <p>A code that identifies the invoice layout that you want to override any other invoice layout previously defined for the invoice or batch.</p>
Invoice Type	<p>A user defined, alphanumeric code that identifies different versions of the same invoice layout. For example, you might use the codes D and F to distinguish draft invoice layouts from final invoice layouts.</p>

► **To locate a batch of invoices to print**



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Workfile Generation

From Workfile Generation (G4822), choose Print Invoices

On Print Invoices

The screenshot shows a window titled "[48200] - Print Invoices". Inside, there is a "Batch Validation Screen" with the instruction "Enter the Batch Number To Be Processed". Below this instruction are two input fields: "Batch Number" and "Version". At the bottom of the window, there is a status bar with the text "F3=Exit F6=Submit Batch F8=Versions List F24=More Keys".

1. Choose Field Sensitive Help for the following field:

- Batch Number

The screenshot shows a window titled "[48BN] - Batch Selection Window". At the top, there is a "User ID" field containing an asterisk (*). Below this is a table with two columns: "Batch" and "Current Activity". The table contains one row with the batch number "6069275" and the activity "Available". At the bottom of the window, there is a status bar with the text "Op: 4=Select F24=More Keys".

	Batch	Current Activity
0	6069275	Available

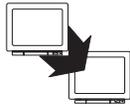
2. On Batch Selection Window, complete the following field and press Enter:

- User ID

If you place an asterisk in the User ID field, the system displays all batches created by all users regardless of the batch activity status. The system displays the most current batch last.

3. Choose Select for a specific batch of invoices.

▶ **To print invoices after generation**



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Workfile Generation

From Workfile Generation (G4822), choose Print Invoices

On Print Invoices

1. Complete the following field:
 - Batch Number
2. Choose Field Sensitive Help to select a program version.

If you do not select a version, the system runs the ZJDE0001 program.



The value for the invoice type in the processing option for the ZJDE0001 program might not correspond to the value indicated in the DREAM Writer title. If you need to change the invoice type for the print program, you can access this processing option when you select Print Invoices.

After you enter the information, the batch is ready to submit.

3. Choose Submit Batch.

The system displays the message *Verify Invoice Print Submission*.

4. Choose Submit Batch again.

What You Should Know About

Invoice types

The invoice type in the processing option for Print Invoices must correspond to:

- The invoice type for the layout design you assign to the invoices
- The invoice type for the DREAM Writer version that you specify on Print Invoices

If the invoice types do not match, the system cannot print the invoices. You can access the processing option for Print Invoices from the Invoice Generation menu if you need to change the invoice type.

Processing Options for Invoice Print Sequence Derivation

PRINT SELECTION:

1. Enter the Invoice Type to print.
-



Exercises

See the exercises for this chapter.

Work with A/R and G/L Entries for Billing

Working with A/R and G/L Entries for Billing

You complete the billing process by creating the following journal entries related to a batch of invoices:

- The credit for the account you specify in the account derivation rules you define for your system. The system stores the credit entry *temporarily* in the Detail Journal Workfile (F48910).
- The debit for the account you specify in the G/L offset and retainage rules you define for your system. The system stores the debit entry in the Invoice Summary Workfile (F4822).

Working with A/R and G/L entries consists of the following tasks:

- Creating preliminary A/R and G/L entries
- Reviewing preliminary A/R and G/L entries
- Creating final A/R and G/L entries
- Reviewing and posting journal entries

J.D. Edwards strongly recommends that you create and carefully review preliminary G/L entries *before* you create the final entries that post to the general ledger. If you post out of balance records to the general ledger, the only way to correct these balances is to void and regenerate the invoice.

Before You Begin

- Generate invoices
- Define account derivation rules

Creating Preliminary A/R and G/L Entries for Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Invoice Generation

From Invoice Generation (G4824), choose Invoice Journal Generation

You complete the billing process by creating journal entries. You first create preliminary A/R and G/L entries. When you create the entries, the system prints the Invoice Journal Generation report. You can also set a processing option to print the Service Billing Journal Register. You should carefully review these reports to ensure that you do not create final journal entries that create out-of-balance records in the general ledger.

Creating preliminary A/R and G/L entries consists of the following:

- Creating preliminary A/R and G/L entries
- Revising override dates

When you run Invoice Journal Generation, the system:

- Creates preliminary journal entries from the transactions in the Billing Workfile. The account derivation rules you define on the Account Derivation Table form determine which accounts the system assigns to the credit side of the journal entries.
- Updates the batch status description for the batch.
- Temporarily stores the details for the preliminary G/L entries in the Detail Journal Workfile (F48910).
- Prints the Invoice Journal Generation report with accounting rule information and journal entry detail.
- Compresses the detail journal workfile information and stores it temporarily in the Compressed Journal Workfile (F48911).
- Prints the Service Billing Journal Register with the compressed information as a summary of the journal entry detail.

See Also

- *Printing Invoices Manually (P48504)* for information about locating a batch of invoices
- *Defining Account Derivation Rules (P48126)*
- *Appendix D – Accounting for the Billing Cycle* for more information about how the Service Billing system uses account derivation rules

► **To create preliminary A/ R and G/L entries**

On Invoice Journal Generation

The screenshot shows a window titled "[40200] - Invoice Journal Generation". Inside the window, there is a "Batch Validation Screen" with the instruction "Enter the Batch Number To Be Processed". Below this instruction are two input fields: "Batch Number" and "Version". The window has a menu bar with "Functions", "Exit", and "Help". At the bottom of the window, there is a footer bar with the text "F3=Exit F5=Submit Batch F8=Versions F10=Override Data F24=More Keys".

1. Complete the following fields and press Enter:
 - Batch Number
 - Version (optional)

If you leave the Version field blank, when you choose Enter, the system automatically uses the ZJDE0001 version.

2. Choose Submit Batch.

The system displays the Exit and Submit Job Window so you can verify the batch post submission.

3. Choose Submit Job.



Exercises

See the exercises for this chapter.

► To revise override dates

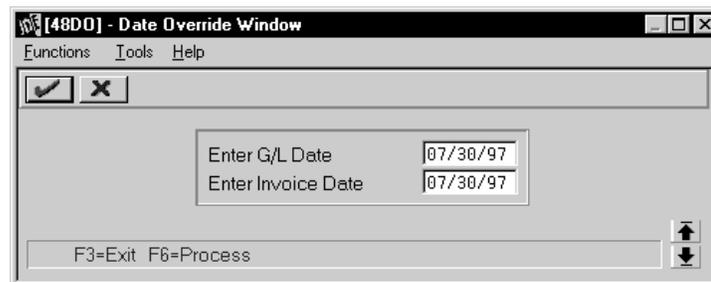
You use a system constant to control when the system displays the Date Override Window on Invoice Journal Generation. You can set the constant so that the system:

- Always displays the window
- Only displays the window when you choose Override Date
- Never displays the window

The date that the system displays in the Date Override Window is always the current system date.

On Invoice Journal Generation

1. Complete the following fields:
 - Batch
 - Version
2. Choose Override Date.



3. On Date Override Window, complete the following fields and press Enter:
 - Enter G/L Date
 - Enter Invoice Date
4. Choose Process.
5. Choose Submit Batch.

The system displays the Exit and Submit Job window so you can verify the batch post submission.

6. Choose Submit Job.

Processing Options for Invoice Journal Generation

JOURNAL DESCRIPTION SELECTION:

1. Choose one of the following for the journal entry description:
 - '1' = Use the description from the Vocabulary Overrides based on the Table Type.
 - '2' = Use the description associated with the subledger value.
 - ' ' = Use the description from the Account Master for the Account being used (default).

PRINT REPORT SELECTION:

2. Enter a '1' to print the Billing Edit/Register (P48300).

REVENUE JOURNAL VERSION SELECTION:

3. Enter the version number of the Revenue Journal Generation program (P48132) for processing any adjustments. Leave blank (default) to use version 'XJDE0001'.

SUPPRESS WARNING MESSAGES:

4. Choose one of the following to control the printing of the exception report:
 - ' ' = Print all records (default).
 - '1' = Print warnings and errors.
 - '2' = Print errors only.
 - '3' = Do not print the report.

Reviewing Preliminary A/R and G/L Entries for Billing

When the system creates preliminary A/R and G/L entries, you can review the batch status on Batch Review to determine whether the entries were generated with errors. To verify the information for the general ledger journal before you create the final A/R and G/L entries, you can review the following reports:

- Invoice Journal Generation Report, to review the detail of all cost transactions that make up the pay items for your invoices, and the accounting rules for the transactions
- Billing Journal Register, to review journal entry details summarized by business unit, object, subsidiary, and subledger

Depending on how you set your processing options, the reports can include error messages and warnings related to the journal information.

Review the Billing Journal Register first for errors and warnings. Use the Invoice Journal Generation Report to locate errors resulting from the account derivation rules.

Invoice Journal Generation

48131

J.D. Edwards & Company
Invoice Journal Generation

Page - . . . 3
Date - . . . 5/20/96

Batch Number 6067522

Customer Number	Customer Name	Transaction Type/Key	T Comp Value	T Code	G/L Date	WO Cls	Job Cls	Job Type	Job Step	LT	Original Account ID. / Resulting Account ID.	Subldgr Subldgr	L T	Batch Number	Cost Amount / Resulting Amount	Invoice Number
150	DIA Property Managem	6	6001 3		06/30/98			6S-1	AA		6001.8110 50.1215			6067522	350.00 525.20-	8159
150	DIA Property Managem	6	6001 3		06/30/98			6S-1	AA		6001.8110 50.1215			6067522	350.00 525.20-	8159
150	DIA Property Managem	6	6001 3		06/30/98			6S-1	AA		6001.8110 50.1215			6067522	350.00 525.20-	8159
150	DIA Property Managem	6	6001 3		06/30/98			6S-1	AA		6001.8125 50.1215			6067522	5.25 5.78-	8159
150	DIA Property Managem	6	6001 3		06/30/98			6S-1	AA		6001.8125 50.1215			6067522	5.25 5.78-	8159
150	DIA Property Managem	6	6001 3		06/30/98			6S-1	AA		6001.8126 50.1215			6067522	.67 .74-	8159
150	DIA Property Managem	6	6001 3		06/30/98			6S-1	AA		6001.8126 50.1215			6067522	20.96 23.06-	8159
150	DIA Property Managem	6	6001 3		06/30/98			6S-1	AA		6001.8126 50.1215			6067522	20.96 23.06-	8159
150	DIA Property Managem	6	6001 3		06/30/98			6S-1	AA		6001.8126 50.1215			6067522	4.23 4.65-	8159
150	DIA Property Managem	6	6001 3		06/30/98			6S-1	AA		6001.8126 50.1215			6067522	4.90 5.39-	8159
150	DIA Property Managem	6	6001 3		06/30/98			6S-1	AA		6001.8126 50.1215			6067522	.67 .74-	8159
150	DIA Property Managem	6	6001 3		06/30/98			6S-1	AA		6001.8126 50.1215			6067522	20.95 23.05-	8159
150	DIA Property Managem	6	6001 3		06/30/98			6S-1	AA		6001.8126 50.1215			6067522	20.95 23.05-	8159
150	DIA Property Managem	6	6001 3		06/30/98			6S-1	AA		6001.8126 50.1215			6067522	4.23 4.65-	8159
150	DIA Property Managem	6	6001 3		06/30/98			6S-1	AA		6001.8126 50.1215			6067522	4.90 5.39-	8159
150	DIA Property Managem	6	6001 3		06/30/98			6S-3	AA		6001.8115 50.1215			6067522	260.00 390.00-	8159
150	DIA Property Managem	6	6001 3		06/30/98			6S-3	AA		6001.8115 50.1215			6067522	260.00 390.00-	8159
150	DIA Property Managem	6	6001 3	DUES	06/30/98			6S-3	AA		6001.8115 50.1215			6067522	2.80-	8159
150	DIA Property Managem	6	6001 3		06/30/98			6S-3	AA		6001.8116 50.1215			6067522	78.00 117.04-	8159
150	DIA Property Managem	6	6001 3		06/30/98			6S-3	AA		6001.8126 50.1215			6067522	.49 .54-	8159

Journal Register Listing

48300		J.D. Edwards & Company				Page No. . . . 2						
		Journal Register Listing				Date - . . . 5/20/96						
Batch Number 6067522 Generation Type 1 Invoice Batch												
Key												
CO	CO	FY	PN	DT	Account Description	Account Number	Subldgr/Ty	Debit	Credit	Offsets	LT	Document Number
00050	00050	98	06	RI	Unbilled A/R	50.1215			5,577.02-		AA	8159
Doc/Period/LT Total . . .									5,577.02-			
Company Total									5,577.02-			
Generation Type Total . .									5,577.02-			

48300		J.D. Edwards & Company				Page No. . . . 3						
		Journal Register Listing				Date - . . . 5/20/96						
Batch Number 6067522 Generation Type 1 Invoice Batch												
Key												
CO	CO	FY	PN	DT	Account Description	Account Number	Subldgr/Ty	Debit	Credit	Offsets	LT	Document Number
00050	00050	98	06	RI	Trade Accounts Receivable	50.1210		5,019.32			AA	8159
00050	00050	98	06	RI	Retainages Receivable	50.1225		557.70			AA	8159
Doc/Period/LT Total . . .								5,577.02				
Company Total								5,577.02				
Generation Type Total . .								5,577.02				
Grand Total								5,577.02	5,577.02-			

What You Should Know About

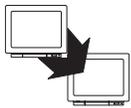
- Additional copies of the journal register** You can run the Billing Journal Register to print additional copies of the the journal register after you have created the preliminary G/L entries.
- Reconciling errors** If you find errors on the reports, you do not always need to delete the batch and regenerate the invoices. Once you identify the errors, you can correct them and run Invoice Journal Generation again. Common errors include:
- Incorrect dates or invalid accounts related to the general ledger
 - Incorrect table types or invalid accounts related to the rules you define on the Account Derivation Table form
- Deleting a batch** To delete a batch, use the Batch Delete program on the Invoice Generation menu.



Exercises

See the exercises for this chapter.

Creating Final A/R and G/L Entries for Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Invoice Generation

From Invoice Generation (G4824), choose Create A/R and G/L Entries

You complete the billing process within the billing system when you create the final A/R and G/L entries. To complete the overall invoice process, you then post the journal entries to the general ledger and accounts receivable.

When you create final A/R and G/L entries for a batch of invoices, the system:

- Changes the journal status for the related workfile transactions
- Moves the transactions out of the active Billing Workfile table (F4812) and into the Billing Workfile – History table (F4812H)
- Removes the batch header number for the invoice journals from the Service Billing system

- Deletes the records in the Detail Journal Workfile and Compressed Journal Workfile



Before you create final A/R and G/L entries, ensure that the invoice amounts and journal transactions are correct. To make any changes after you create A/R and G/L entries, you must either void the invoices or create an adjusting invoice batch.

▶ **To create final A/R and G/L entries**

On Create A/R and G/L Entries



1. Complete the following fields and press Enter:
 - Batch Number
 - Version
2. Choose Submit Batch.

The system displays a message prompting you to verify the batch submission.

3. Choose Submit Job.

See Also

- *Printing Invoices Manually for Billing (P48504)* for information about locating a batch of invoices

- *Defining Account Derivation Rules (P48126)*
- *Appendix D – Accounting for the Billing Cycle* for more information about how the Service Billing system uses account derivation rules

48199	J.D. Edwards & Company				Page No.	2
	Create A/R - G/L Entries				Date	5/21/96
					Invoice Date .	07/31/98
Contract Number . . .	5002 R2	Owner Address . . .	5070			
Application Number . .	2	Adjustment Number .				
G/L Date	07/31/98	Application Date .	07/31/98			
Owner	Chg	Job	A/R	Work in	Earned	Stored Mat.
Pay Item	Ord	Number	Co	Place	to date	to date
			Ofst			Retainage
						to date
001		Concept Development	000	50		
002		Mechanical Developme	000	50	44,842.42	
003		Electrical Developme	000	50	37,485.50	
004		Structural Developme	000	50	24,631.59	
005		Civil Development	000	50	9,941.32	
006		Subcontractor	000	50		
007		Travel Costs	000	50	2,636.32	
008		Other Reimbursables	000	50		
009		Fee on Labor	000	50	5,845.04	
010		Equipment	000	50	6,222.50	
011		Overhead Costs	000	50	39,854.37	
012		Cost of Money	000	50	1,991.51	
013		Track for Transit Sy	000	50		
014		component pricing ty	000	50		
001		"As Builts"	001	50		
						1,121.06

Processing Options for A/R and G/L Journal Generation

RETAINAGE DEFAULT PROCESSING:

1. Enter a Pay Status to default for Retainage records. Leave blank to default Pay Status "H" (Held). _____

2. Enter a Due Date to default for Retainage records. Leave blank to default December 31, 1999 as the due date. _____

INVOICE JOURNAL DW SELECTION:

3. Enter the Invoice Journal Generation (P48131) DREAM Writer version to run. Leave blank (default) to run version 'ZJDE0001'. _____



Exercises

See the exercises for this chapter.

Reviewing and Posting Journal Entries for Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Invoice Generation

From Invoice Generation (G4824), choose Post Invoices to G/L

After you create the final A/R and G/L entries, you complete the overall billing process by reviewing, approving, and posting the journal entries.

The journal review and post programs are the same programs you use in the Accounts Receivable and General Accounting systems.

See Also

- *Working with Final Invoices*
- *Reviewing and Approving Invoices (P03201)* in the *Accounts Receivable Guide*
- *Posting Invoices (P09800)* in the *Accounts Receivable Guide*

Work with Final Invoices for Billing

Working with Final Invoices for Billing

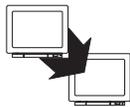
After you create the A/R and G/L entries for your billings, the system moves the workfile transactions that have completed the billing process into the Billing Workfile – History table. You can work with final invoices to access these transactions.

Working with final invoices includes the following tasks:

- Reviewing the billing history for transactions
- Printing invoices from history
- Voiding a final invoice

When you work with final invoices, you can review the invoices on an as-needed basis. You can reprint invoices using the transactions in the Billing Workfile – History table. You can also void final invoices. When you void a final invoice, the billing transactions that were included on the invoice return to the active Billing Workfile with a status of *not billed*. You can then reprocess these unbilled transactions, or change them to a status of *nonbillable*.

Reviewing the Billing History for Transactions for Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

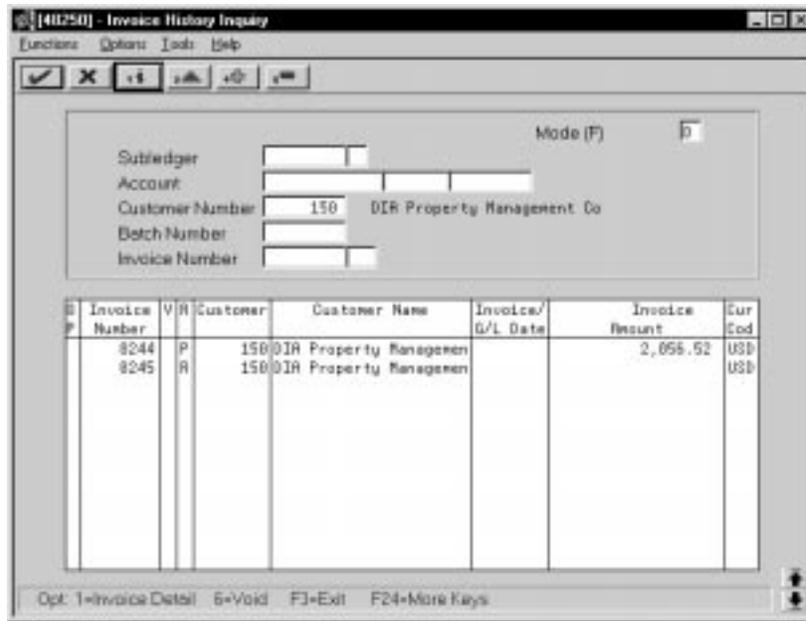
From Service Billing (G4821), choose Invoice Generation

From Invoice Generation (G4824), choose Invoice History Inquiry

When you access the invoice history, the system displays the invoice number first. This is particularly helpful if you need to review the billing information for a specific customer. You can also review the billing detail history for transactions if the associated invoice has not been voided.

▶ **To review the billing history for transactions**

On Invoice History Inquiry



1. To locate invoices, complete one or more of the following fields:
 - Subledger
 - Account
 - Customer Number
 - Batch Number
 - Invoice Number

Invoices that display on the Invoice History Inquiry form with R in the Retainage Release Only field do not have invoice amounts or billing detail history.

2. Choose Invoice History to review the billing detail history for the workfile transactions associated with the invoice.

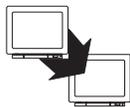
Field	Explanation
Invoice Number	The invoice number assigned to the billing detail transactions.
Display All Records	This field indicates which detail history records to display on the screen. <ol style="list-style-type: none"> 1 Display all detail history records 2 Display only those history records which are eligible for re-activation <p>NOTE: A processing option provides the initial value for this field.</p>

Field	Explanation
Document Type – Invoice Only	The document type of the invoice. If you leave this field blank, the system supplies the default document type for invoices from the system constants for Service Billing and Contract Billing.
Document Pay Item	A number that identifies the pay item for an invoice. The system automatically assigns the pay item number. If an invoice has multiple pay items, the numbers are sequential.

See Also

- *Voiding a Final Invoice for Billing* for more information about billed transactions

Printing Invoices from History for Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Invoice Generation

From Invoice Generation (G4824), choose Reprint Invoices

The system moves the workfile transactions that have completed the billing process into Billing Workfile – History. You can access these transactions from history and reprint invoices using the Reprint Invoices program. For example, if an invoice gets lost in the mail, but you have already completed the billing process, you can print the invoice from history.

For the transactions related to an invoice, the value in the Printed Flag field in the accounting and internal control information identifies:

- Whether or not the transaction has been printed
- The invoice type you used to print the last copy of the invoice



The system does not store a copy of the printed invoice. If you change the layout associated with the invoice type, the reprinted invoice will not look the same as the invoice you previously printed.

What You Should Know About

Printing invoices from multiple batches

You can use the Restricted Global Invoice Print program on the Service Billing Advanced Operations menu to print selected invoices from multiple batches or all the invoices in multiple batches.

See Also

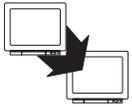
- *Reviewing the Billing History for Transactions*
- *Technical Foundation Guide* for information about running, copying, and changing a DREAM Writer version

Processing Options for Print Invoices from History

PRINT SELECTION:

1. Enter the Layout Type to print.
-

Voiding a Final Invoice for Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Invoice Generation

From Invoice Generation (G4824), choose Invoice History Inquiry

After you create A/R and G/L entries, you can void invoices. When you void an invoice, the transactions that were included on the invoice return to the Service Billing Workfile with a status of not billed. You can then reprocess these transactions or change them to a nonbillable status.

Voiding final invoices consists of the following:

- Voiding a final invoice without retainage
- Voiding a final invoice with released retainage



If you have applied unposted cash receipts against a posted invoice, you must void or reverse the receipts *before* you void the posted invoice. If you have applied posted cash receipts against a posted invoice, you must void the cash receipts and post them to the general ledger *before* you void the posted invoice.

When you void an invoice, the system updates the following information:

- Line number for the journal entry in the Account Ledger table
- Retainage amounts withheld for the invoice
- Detail for the invoice in the A/R Account Ledger table
- Batch header information
- Invoice information in the Invoice Summary Workfile
- Invoice information in the Billing Workfile and Billing Workfile – History tables
- Accounting and internal control information that is related to the invoice, batch, sequences, and so on



You must use the void process in the Service Billing system if you created the invoice in that system. If you void the invoice in the Accounts Receivable system, the system does not update the applicable Service Billing records.

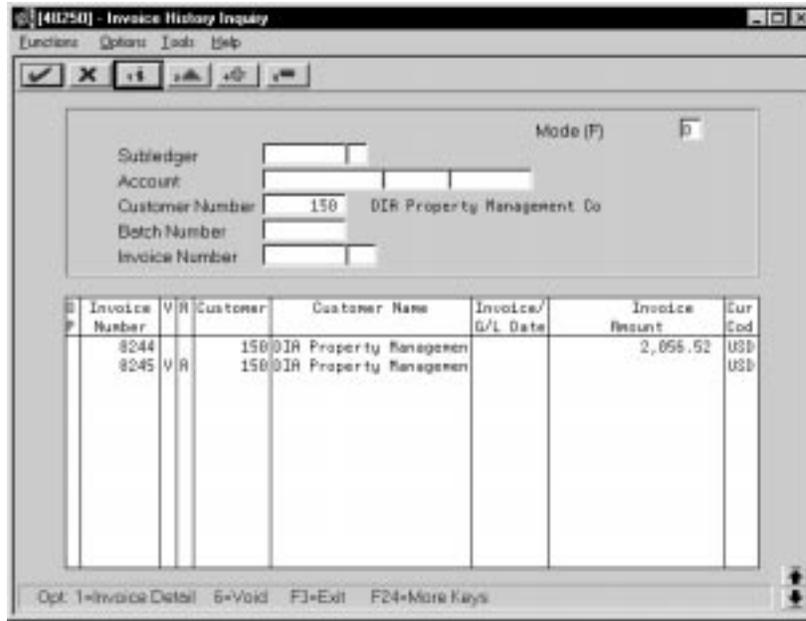
If you void an unposted invoice, the system deletes the A/R and G/L records without creating an audit trail for the A/R and G/L transactions and the invoice number. The system does not delete the batch header. You must run the G/L Integrity program to delete the empty header.

What You Should Know About

Alternate displays	You can toggle to review invoice and retainage amounts. See <i>Releasing Retainage for Billing</i> for more information about retainage amounts.
Voiding posted invoices	When you void a posted invoice, the system creates adjusting A/R and G/L entries to reverse the original entries and changes the G/L batch status to Pending or Approved. You must post these adjusting entries for the batch number that the system displays in Invoice Void Window.
Voided invoices	You cannot void an invoice that has already been voided. Voided invoices display with V in the Void field.

See Also

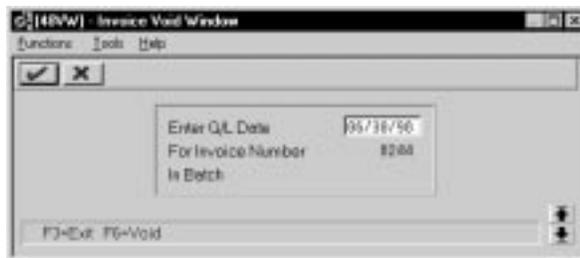
- *Working with Batch Headers* in the *General Accounting II Guide* for more information about deleting batch headers



► **To void a final invoice without retainage**

On Invoice History Inquiry

1. To locate a specific invoice, complete one or more of the following fields:
 - Subledger
 - Account
 - Customer Number
 - Batch Number
 - Invoice Number
2. Choose Void for the invoice.



3. On Invoice Void Window, complete the following optional field:
 - G/L Date
4. Choose Void.

The system places V in the Void field for the invoice.

Field	Explanation
Void Flag	A code that indicates whether the billing detail transactions associated with the invoice have been voided. Valid codes are: V Voided blank Not voided
Retainage Release Only	A one byte flag that indicates whether the invoice pay item is used specifically for the release of retainage. Also, it indicates that the retainage has been released from the invoice. R or 0 – The invoice pay item will be used for retention release only P or 1 – Retention release has been processed for this invoice

► To void a final invoice with released retainage

When you void a final invoice with released retainage, you must also void the retainage release invoice that you created to release the retainage.

On Invoice History Inquiry

1. To locate a specific invoice, complete one or more of the following fields:
 - Subledger
 - Account
 - Customer Number
 - Batch Number
 - Invoice Number
2. Choose Void for the invoice with retainage.

The system displays P in the Retainage Release Only field for the invoice with retainage.

3. On Invoice Void Window, complete the following optional field:
 - G/L Date
4. Choose Void.

The system places V in the Void field for the invoice with retainage.

5. Choose Void for the retainage release invoice.

The system displays R in the Retainage Release Only field for the retainage release invoice.

6. On Invoice Void Window, complete the following optional field:
 - G/L Date
7. Choose Void.

The system places V in the Void field for the retainage release invoice.

What You Should Know About

One retainage release invoice for multiple invoices

If you create only one retainage release invoice that releases the retainage for multiple invoices, and then void one of those invoices, you must also void the retainage release invoice. Then, you must release the retainage again for the invoices that you did not void.

See *Releasing Retainage for Billing* for more information.



Exercises

See the exercises for this chapter.

Revenue Recognition and Billing



Revenue Recognition and Billing

Objectives

- To understand the origination of costs
- To understand the Billing Workfile
- To apply markups to costs
- To understand revenue recognition
- To create revenue recognition transactions
- To create and record accounting journal entries
- To create, print, and void invoices

About the Revenue Recognition and Billing Process

You can complete the revenue recognition and billing processes separately or together as a combined process. When you combine the processes, you can recognize revenue prior to or during the billing process, depending on how you define your system constants.

When you combine the revenue recognition and billing processes using the Service Billing system, you can:

- Accumulate billable costs from multiple systems, such as Accounts Payable, Equipment/Plant Management, and Payroll, without re-entering the cost information into the billing system
- Calculate markup amounts and taxes based on a hierarchy of multiple user defined rules
- Revise the workfile transactions
- Print income statements and balance sheets that reflect the amounts earned for a realistic picture of the company's financial status
- Reallocate internal costs
- Facilitate immediate billing upon entering the costs into the system
- Print invoices to customer specifications
- Automatically create and record the journal entries for the Accounts Receivable and General Accounting systems that result from billing



The revenue recognition and billing process consists of the following tasks:

- Accumulating costs
- Reviewing the workfile
- Revising the workfile
- Working with the workfile history
- Working with G/L entries
- Generating invoices automatically
- Working with invoices
- Creating invoices manually
- Printing invoices
- Working with A/R and G/L entries
- Working with final invoices

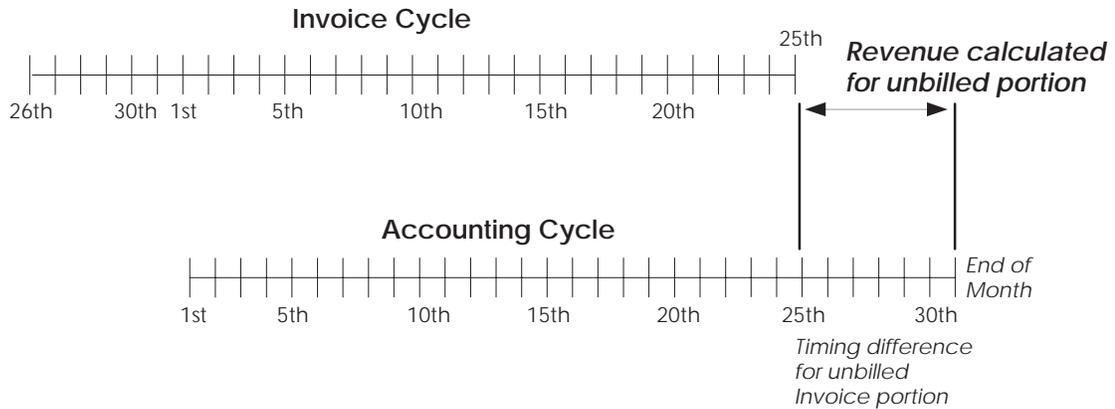
Revenue Reconciliation

You can manage the revenue recognition and billing process with or without revenue reconciliation. You use revenue reconciliation to ensure that variances do not exist between recognized revenue and billing amounts. Variances between recognized revenue and billing amounts can exist when:

- You recognize revenue and generate invoices at different times
- You mark up revenue and billing amounts independently

Reconciliation for Timing Differences

If you do not recognize revenue and generate invoices at the same time, the timing difference creates a variance in unbilled accounts receivable.



For example, you plan to invoice a project only after the customer approves and accepts the completed project. The project takes three months to complete and you recognize revenue for the project each month. Because of the timing difference between when you recognize revenue (each month) and generate invoices (after completion) for the project, an unreconciled balance exists in unbilled accounts receivable.

Three months later, when you bill the project:

- Trade accounts receivable and total revenue amounts for the project are the same
- The variance in unbilled accounts receivable nets to zero

In the case of a timing difference, over time, all variances are reconciled and net to zero for unbilled accounts receivable.

Reconciliation for Independent Revenue and Invoice Mark Up

If you use the same markup rules for revenue and billing, generally no variance exists between the recognized revenue and billing amounts. However, if you mark up revenue and invoice amounts independently, a permanent variance between recognized revenue and billing amounts can exist.

If you do not want variance balances to exist when you mark up revenue and invoice amounts independently, you can use revenue reconciliation to ensure that:

- Variances do not exist between recognized revenue and billing amounts
- Balances for unbilled accounts receivable and unbilled revenue are zero

For example, your company might renegotiate an hourly rate for rental equipment. Although the new rate is 75 dollars an hour, your company continues to bill 70 dollars an hour until the negotiations are complete.

For 2 hours of equipment use, the invoiced amount is 140 dollars. If revenue is recognized at the new rate, the revenue amount is 150 dollars. Without reconciliation, a 10-dollar variance remains in unbilled accounts receivable.

Without revenue reconciliation, the system creates debits and credits respectively for the following journal entries:

Revenue recognition	150 dollars for unbilled accounts receivable and unbilled revenue
Billing	140 dollars for actual accounts receivable and unbilled accounts receivable

With revenue reconciliation, the system records, reverses, and reconciles recognized and actual revenue amounts. In the previous example, the system would create debits and credits respectively for the following journal entries:

Revenue recognition	140 dollars for unbilled accounts receivable and unbilled revenue
Revenue reconciliation	140 dollars for unbilled revenue and accounts receivable
	150 dollars for unbilled accounts receivable and actual revenue
Billing	150 dollars for actual accounts receivable and unbilled accounts receivable

General Ledger Document Types

As you complete the billing and revenue recognition processes, the system can create seven different types of G/L entries. You can identify the origination of journal entries using the following document types:

EU (Revenue)	Journal entry created during revenue recognition
AJ (Adjustment)	Adjusting journal entry created during revenue recognition for journal entries previously recognized for revenue
BA (Billing Adjustment)	Reclassification of a billable source journal entry which originated from accounts payable or general accounting
RI (Invoice Default)	Journal entry created during billing
T2 (Payroll Labor Distribution)	Reclassification journal entry which originated from payroll labor
T4 (Labor Billing Distribution)	Reclassification journal entry which originated from labor billing
T5 (Equipment Distribution)	Reclassification journal entry which originated from equipment billing

Before You Begin

- Set the independent revenue/invoice control in the system constants
- Set the journal generation control in system constants to revenue recognition and invoice processes with or without revenue reconciliation
- Define account derivation rules for revenue recognition
- Define markup rules

What You Should Know About

Alternate displays and system constants

Many of the forms you use in the Service Billing system change in functionality and appearance, depending on the way you set up your system constants. For example, if you set up your system constants for revenue recognition and billing (*invoicing*), the forms and functionality apply to both processes.

See Also

- *Defining Account Derivation Rules (P48126)*
- *Setting Up System Constants (P48091)*
- *Appendix D – Accounting for the Billing Cycle* for more information about how the Service Billing system uses account derivation rules and creates journal entries



Exercises

See the exercises for this chapter.

Test Yourself: About Revenue and Billing

1. True or False

Variance can exist between recognized revenue and billing amounts due to a timing difference.

2. True or False

You can markup revenue and invoice amounts independently. If you do and you process revenue recognition without reconciliation, a variance permanently exists between revenue and billing amounts.

3. When you use revenue reconciliation with revenue recognition, the system creates debit and credit journal entries for:

- A. Unbilled Revenue
- B. Actual Accounts Receivable
- C. Unbilled Accounts Receivable
- D. Actual Revenue
- E. All of the above

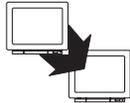
4. Match the document types for journal entries and their descriptions.

- | | | |
|-------|----|--|
| _____ | RI | A. Journal entry created during revenue recognition |
| _____ | T5 | B. Correction to a journal entry for revenue recognition |
| _____ | EU | C. Reclassification of a billable source journal entry that originated from accounts payable or general accounting |
| _____ | T4 | D. Journal entry created during billing |
| _____ | AJ | E. Reclassification journal entry for payroll labor |
| _____ | T2 | F. Reclassification journal entry for labor billing |
| _____ | BA | G. Reclassification journal entry for equipment billing |

The answers are in *Appendix A – Test Yourself Answers*.

Accumulate Costs for Revenue and Billing

Accumulating Costs for Revenue Recognition and Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Workfile Generation

From Workfile Generation (G4822), choose Generation

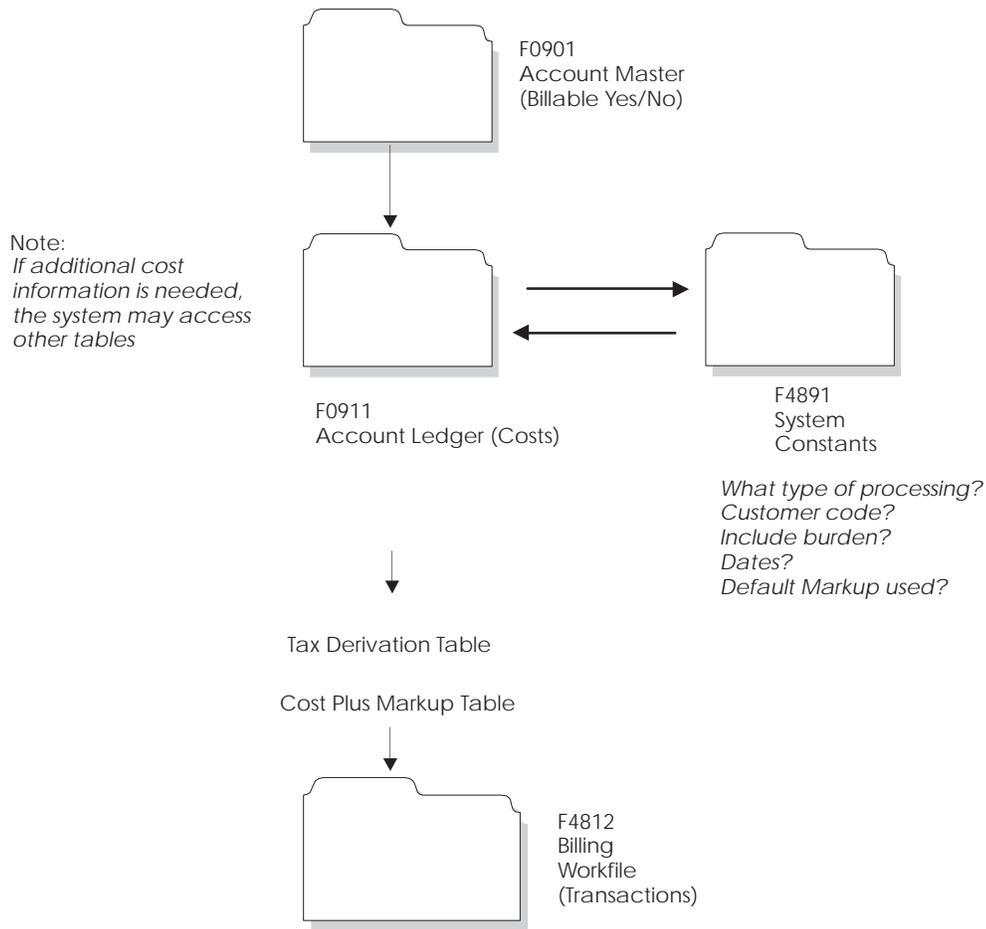
Invoices are based on billable costs. The first step in the billing process is to accumulate billable costs. Billable costs are represented by source transactions that the system stores in the Account Ledger table (F0911).

Source transactions originate from multiple sources, such as the Accounts Payable, Equipment/Plant Management, and Payroll systems. You run the Generation program to accumulate the cost information from these sources.

To maintain the integrity of the original source transactions, the system creates copies of the source transactions. The copied transactions are referred to as workfile transactions and are stored in the Billing Workfile (F4812).

Workfile transactions include costs with any applicable markup, taxable amounts and other key billing information. You base the rest of the billing process, including components, on the information stored in workfile transactions.

The following graphic illustrates the process the system uses to accumulate costs.



When you run the Generation program to accumulate costs, the system:

- Identifies all the unbilled source transactions in the system
- Determines whether the account for each source transaction is billable, based on the Billable (Y/N) field in the Account Master table (F0901)
- Uses related tables when constants and source transactions indicate the need for additional information, such as when burden is associated with payroll transactions
- Updates the source transactions in the Account Ledger table as billed or non-billable
- Updates the payroll transaction history and employee transaction details for all payroll-related transactions
- Calculates markup and tax amounts

- Creates copies of source transactions in the Billing Workfile
- Assigns appropriate eligibility codes to the copied transactions based on the Journal Generation Control field in the system constants and the Billable (Y/N) field in the Account Master table
- Assigns each transaction in the Billing Workfile a customer number

After you accumulate costs to generate workfile information, the system marks the source transactions in the Account Ledger table with N (non-billable) or Z (billed) to indicate that the transactions have been included in the billing process. The next time you accumulate costs, the system generates workfile transactions for only the source transactions that have not been previously included in the workfile generation.

Before You Begin

- Define all billable accounts in the chart of accounts
- Define the system constants to identify the costs you want to accumulate
- Define the following applicable Service Billing rules:
 - Cost Plus Markup
 - Tax Derivation
 - Component
- Verify that you have defined a customer number for your work orders or an customer address number for your jobs

What You Should Know About

Customer numbers

All workfile transactions must include a customer number. The system uses the customer number to bill the transactions.

You must identify a customer number on individual jobs or work orders. The address book number on the Single Business Unit form is *not* the customer number.

Eligibility codes

The system assigns eligibility codes to workfile transactions based on the Billable (Y/N) field in the Account Master table and the Journal Generation Control field you set up for your system constants.

For example, if the Billable (Y/N) field for a transaction is a Y and the Journal Generation Control field is set for both revenue recognition and billing, the eligibility code for the transaction is 0. An eligibility code of 0 indicates that the transaction is eligible for both revenue recognition and billing. If the same account with a Y in the Billable (Y/N) field is processed through the billing system and the Journal Generation Control field is set for billing only, the eligibility code for the transaction is 1. An eligibility code of 1 indicates that the transaction is eligible for billing only.

Changing source and payroll transactions

The system might need additional information from the Payroll Transaction History (F0618) or the Employee Transactions Detail (F06116) tables to process certain source transactions.

After the system creates payroll and source transaction tables, do not change or delete any of the following transaction information:

- Account number
- Dates
- Subledger information
- Employee address book number

In order for the system to create workfile transactions from payroll transactions, all information must be identical in the Payroll or Employee tables and Account Ledger tables.

Burden transactions

The eligibility code for burden transactions must be compatible with the eligibility code for the associated workfile transaction.

Specifically, the system prevents the eligibility code for a workfile transaction from being more restrictive than the eligibility code of its burden transactions. If, for example, the burden transaction for a workfile transaction is eligible for both revenue and billing, but the workfile transaction is eligible only for billing, the system assigns the burden transaction the same eligibility code as the workfile transaction.

See Also

- *Defining Markup Rules (P48096)*
- *Setting Up System Constants (P48091)* for more information about Journal Generation Control
- *Appendix C – Search for Markup Rules* for more information about calculating markup
- *Technical Foundation Guide* for information about running, copying, and changing a DREAM Writer version

Processing Options for Workfile Generation

CONTRACT REVENUE GENERATION OPTIONS:

1. To generate revenue for Contract non-T&M lines, enter the Contract Revenue Workfile Generation (P52801) DREAM Writer version to run. _____
2. If you entered a version number above, you must also enter the following dates:
 - a. Enter the beginning date for revenue generation: _____
 - b. Enter the ending date for revenue generation: _____

HOME BUSINESS UNIT SELECTION:

3. Enter a '1' (default) to use the Item Master file as the source of the Home Business Unit for payroll equipment records. Enter a '2' to use the Payroll Master file as the source. _____



Exercises

See the exercises for this chapter.

Review the Workfile for Revenue and Billing

Reviewing the Workfile for Revenue and Billing

After you accumulate billable cost information, you can review the related workfile transactions to verify that the information the system retrieved from the source transactions is correct. Source transactions are the transactions that the system stores in the Account Ledger table (F0911). The system might also require other information from the originating systems to process some source transactions.

Reviewing the workfile consists of the following tasks:

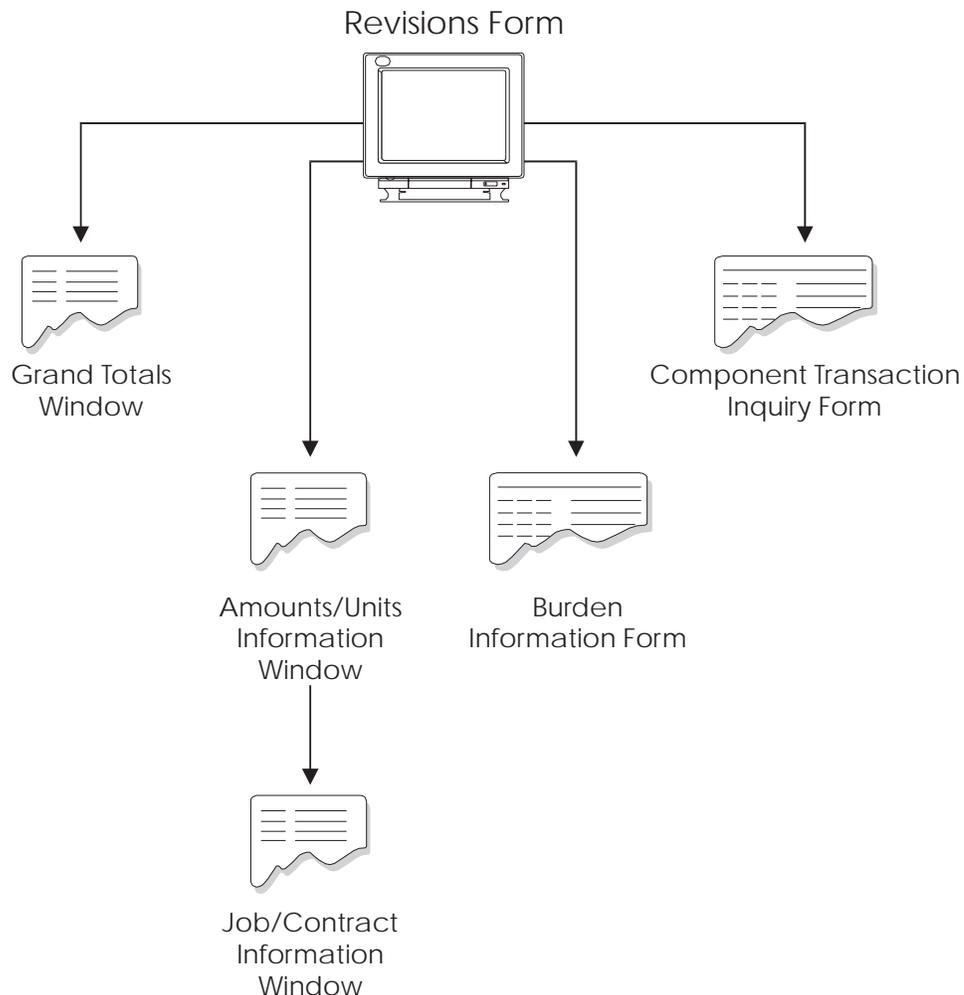
- Locating transactions in the workfile
- Reviewing transaction totals
- Verifying the customer number

When you review transactions in the Billing Workfile (F4812), you should look for potential errors, such as:

- Payroll transactions charged to the incorrect work order or job
- Incorrect markup amounts (if changes are made to your markup tables since the creation of your workfile transactions)

If you work in a multi-currency environment, you can review the workfile in the domestic currency or in a foreign currency.

The following graphic illustrates the windows and forms that you can access as you review workfile transactions.



Locating Transactions in the Workfile for Revenue and Billing

To review the transactions in the Billing Workfile (F4812), you must first locate them. You can enter search criteria to control the workfile transactions that the system displays. If you specify more values in your search criteria, the system displays more specific transaction information.

Locating transactions in the workfile consists of the following tasks:

- Reviewing workfile transactions
- Reviewing burden transactions
- Reviewing component transactions

You can review the following transactions in the workfile:

Workfile transactions

Workfile transactions are copies of source transactions that represent the billable costs for your company. When you accumulate costs, the system copies source transactions to create workfile transactions with any applicable markup and tax amounts.

Burden transactions

Burden transactions represent the cost over and above the direct labor wages or salaries that a company incurs as a result of employing people. Burden transactions might include:

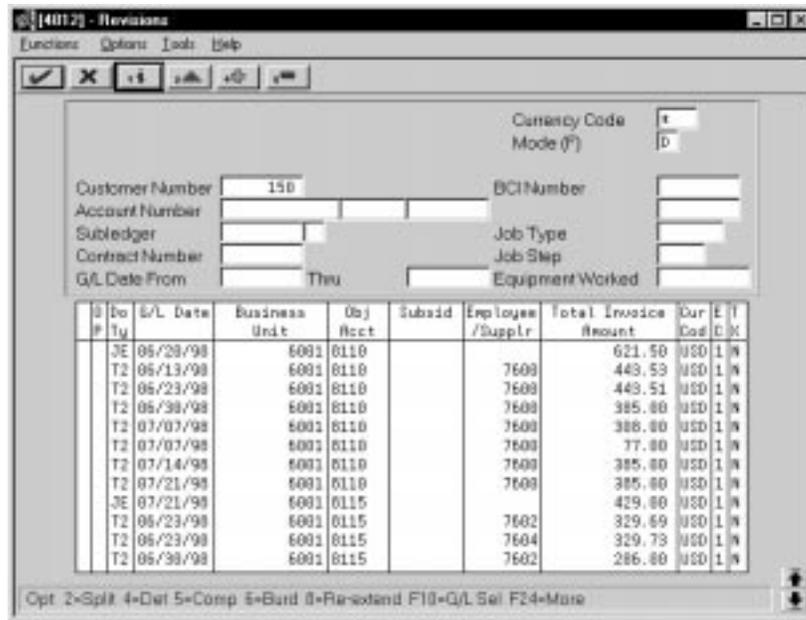
- Company-paid payroll taxes
- Insurance
- Fringe benefits, such as union pensions

The billing system always processes burden transactions in conjunction with associated workfile transactions.

Component transactions

Component transactions represent additional costs that you add to the original cost of services or time and materials when you bill a customer. For example, component transactions might be used to offset the cost of borrowing money.

The billing system always processes component transactions in conjunction with associated workfile transactions.



Reviewing Workfile Transactions for Revenue and Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Workfile Generation

From Workfile Generation (G4822), choose Revisions

You can review specific workfile transactions to verify accounting and billing information, such as the document type, classification, account number, amount, and eligibility for processing. You can also determine whether a workfile transaction is taxable and whether it includes associated burden or component transactions.

To review workfile transactions

On Revisions

1. Complete one or more of the following fields to locate workfile transactions:
 - Customer Number
 - BCI Number
 - Account Number
 - Employee/Supplier
 - Equipment Worked
2. To locate specific workfile transactions, complete the following optional fields:
 - Subledger
 - Subledger Type
 - Job Type
 - Job Step
 - G/L Date From
 - G/L Date Thru
3. Review the following fields:
 - Type Code
 - Eligibility Code
 - Taxable
 - Components
 - Burden

Field	Explanation
Customer Number	<p>The address book number to which the system posts billing and accounts receivable transactions.</p> <p>..... <i>Form-specific information</i></p> <p>Enter a customer's address book number in this field to search for transactions associated with that customer.</p>
Billing Control ID	<p>A unique number that identifies a detail transaction for the billing of customer information. The system uses the number, which is automatically assigned through the Next Numbers facility (system 48, index 2), to create an audit trail for tracking transactions through the billing process. A component record has the same billing control ID as the billing transaction on which it is based.</p> <p>..... <i>Form-specific information</i></p> <p>Enter the billing control ID of the billing transaction you want the system to display.</p>
Business Unit	<p>A code that identifies a separate entity for which you want to track costs within a business. For example, a business unit might be a job, project, work center, or branch/plant.</p> <p>Business unit security can prevent you from locating business units for which you have no authority.</p> <p>..... <i>Form-specific information</i></p> <p>Enter a business unit in this field to search for transactions associated with that business unit.</p>
Obj Acct	<p>The object account portion of a general ledger account. The term "object account" refers to the breakdown of the Cost Code (for example, labor, materials, and equipment) into subcategories (for example, dividing labor into regular time, premium time, and burden). If you are using a flexible chart of accounts and the object is set to 6 digits, J.D. Edwards recommends that you use all 6 digits. For example, entering 000456 is not the same as entering 456, because the system enters three blank spaces to fill a 6-digit object.</p>
Subsid	<p>A subdivision of an object account. Subsidiary accounts include more detailed records of the accounting activity for an object account.</p>
Employee/Supplier	<p>A number that identifies an entry in the Address Book system. Use this number to identify employees, applicants, participants, customers, suppliers, tenants, and any other Address Book members.</p>

Field	Explanation
Equipment Worked	Enter an equipment number to search for transactions associated with a particular piece of equipment. The system can use a default value for this field from the Account Ledger file (F0911) or the Time Entry History file (F0618).
Subledger	<p>A number that identifies a work order in the Service and Contract Billing systems. In general, if you specify a work order, you must also specify W as the subledger type for the work order.</p> <p>..... <i>Form-specific information</i></p> <p>Enter a work order number in this field to search for transactions associated with that work order.</p>
Work Order Type (Subledger Type)	<p>A user defined code (00/ST) that you use with the Work Order (Subledger) field. For a work order, the subledger type must be W.</p> <p>NOTE: If you use A/P speed code entry, the field can be blank.</p>
Job Type	A user defined code (07/G) that defines the jobs within your organization. You can associate pay and benefit information with a job type and apply that information to the employees who are linked to that job type.
Job Step	A user defined code (07/GS) that designates a specific level within a particular job type. The system uses this code in conjunction with job type to determine pay rates by job in the Pay Rates Table.
G/L Date	The date that identifies the financial period to which the source transaction was posted. Based on the company's fiscal year and current accounting period, the system edits the date for PBCO (posted before cutoff), PYEB (prior year ending balance), PACO (post after cutoff), and WACO (post way after cutoff).
Date – Ending Effective	The date on which the item, transaction, or table becomes inactive or the date through which you want transactions to display.

Field	Explanation
Transaction Classification	<p>A code that identifies the classification of a billing transaction. Valid codes are:</p> <ul style="list-style-type: none"> blank Ad hoc entry in the active Billing Workfile (F4812) 0 System-generated basis record of overage for components 1 Labor 2 Payroll burden 3 Equipment 4 Inventory (future use) 5 Purchasing 6 Journal 7 Ad hoc entry in an existing invoice batch 8 System-generated control record 9 System-generated limiting offset for a contract (future use) A System-generated revenue record for a contract
Eligibility Code	<p>A code that identifies the type of processing for which a transaction in the Billing Workfile (F4812) is eligible. This code controls the operation at the single transaction level. The values are:</p> <ul style="list-style-type: none"> 0 Eligible for both invoicing and revenue recognition 1 Eligible for invoicing only 2 Eligible for revenue recognition only 3 Non billable 4 Eligible for cost only <p>Note: If the transaction belongs to a billable account, the system generates the eligibility code using the information in the Journal Generation field on the Billing Constants form.</p>
Taxable (Y/N)	<p>A code that indicates whether the item, by itself, is subject to sales tax.</p>
Alternate Item Description	<p>A brief description of a code or abbreviation.</p> <p>..... <i>Form-specific information</i></p> <p>An "X" in the C column denotes that components exist for this workfile transaction. An "X" in the B column denotes that there is burden associated with this workfile transaction.</p>

What You Should Know About

Eligibility codes

The system assigns eligibility codes to workfile transactions based on the Billable (Y/N) field in the Account Master table and the Journal Generation Control field you set up for your system constants.

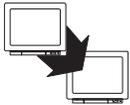
For example, if the Billable (Y/N) field for a transaction is a Y and the Journal Generation Control field is set for both revenue recognition and billing, the eligibility code for the transaction is 0. An eligibility code of 0 indicates that the transaction is eligible for both revenue recognition and billing. If the same account with a Y in the Billable (Y/N) field is processed through the billing system and the Journal Generation Control field is set for billing only, the eligibility code for the transaction is 1. An eligibility code of 1 indicates that the transaction is eligible for billing only.



Exercises

See the exercises for this chapter.

Reviewing Burden Transactions for Revenue and Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Workfile Generation

From Workfile Generation (G4822), choose Revisions

Burden is the cost that a company incurs as a result of employing people. Burden can include:

- Company-paid payroll taxes
- Insurance
- Fringe benefits, such as union pensions
- Direct labor costs, such as small tools

You use a system constant to control whether burden transactions are processed for the workfile. The system calculates burden transactions when you create payroll journal entries. The only way you can process burden within the billing system is in conjunction with its associated workfile transaction.

The eligibility code for burden transactions must be compatible with the eligibility code for the associated workfile transaction. Specifically, the system prevents the eligibility code for a workfile transaction from being more restrictive than the eligibility code of its burden transactions.

For example, if the burden transaction for a workfile transaction is eligible for revenue and billing, but the workfile transaction is eligible only for billing, the system assigns the burden transaction the same eligibility code as the workfile transaction.

The Payroll system calculates the following types of burden:

Actual burden

The actual cost of payroll taxes, insurance, and fringe benefits. The system calculates the burden for the actual costs that are associated with each employee's timecard.

Flat burden

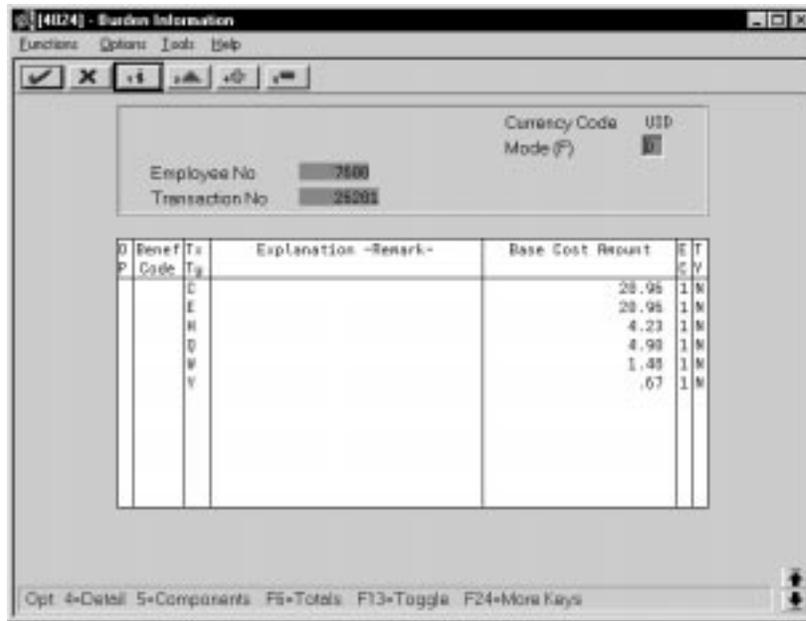
An estimated burden amount that the system derives from the direct labor costs. The system calculates the burden on a timecard-by-timecard basis as a percentage of the labor costs.

When burden transactions are associated with a workfile transaction, the system displays an X in the Burden (B) field for that transaction. The system also updates the Burden Pending field to indicate the type of burden that was processed for the workfile transaction.

► To review burden transactions

On Revisions

1. Complete the steps for reviewing workfile transactions.
See [Reviewing Workfile Transactions for Revenue Billing](#).
2. Verify the following field to identify the transactions with burden:
 - Burden (B)
3. Choose Burden for the transaction you want to review.



4. On Burden Information, verify the information in the following fields:
- Transaction Number
 - Benefit Code
 - Tax Type
 - Explanation – Remark

Field	Explanation
Transaction No	The unique number that the system assigns to a transaction in payroll. The system uses this field to tie a payroll transaction to each audit record for actual burden created during the Actual Burden Journaling process.
Benefit Code	A code to define the type of pay, deduction, benefit, or accrual. Pay types are numbered from 1 to 999. Deductions and benefits are numbered from 1000 to 9999.
Tax Type – Payroll	A user defined code (07/TT) that identifies the type of payroll tax associated with this billing detail transaction.
Explanation –Remark–	A description, remark, explanation, name, or address retrieved from the following cost (source) transactions: <ul style="list-style-type: none"> • Journal entry (Explanation 2 field) • A/P voucher entry (Explanation field) • Payroll (pay type description — regular, overtime, and so on)

What You Should Know About

Daily payroll processing and burden

When you use daily time entry, the only type of burden that you can associate with a workfile transaction is flat burden. After you process the daily payroll transactions and accumulate their costs in the workfile, the system marks the original payroll transactions as billed.

After the original payroll transactions have been processed, the system does not retrieve any new burden transactions calculated for the transactions. For example, if you reverse the flat burden amount and calculate the actual burden amount for the original payroll transactions, the system does not retrieve the new burden transactions.

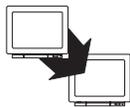
See *Entering Timecards by Day* in the *Payroll Guide* for more information.



Exercises

See the exercises for this chapter.

Reviewing Component Transactions for Revenue and Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Workfile Generation

From Workfile Generation (G4822), choose Revisions

A component is a type of markup. The system calculates component transactions based on amounts or units from source transactions or burden transactions. For example, you might include a component transaction to offset the cost of borrowing money.

You can use component transactions based on the invoice amount to apply charges in addition to the markup amount for the workfile transaction. Use a compounded component to include additional markup added to the source transaction plus additional charges added to the marked-up amount for the billing.

When a component transaction is associated with a workfile transaction, the system displays an X in the Component (C) field for that transaction.

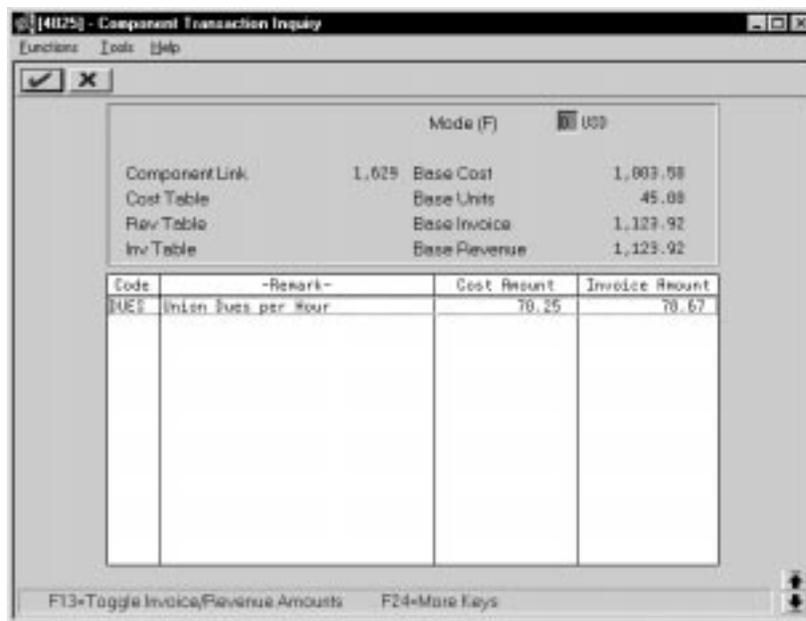
► **To review component transactions**

On Revisions

1. Complete the steps for reviewing workfile transactions.

See *Reviewing Workfile Transactions for Revenue and Billing*.

2. Verify the following field to identify the transactions with components:
 - Component (C)
3. Choose Component for the transaction you want to review.



4. On Component Transaction Inquiry, verify the information in the following fields:
 - Component Link
 - Cost Table
 - Invoice Table
 - Base Cost
 - Base Units
 - Base Invoice
 - Code (Component Code)
 - Cost Amount
 - Invoice Amount

Field	Explanation
Component Link	The component link field attaches the component record to its base work file record.
Cost Table	A code that identifies a component bill table to use for this Cost Plus Markup Table entry. The component table identifies the components and their calculation rules. These component amounts are applied as overhead to the original cost. You set up component tables on the Component Table Definition form.
Inv Table	A code that identifies a component bill table to use for this Cost Plus Markup table entry. The component table identifies the components and their calculation rules. These component amounts are billed in addition to any invoice markups. You set up component tables on the Component Table Definition form.
Cost Amount	The cost (source) amount for a billing detail transaction.
Base Units	The quantity of something that is identified by a unit of measure. For example, it can be the number of barrels, boxes, cubic yards, gallons, hours, and so on.
Invoice Amount	The invoice amount for a billing detail transaction.
Code	A component code identifies a provisional burden that is accounted for at the billing detail transaction level.



Exercises

See the exercises for this chapter.

Reviewing Transaction Totals for Revenue and Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Workfile Generation

From Workfile Generation (G4822), choose Revisions

You can review the total amounts for one or more transactions. Review transaction totals so you can:

- Make projections relating to the invoice and cost totals
- Verify the accuracy between the invoice information that the system stores in the workfile and the invoice information that you print for your customers
- Verify totals with burden and component amounts

Reviewing transaction totals consists of the following:

- Reviewing totals for a specific transaction
- Reviewing totals for a group of selected transactions

If you find a discrepancy with the transaction totals, you should make any necessary revisions before you continue with the billing process.

To review totals for a specific transaction

On Revisions

1. Complete the steps for reviewing workfile transactions.

See [Reviewing Workfile Transactions for Revenue and Billing](#).

2. Choose Toggle Amounts to display totals in the following field:
 - Amount

The system displays only billing amounts when the system constants are set to invoicing only.

What You Should Know About

Alternate formats

You can review six different total formats in the Amount field for workfile transactions. Toggle to review the following amounts:

- Base revenue – Revenue total without components or burden. Applies only when system constants are set to process revenue.
- Base invoice – Invoice total without components or burden. Applies only when the system constants are set to process invoices.
- Total revenue – Revenue total with components and burden. Applies only when system constants are set to process revenue.
- Total invoice – Invoice total with components and burden. Applies only when the system constants are set to process invoices.
- Base cost – Cost without components or burden.
- Total cost – Cost with components and burden.

You can set a processing option to control which amount the system displays when you initially access the Revisions form.



Exercises

See the exercises for this chapter.

▶ To review totals for a group of selected transactions

On Revisions

1. Complete the steps for reviewing workfile transactions.

See *Reviewing Workfile Transactions for Revenue and Billing*.

2. Choose Total Amounts for All Records to access the Grand Totals form.

Grand Totals includes only the transactions that appear on Revisions. To include all transactions that meet the search criteria you specified on Revisions, you must scroll to the end of the subfile in the detail portion of Revisions before you choose Total Amounts.

	Base	Total w/ Components
Revenue		4,422.96
Invoice	4,218.50	4,422.96
Cost	3,835.00	4,020.82

3. On Grand Totals, review the following fields:
 - Invoice
 - Cost

Field	Explanation
Amount – Invoice	<p>The invoice amount for a billing detail transaction.</p> <p>..... <i>Form-specific information</i></p> <p>The total of the invoice amounts for the billing detail transactions that are displayed. The total appears in two formats: base invoice amount and total invoice amount.</p> <ul style="list-style-type: none"> • Base invoice = source cost + invoice markup + sales tax For example, the invoice markup is 10% and the sales tax is 1.5%. A source cost of 1000 then results in a base invoice amount of 1115. $1115 = 1000 + 100 + 15$ • Total invoice = base invoice + components + burden For example, components consist of 50 for administration and 100 for overhead. Burden consists of 100 for payroll taxes. A base invoice of 1115 then results in a total revenue amount of 1365. $1365 = 1115 + 150 + 100$
Amount	<p>The cost (source) amount for a billing detail transaction.</p> <p>..... <i>Form-specific information</i></p> <p>The total of the cost (source) amounts for the billing detail transactions that are displayed. The total appears in two formats: base cost amount and total cost amount</p> <ul style="list-style-type: none"> • Base cost = source cost For example, a source cost of \$1000 results in a base cost amount of \$1000. • Total cost = base cost + components For example, components consist of \$50 for administration and \$100 for overhead. A base cost of \$1000 then results in a total cost amount of \$1150. $1150 = 1000 + 150$

What You Should Know About

- Totals for components** The system does not calculate the total for components. You must manually compute this amount.

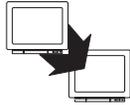
- Totals for burden** You can review totals for burden. On the Revisions form, choose Burden Information. Choose Total Amounts for All Records to review the burden totals.



Exercises

See the exercises for this chapter.

Verifying the Customer Number for Revenue and Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Workfile Generation

From Workfile Generation (G4822), choose Revisions

You must use either a work order or a job to bill a customer. You can review specific workfile transactions to verify the customer number. You can set up your system to retrieve the customer number from the Job Cost or Work Orders systems on system constants.

► To verify the customer number

On Revisions

1. Complete the steps for reviewing workfile transactions.

See *Reviewing Workfile Transactions for Revenue and Billing*.

2. Choose Detailed Transaction for a specific transaction.

Invoice Amount	
Units	40.00 HR
Cost Rate	8.7508
Cost Amount	350.00
Ovr Rate/Cap	
Mark Up %	10.000
Mark Up Amt	
Taxable Amt	385.00
Tax	
Tot Billing	385.00
Discount %	
Disc Available	
Taxable	N
Ajst Reason	
Orig Exch Rate	
Inv Exch Rate	
Tax Rate/Expl	/

F5=Update F11,F12,F13,F14,F15=Detail Formats F24=More

3. On Amounts/Units information, choose Job/Contract Information.



Processing Options for Unbilled Detail Revisions

UPDATE OPTIONS:

1. Enter a '1' to allow updating all workfile record information (except G/L Date, Cost, and Units). Leave blank (default) to secure certain fields from being updated except when adding improvised transactions.

DISPLAY OPTIONS:

2. Enter a '1' to load all records that meet the search criteria. Leave blank (default) to load two pages at a time (this improves performance).
3. Enter the amount to initially display on the screen. All amounts can be accessed using the toggle function.
 '1' = Base Revenue (default)
 '2' = Base Invoice
 '3' = Total Revenue
 '4' = Total Invoice
 '5' = Base Cost
 '6' = Total Cost
4. Enter a '1' to display records that are included in a revenue batch. Leave blank to display only records which have not been included in a revenue batch.



Exercises

See the exercises for this chapter.

Revise the Workfile for Revenue and Billing

Revising the Workfile for Revenue and Billing

The transactions in the Billing Workfile (F4812) are the basis for the rest of the revenue and billing process. You should make any necessary additions and revisions to the workfile transactions before you continue. For example, you can:

- Add informational text that you want to print on an invoice.
- Add any G/L transactions that were omitted from the workfile without running the Generation program again.
- Change the markup for a transaction.
- Add transactions directly to the workfile without entering them into the G/L first, such as transactions for expense reports that have not yet been processed in the Accounts Payable system.
- Assign a hold status to a transaction with a release date to prevent a transaction from being included on an invoice until that date.
- Split a transaction into two new transactions. You can then revise the billing status for the new transactions.

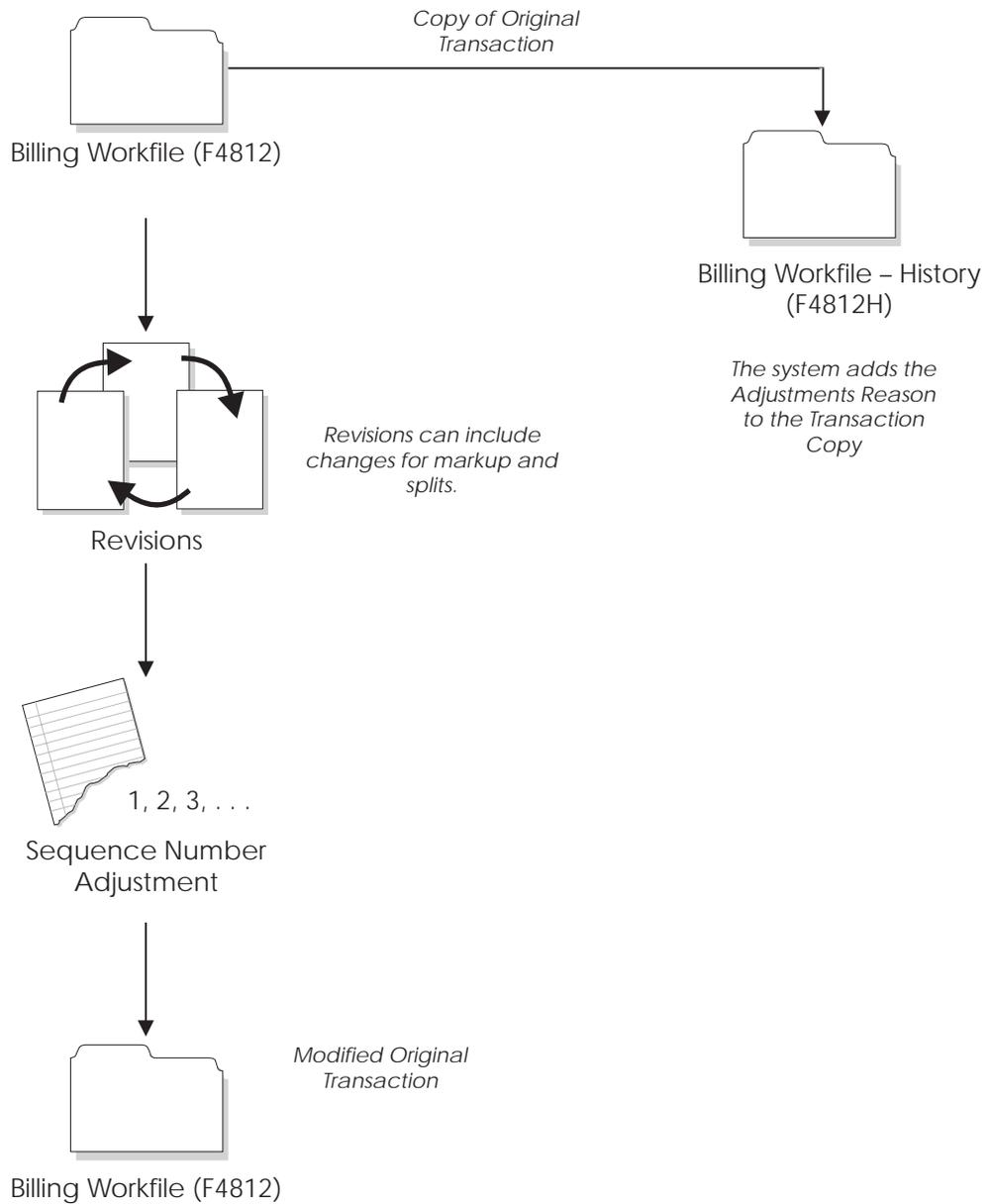
You can also move a transaction from the active workfile to the workfile history table so that it is not included on an invoice.

Revising the workfile consists of the following tasks:

- Adding text to a workfile transaction
- Adding existing G/L transactions
- Changing the markup
- Entering ad-hoc transactions
- Assigning a hold status
- Splitting a workfile transaction
- Moving a workfile transaction to history
- Printing workfile transactions

Workfile Revisions and Sequence Numbers

When you revise workfile transactions, the system assigns the transactions and each new revision a series of sequence numbers.



You can use these numbers to track the progression of revisions to original workfile transactions. The system assigns each workfile transaction the following sequence numbers:

Sequence number	The sequence number of the original workfile transaction is always 1. If you split the original transaction, the system assigns the next available sequence numbers to the resulting transactions.
Parent sequence number	The parent sequence number for an original workfile transaction is always blank. The system assigns a parent number to transactions that result from a split. The parent number for resulting transactions is always the <i>sequence number</i> of the transaction that you split. For example, if you split an original workfile transaction with a sequence number of 1 and a blank parent sequence number, the system assigns the resulting transactions a parent number of 1.
Secondary sequence number	The secondary sequence number tracks the number of revisions you make to a workfile transaction. For example, you might revise a transaction three times. The secondary sequence number of the transaction you revise is 1. After the revision, the secondary sequence number for the transaction is 2. When you change the transaction again, the secondary sequence number is 3.

What You Should Know About

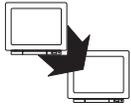
Cost transactions in the G/L	Any changes you make to a workfile transaction affect only the information in the workfile. The changes do not affect the cost (source) transactions in the Account Ledger table (F0911).
Revised transactions	<p>Revised transactions remain in the workfile. The system retains a copy of the transaction prior to any changes in the Billing Workfile – History table (F4812H) for audit purposes.</p> <p>When you set up your system constants to allow journal reclassification, the system creates correcting entries for the revised workfile transactions in the Account Ledger table during journal creation.</p> <p>See <i>Creating Preliminary G/L Entries for Revenue Recognition</i> for more information about journal reclassification.</p>

Adding transactions directly to the workfile

CAUTION: If you add transactions directly to the workfile and then process the original transaction through the normal accounting and billing cycles, the system creates a duplicate transaction.

See *Entering Ad-Hoc Transactions for Revenue and Billing* for more information.

Adding Text to a Workfile Transaction for Revenue and Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Workfile Generation

From Workfile Generation (G4822), choose Revisions

You can enter text to associate additional information with a workfile transaction. For example, the text might be a further description of the services for which you bill customers. You can enter text for a transaction at any point in the billing process. You can also print this text on an invoice. The system uses the billing control ID (BCI) number to attach text to workfile transactions.

▶ To add text to a workfile transaction

On Revisions

1. Complete the steps for reviewing workfile transactions.

See *Reviewing Workfile Transactions for Revenue and Billing*.

2. Choose Text for a specific transaction.

3. On Invoice/Batch Extended Text, enter free-form text.

If you need to enter more text, you can scroll to display additional lines. After you enter text, the system highlights the Option field on the Revisions form to indicate that the text exists for the transaction.

What You Should Know About

Formatting text

The system prints any text you enter for a workfile transaction exactly as it appears on the Invoice/Batch Extended Text form.

Inserting a blank line

You can insert a blank line between two existing lines of text to enter new information. The system inserts a line directly below the line on which you choose Insert Line.

Deleting text

You can use two methods to delete text you have entered for a transaction:

- To delete all the text, use the Delete action
- To delete individual lines of text, choose Delete Line for the respective lines

Renumbering lines of text

The system automatically assigns a sequence number to each line of text. The sequence number is not displayed on the form. If the system prevents you from inserting a blank line, choose Renumber Text. The system updates the numbers to prepare the text for additional lines.



Exercises

See the exercises for this chapter.

Adding Existing G/L Transactions for Revenue and Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Workfile Generation

From Workfile Generation (G4822), choose Revisions

You can add transactions from the Account Ledger table (F0911) to the Billing Workfile without running the Generation program. For example, you can include costs for workfile processing that you did not include in the workfile generation. You can also include costs in the workfile for processing that were entered in the General Accounting system after you accumulated billable costs.

You can add transactions to the workfile using one of the following amounts:

- The cost without markup
- The cost plus markup, based on the markup rules you define or the default markup percentage you specify in the system constants

When you add a source transaction to the workfile, the system marks the transaction as billed in the Account Ledger table, and, if applicable, in the Payroll Transaction History (F0618) or Employee Transactions Detail (F06116) tables.

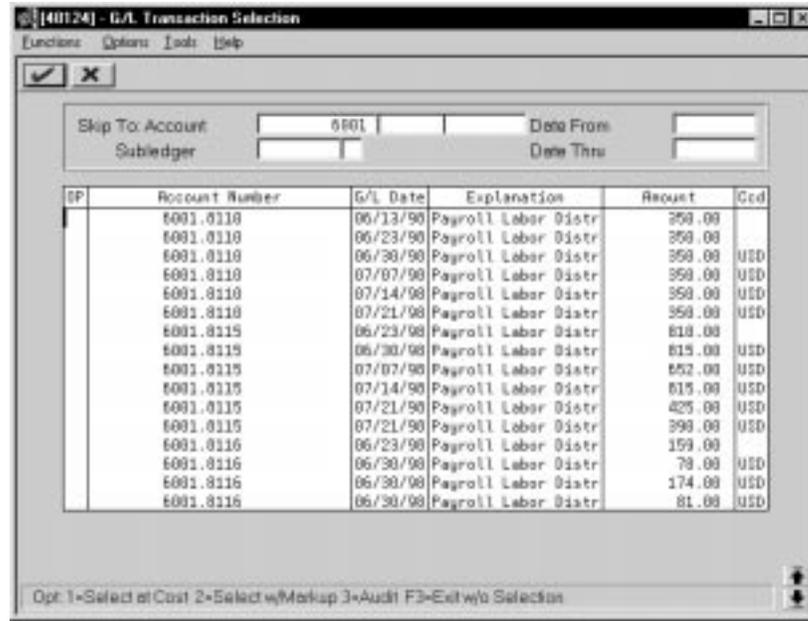
▶ To add existing G/L transactions

On Revisions

1. Complete the steps for reviewing workfile transactions.

See *Reviewing Workfile Transactions for Revenue and Billing*.

2. Choose G/L Selection.



3. On G/L Transaction Selection, complete the following field to display the existing source transactions:
 - Business Unit
4. To limit the list of transactions, complete one or more of the following fields:
 - Date From
 - Date Thru
 - Object
 - Subsidiary
 - Subledger
 - Subledger Type

The system automatically supplies the information for these fields if you completed them on the Revisions form.

5. Choose one of the following for a specific transaction:
 - Select at Cost
 - Select with Markup

What You Should Know About

G/L audit trail

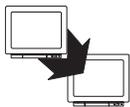
If you do not know how a transaction originated, you can choose Audit for the transaction. The system displays the audit trail from the Account Ledger table.



Exercises

See the exercises for this chapter.

Changing the Markup for Revenue and Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Workfile Generation

From Workfile Generation (G4822), choose Revisions

The markup for a transaction is the increase in costs to account for overhead and profit. You define markup rules when you set up your system. You can also change markup information after you accumulate costs.

After you make changes to the markup, you can apply the revised markup information to the transaction, or you can reapply the markup rules you originally defined for your system on the Cost Plus Markup Table.

► To change the markup

On Revisions

1. Complete the steps for reviewing workfile transactions.
See [Reviewing Workfile Transactions for Revenue and Billing](#).
2. Choose Detailed Transaction Window for a specific transaction.

The screenshot shows a window titled "[4812W1] - Accounts/Units Information". It contains the following fields and values:

Invoice Amount	
Units	40.00 HR
Cost Rate	8.7500
Cost Amount	350.00
Dvr Rate/Cap	
Mark Up %	19.000
Mark Up Amt	
Taxable Amt	385.00
Tax	
Tot Billing	385.00
Discount %	
Disc Available	
Taxable	N
Ajst Reason	
Orig Exch Rate	
Inv Exch Rate	
Tax Rate/Expl	/

At the bottom, there is a status bar with the text: "F5=Update F11,F12,F13,F14,F15=Detail Formats F24=More".

- To review the origin of the markup and tax information for the transaction, choose Table Information.

The screenshot shows a window titled "[4812W5] - Table Information". It displays the following information:

MARKUP TABLE INFORMATION

Invoice Markup Table	6 Job or Business Unit	5002
Revenue Markup Table	Table Not Applicable	
Component Markup Table	6 Job or Business Unit	5002

ACCOUNT DERIVATION TABLE INFORMATION

Table Type 1	Table Not Applicable
Table Type 2	Table Not Applicable
Table Type 3	Table Not Applicable

G/L AND TAX TABLE INFORMATION

G/L Offset Table	Table Not Applicable
Tax Derivation Table	Table Not Applicable

At the bottom, there is a status bar with the text: "F5=Update F11,F12,F13,F14,F15=Detail Formats F24=More".

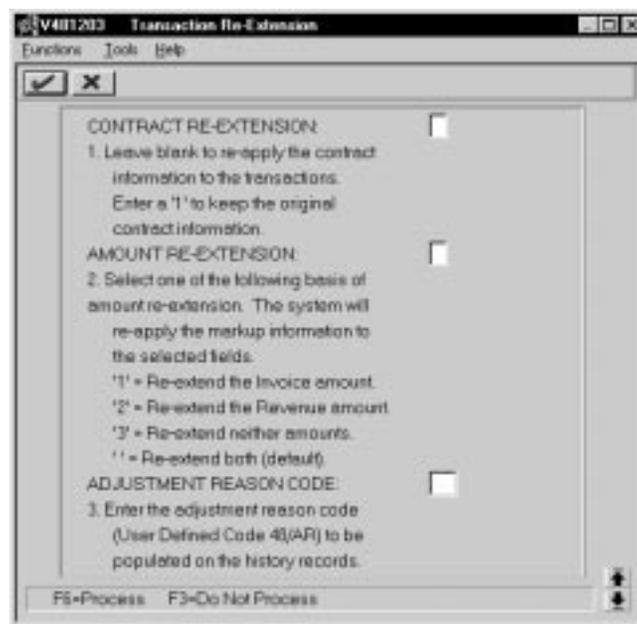
- On Table Information, choose Amounts/Units Information to return to the Amounts/Units Information form.

5. On Amounts/Units Information, complete any combination of the following applicable fields:
 - Override Rate
 - Cap or Rate
 - Mark Up Percent
 - Mark Up Amount
6. Choose Update.

The system calculates the markup and displays the changes.

7. Choose Exit Program.

The system displays Transaction Re-Extension.



The screenshot shows a window titled "Transaction Re-Extension" with a menu bar containing "Functions", "Tools", and "Help". The main area contains three sections, each with a checkbox on the right:

- CONTRACT RE-EXTENSION:**
1. Leave blank to re-apply the contract information to the transactions.
Enter a '1' to keep the original contract information.
- AMOUNT RE-EXTENSION:**
2. Select one of the following basis of amount re-extension. The system will re-apply the markup information to the selected fields.
'1' = Re-extend the Invoice amount.
'2' = Re-extend the Revenue amount.
'3' = Re-extend neither amounts.
' ' = Re-extend both (default).
- ADJUSTMENT REASON CODE:**
3. Enter the adjustment reason code (User Defined Code 40[AR] to be populated on the history records).

At the bottom, there are function key prompts: "F6=Process" and "F3=Do Not Process".

8. On Transaction Re-Extension, complete the following fields:
 - Contract Re-Extension (Contract Billing only)
 - Amount Re-Extension
 - Adjustment Reason Code
9. Choose Process.

The system retains the information you entered on the form and displays it the next time you access the Transaction Re-Extension form.

Field	Explanation
Ovr Rate/Cap	<p>The rate the system uses to mark up the invoice amount reflected in the billing of professional services such as draftsmen, engineers, or consultants fees. This rate does not affect the employee's paycheck.</p> <p>You can use this markup rate as an override rate or as a maximum rate. The Override Rate Calculation for the Total Invoice Markup is:</p> $(\text{Override Rate} * \text{Unit}) * (1 + \text{Markup Percent}) + \text{Markup Amount}$ <p>When a Maximum or Cap Rate is Specified: Compare override rate with rate from cost transaction. Use the lower rate as the override rate.</p> <p>You can set up this override or maximum unit rate on the Cost Plus Markup Table form. Use generation type 1 to specify a table for invoice markup rates.</p> <p>With the new Service Billing and Contract Billing modules, you can mark up the revenue amount at a different rate than the invoice amount. The Independent Invoice flag in the system constants controls this function. Use generation type 2 on the Cost Plus Markup Table form to specify a markup table for revenue and invoice markup rates.</p>
Cap or Override Rate – Invoice	<p>This flag indicates whether the associated amount is the override rate or the cap of the rate.</p> <p>Valid codes are:</p> <ul style="list-style-type: none"> blank Override Rate. 1 Cap of the Rate. If the cost rate is less than the cap rate, the cost rate will be used; if the cost rate is greater than the cap rate, the Cap Rate will be used.
Mark Up %	<p>The percentage the system uses to mark up the invoice amount reflected in the billing of professional services, such as draftsmen, engineers, or consultants fees. Enter the percentage as a whole number. For example, 50.275 percent would be entered as 50.275. This percentage rate does not affect the employee's paycheck.</p> <p>You set up this percentage on the Cost Plus Markup Table form. Use generation type 1 to specify a table for invoice markup percentage rates.</p> <p>With the new Service Billing and Contract Billing modules, you can mark up the revenue amount at a different rate than invoice amount. The Independent Invoice flag in the system constants controls this function. Use generation type 2 on the the Cost Plus Markup Table form to specify a markup table for revenue and invoice markup rates.</p>

Field	Explanation
Mark Up Amt	<p>An amount the system uses to mark up the invoice amount reflected in the billing of professional services such as draftsmen, engineers, or consultants fees. This amount will not affect the employee's paycheck.</p> <p>You define this amount on the Cost Plus Markup Table form. Use generation type 1 to specify a table for invoice markup amounts.</p> <p>With the new Service Billing and Contract Billing modules, you can mark up the revenue amount at a different rate than invoice amount. The Independent Invoice flag in the system constants controls this function. Use generation type 2 on the Cost Plus Markup Table form to specify a markup table for revenue and invoice markup rates.</p>
Option – Amount Re-extension	<p>You re-extend a transaction when you want to change or reapply the markup for the transaction based on your specific overrides or on the information that you have defined in the markup tables. The valid values are:</p> <ol style="list-style-type: none"> <li data-bbox="721 846 1338 940">1 Reapply the established invoice markup rates from the Cost Plus Markup Table. The revenue amount is not changed. <li data-bbox="721 947 1338 1041">2 Reapply the established revenue markup rates from the Cost Plus Markup Table. The invoice amount is not changed. <li data-bbox="721 1047 1338 1192">3 Use the rates or amounts entered in the Amounts/Units Information window or on the Revisions form. Do not apply the established invoice or revenue markup rates from the Cost Plus Markup Table. <p>blank Reapply both the invoice and revenue markup rates using the established rates from the Cost Plus Markup Tables.</p> <p>Note: You cannot use options 1 or 2 when the Independent Invoice flag in the system constants specifies that the invoice and revenue amounts must be the same.</p>
Adjustment Reason Code	<p>A user defined code (system 48, code AR) that you use to specify the reason for a revision to a single or a group of billing detail transactions in the Billing Workfile (F4812). The system updates the historical billing detail transaction with this reason for audit purposes.</p>

What You Should Know About

Multi-currency

To change the amounts for workfile transactions in a multi-currency environment, you must enter the amounts in the currency of the workorder or business unit. For example, if the workorder was entered in the foreign currency, you must make all revisions in the foreign currency. The system prevents you from entering both foreign and domestic currency amounts for a multi-currency workorder or business unit.

Updating a workfile transaction

You can update individual workfile transactions to reflect the most current rules you have set up to calculate discounts, taxes, and markups. Choose Transaction Re-Extension next to the transaction you want to update on the Revisions form.

Updating workfile transactions globally

You can update multiple workfile transactions to reflect the most current rules you have set up to calculate discounts, taxes, and markups. Choose Re-Extension from the Workfile Generation menu to access the DREAM Writer. The processing options are identical to the Transaction Re-Extension form.

Identifying taxable transactions

The system determines whether a transaction is taxable by searching for tax information using the following hierarchy:

- Tax derivation rules
- Job Master table (F0006)
- Customer Master table (F0301)

You can change only the rules and tables that the system uses to determine the taxable status of a transaction. You cannot change the tax information for a workfile transaction in the following fields:

- Taxable Y/N
- Tax Explanation
- Tax Rate/Area

See *Defining Tax Derivation Rules* for more information.

Changing amounts for a workfile transaction To change the amounts for a workfile transaction, you can change the markup information or complete one of the following fields on Amounts/Units Information:

- Taxable Amount
- Total Billing

If you change an amount for a transaction, the system automatically recalculates and updates all the related amounts, including the Markup % field.

Changing the discount You can change the discount percent only if the payment terms you define for the transaction allow for a discount. To change the discount for a workfile transaction, complete the Discount Percent field on Amounts/Units Information.

See Also

- *Defining Markup Rules (F48096)* for more information about setting up markup rules on the Cost Plus Markup Table



Exercises

See the exercises for this chapter.

Entering Ad-Hoc Transactions for Revenue and Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Workfile Generation

From Workfile Generation (G4822), choose Revisions

If you do not enter cost information during an accounting cycle, the transactions are not available when you accumulate costs. You can manually add transactions to the workfile on an as-needed basis for costs that are not processed during the accounting cycle. Transactions you enter into the workfile manually are referred to as ad-hoc transactions.

For example, an accounting department processes expense reports on the 15th of each month. The supervisor's expenses contain a billable cost that must be in the Billing Workfile by the 5th of the month. In this case, you enter the cost as an ad-hoc transaction to the workfile. The ad-hoc transaction is created to represent cost information that is not in the Account Ledger table and is independent of the regular accounting cycle. After you enter the ad-hoc transaction into the workfile, you can mark up the cost, enter a remark, and complete the billing process.

When you enter an ad-hoc transaction into the workfile:

- You cannot record a reason why the transaction was created
- No source document exists to backup the transaction
- The detail information for the costs in the general ledger and the workfile is inconsistent



If you enter an ad-hoc transaction and then process the related source transaction through the normal accounting and billing cycles, the system creates a duplicate transaction in the workfile. To prevent this, you must manually change the eligibility code for the duplicate workfile transaction to nonbillable and remove it from the workfile.

If you do not remove the duplicate workfile transaction from the workfile, the system continues to display the transaction on the Revisions form. You might include the transaction in a revenue batch or bill for the transaction in error if the eligibility code for the transaction is changed.

To enter ad-hoc transactions

On Revisions

1. Complete the steps for reviewing workfile transactions.

See *Reviewing Workfile Transactions for Revenue and Billing*.

2. Complete the following fields on a blank detail line:

- G/L Date
- Business Unit
- Object
- Subsidiary

3. Complete the following optional fields for the new transaction:

- Employee/Supplier
- Amount

- Eligibility Code
4. Choose More Details.
 5. Complete the following optional fields:
 - Subledger
 - Subledger Type
 6. Use the Add action.

The system displays Transaction Re-Extension.

7. On Transaction Re-Extension, complete the following fields:
 - Contract Re-Extension (Contract Billing only)
 - Amount Re-Extension
 - Adjustment Reason Code
8. Choose Process.

See Also

- *Moving a Transaction to History for Billing (P4812)* for more information about changing the status of a transaction to nonbillable.

Assigning a Hold Status for Revenue and Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Workfile Generation

From Workfile Generation (G4822), choose Revisions

You can put a workfile transaction on hold so the system can process it at a later date. You can hold a transaction indefinitely, or you can specify a release date. When you put a workfile transaction on hold, the transaction remains in the Service Billing Workfile, but the system does not process it until the release date. The system stores the release date as part of the audit trail for the transaction.

► To assign a hold status

On Revisions

1. Complete the steps for reviewing workfile transactions.

See *Reviewing Workfile Transactions for Billing*.

2. Choose Detailed Transaction for a specific transaction.
3. On Amounts/Units Information, choose Accounting/Internal Control Information.

Field	Value
Hold Code	[]
Summarization Key	
Control ID	10770
Parent Sequence	
Sequence Number	1
Secondary Sequence	1
Last Sequence	
Client Inv Status	0
Client Inv Number	
Client Inv Date	
Client Pay Item	
Revenue Batch No	
Batch Number	
Active Batch Number	
Payment Seq No	
Journal Status	0 /
Rev Bill When Paid	<input type="checkbox"/> Revenue
Payment Completed	<input type="checkbox"/> Offset
G/L Offset	/
% Retainage	
Split Link	
Component Link	
Cost Comp Table	
Rev Comp Table	
Inv Comp Table	
Void (V)	
Printed Flag	/
User ID	JL5495188
Work Station ID	J481201
Date Entered	07/28/97
Date Updated	07/28/97
Time Last Updated	8:59:15
Override Account	
Subldgr	T

F5=Update F11,F12,F13,F14,F15=Detail Formats F24=More

4. On Internal Control Information, complete the following field:
 - Hold Code

If you leave the Released Date field blank, the system holds the transaction indefinitely.

5. Choose Update.
6. Choose Exit Program.

The system displays Transaction Re-Extension.

7. On Transaction Re-Extension, complete the following fields:
 - Amount Re-Extension
 - Adjustment Reason Code
8. Choose Process.

Field	Explanation
Hold Code	<p>This code identifies the type of “hold” status applied to a billing detail transaction.</p> <p>Valid alpha values are:</p> <ul style="list-style-type: none"> blank Not on hold. A On hold for invoicing, revenue recognition, and cost transfers. B On hold for invoicing and revenue recognition. Cost transfers are allowed. I On hold for invoicing only. Revenue recognition and cost transfers are allowed. R On hold for revenue recognition. This value applies only when the Journal Generation Control flag in the system constants is set to process revenue only. <p>Valid numeric values are:</p> <ul style="list-style-type: none"> blank Not on hold. 1 On hold for invoicing, revenue recognition, and cost transfers. 2 On hold for invoicing and revenue recognition. Cost transfers are allowed. 3 On hold for invoicing only. Revenue recognition and cost transfers are allowed. 4 On hold for revenue recognition. This value applies only when the Journal Generation Control flag in the system constants is set to process revenue only.
Released Date	<p>The release date. This billing detail transaction will not be eligible for processing until this date is greater than or equal to the “billed-through” date specified in Service Billing or the “cut-off” date specified in Contract Billing.</p>

What You Should Know About

Transactions with related transactions

If you assign a hold status to a workfile transaction with associated burden transactions, component transactions, or both, the system automatically assigns the hold to all the related transactions.



Exercises

See the exercises for this chapter.

Splitting a Workfile Transaction for Revenue and Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Workfile Generation

From Workfile Generation (G4822), choose Revisions

After you accumulate costs, you can split a workfile transaction into two new transactions. You can split a transaction by a specific currency amount, unit amount, or a percent.

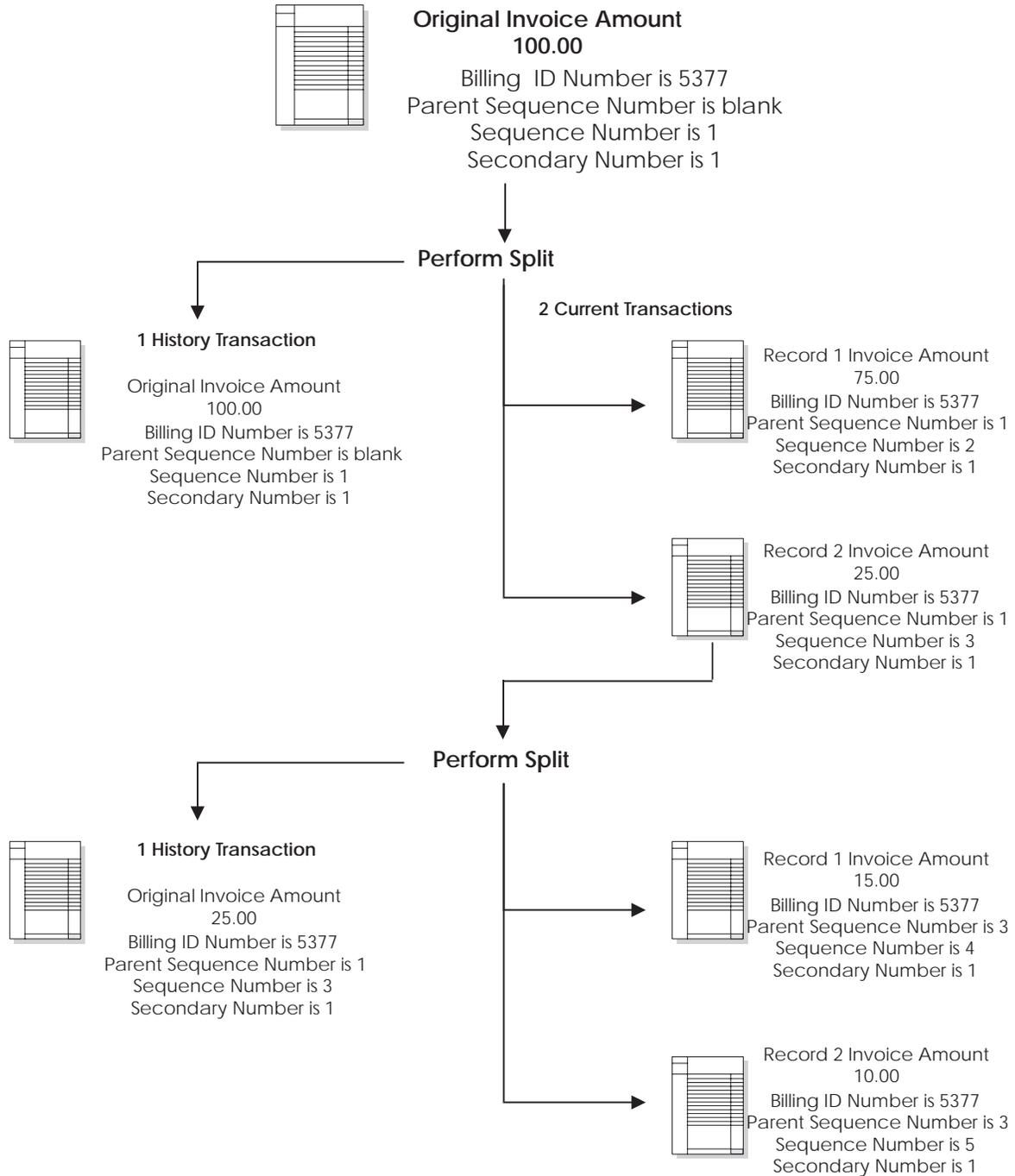
You might want to split a transaction so that you can process one of the new transactions for billing, but not the other. For example, an employee works overtime and is paid at twice the regular hourly rate. If you need to bill the employee's time at the regular rate, you can split the workfile transaction into two equal portions. One portion can be billable and the other nonbillable.

You can split only payroll transactions that do not include associated burden. You cannot split burden transactions.

When you split a workfile transaction, the system:

- Displays two new transactions. The amounts and units for the new transactions equal that of the transaction prior to the modification.
- Moves a copy of the workfile transaction prior to the modification to the Billing Workfile – History.
- Assigns sequence numbers to all the related transactions. The control ID remains the same for the workfile transactions. You can review the sequence numbers and control ID in the accounting and internal control information.
- Splits associated component transactions.

The following graphic illustrates how the Service Billing system processes and assigns sequence numbers to transactions when you split a workfile transaction.



► To split a workfile transaction

On Revisions

1. Complete the steps for reviewing workfile transactions.
See Reviewing Workfile Transactions for Billing.
2. Choose Split for a specific transaction.
3. On G/L Transaction Split Window, complete one of the following fields:
 - Units
 - Cost
 - Invoice Amount
4. Complete the following field:
 - Amount or % for Split Record 1
5. Choose Update with Redisplay to update the displayed information.
6. Verify that the information is correct.
7. Choose Perform Split to update the workfile transactions.

Field	Explanation
Units	<p>The quantity of something that is identified by a unit of measure. For example, it can be the number of barrels, boxes, cubic yards, gallons, hours, and so on.</p> <p>..... <i>Form-specific information</i></p> <p>If you enter X in this field, the system performs the split based on the units of the billing detail transaction.</p>
Cost	<p>The cost (source) amount for a billing detail transaction.</p> <p>..... <i>Form-specific information</i></p> <p>If you enter X in this field, the system performs the split based on the cost (source) amount of the billing detail transaction.</p>
Invoice Amount	<p>The portion of the invoice amount that is subject to tax.</p> <p>..... <i>Form-specific information</i></p> <p>If you enter X in this field, the system performs the split based on the taxable portion of the invoice amount of the billing detail transaction.</p>

Field	Explanation
Split Amount/Percent	<p>The split amount or percent. You can split the taxable amount, the revenue total, the cost, or the units.</p> <p>If you enter an amount, it must be less than the amount of the field you are using as the basis of the split. If you enter a percentage (for example, 25% or %25,), the percentage must be less than 100%. The system automatically calculates the amount or percentage for the second split record.</p>

What You Should Know About

Splitting a transaction with a markup amount

When you split a transaction with a markup amount based on cost, the system allocates the entire markup amount to Split Record 1. If you split a transaction with a markup amount based on the invoice amount, the system allocates the markup amount to both split records.

Splitting a transaction with a hold code

When you split a transaction with a hold code, the system assigns the hold code and released date information to the resulting new transactions.

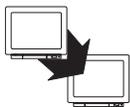
See *Assigning a Hold Status for Billing* for more information about hold codes.



Exercises

See the exercises for this chapter.

Moving a Workfile Transaction to History for Revenue and Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Workfile Generation

From Workfile Generation (G4822), choose Revisions

You can move a transaction out of the active Billing Workfile if the transaction does not belong in the workfile. Before you can move a transaction out of the workfile, the status for the transaction must be nonbillable. For example, if you do not want to bill for a portion of a split transaction, you would move the nonbillable portion to history.

Moving a transaction to history consists of the following:

- Moving a transaction without burden to history
- Moving a transaction with burden to history

If burden is associated with the transaction, you first change the eligibility code for the burden to nonbillable. Then, change the eligibility code for the workfile transaction to nonbillable.

When you move a transaction to history, the system:

- Copies the transaction to the Billing Workfile – History (F4812H) for audit purposes
- Removes the transaction from the active Billing Workfile (F4812)

Transactions that you move to history do *not* appear on the Revisions form.

The system does not remove the original transaction from the Account Ledger table.

To move a transaction without burden to history

On Revisions

1. Complete the steps for reviewing workfile transactions.
See [Reviewing Workfile Transactions for Billing](#).
2. Complete the following field for a specific transaction to make it nonbillable:
 - Eligibility Code
3. Use the Change action.

The system displays Transaction Re-Extension.

4. On Transaction Re-Extension, complete the following fields:
 - Amount Re-Extension
 - Adjustment Reason Code
5. Choose Process.

The system displays Revisions.

6. On Revisions, choose Delete for the workfile transaction.
7. Use the Change action.

To move a transaction with burden to history

On Revisions

1. Complete the steps for reviewing burden transactions for a specific workfile transaction.

See [Reviewing Burden Transactions for Billing](#).

2. On Burden Information, complete the following field for all burden transactions to make them nonbillable:

- Eligibility Code

You must make all the burden transactions related to the workfile transaction nonbillable. If you do not, the system prevents you from moving the workfile transaction to history.

3. Use the Change action.
4. Choose Exit Program.
5. On Revisions, complete the following field for the workfile transaction to make it nonbillable:

- Eligibility Code

6. Use the Change action.

The system displays Transaction Re-Extension.

7. On Transaction Re-Extension, complete the following fields:

- Amount Re-Extension
- Adjustment Reason Code

8. Choose Process.

The system displays Revisions.

9. On Revisions, choose Delete for the workfile transaction.
10. Use the Change action.

What You Should Know About

Changing the status of burden transactions

You can make burden transactions nonbillable without moving the related workfile transaction to history. You can do this if you need to change the billing status of a burden transaction without changing the billing status of the related workfile transaction.

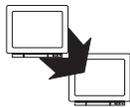
For example, you might want to do this if a burden account in the chart of accounts has been incorrectly designated as billable. You can change the resulting burden transactions for that account to nonbillable without changing the billing status of the related workfile transaction.



Exercises

See the exercises for this chapter.

Printing Workfile Transactions for Revenue and Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Workfile Generation

From Workfile Generation (G4822), choose Print Workfile

You can review workfile transactions online. You can also generate a report that prints a list of selected transactions. You might want to use this report for a number of reasons, including:

- As an exception report, for example, to print all of the transactions that are on hold
- As a comparison with the detail in the general ledger

To compare the workfile transactions to the detail in the general ledger, you can review the general ledger online using Account Ledger Inquiry, or you can print the G/L by Object Account report.

If you find a discrepancy, you should make the necessary revisions before you continue with the billing process.

See Also

- *Technical Foundation Guide* for information about running, copying, and changing a DREAM Writer version

Billing Workfile Listing

48405		J.D. Edwards & Company				Page No. . . . 2									
		Service Billing Workfile Listing				Date - . . . 5/20/96									
G/L	Cost	Units	Rate	Billed Amount	Account Number	Sub- ledger	S Contract	Job Type	Job PDBA	Employee /Supplr	Equipment	Journal Batch	Invoice Batch	Pay Invoice	Pha
06/30/98	27.54			27.54	5002										
					Explanation Other Reimbursables			W/O Class		J. Class REG Equip Class		Home B.U.		PO No.	
					Company 50					Jrnl Status 0 Printed Flg	A/R Exmpt	Sequence Number		1	
					Component Code	Component Link									
06/05/98	1,003.50	45.00	22.3000	3,150.00	5002.1341.02210			5002 64	JR	1 7568	00001361			DENVER PO No.	
					Explanation McGrew, Nancy			W/O Class		J. Class REG Equip Class		Home B.U.		DENVER PO No.	
					Company 50					Jrnl Status 0 Printed Flg	A/R Exmpt	Sequence Number		1	
					Component Code	Component Link									
06/05/98	1,260.00	45.00	28.0000	5,400.00	5002.1341.02210			5002 64	SR	1 7566	00001361			DENVER PO No.	
					Explanation Meikle, Chris			W/O Class		J. Class REG Equip Class		Home B.U.		DENVER PO No.	
					Company 50					Jrnl Status 0 Printed Flg	A/R Exmpt	Sequence Number		1	
					Component Code	Component Link									
06/05/98	1,170.00	45.00	26.0000	2,925.00	5002.1341.02210			5002 64-1		1 7570	00001361			NEWYORK PO No.	
					Explanation Manderfield, Jake			W/O Class		J. Class REG Equip Class		Home B.U.		NEWYORK PO No.	
					Company 50					Jrnl Status 0 Printed Flg	A/R Exmpt	Sequence Number		1	
					Component Code	Component Link									
06/05/98	1,062.00	45.00	23.6000	1,168.20	5002.1341.02210			5002 65		1 7572	00001370			NEWYORK PO No.	
					Explanation Miller, Michael			W/O Class		J. Class REG Equip Class		Home B.U.		NEWYORK PO No.	
					Company 50					Jrnl Status 0 Printed Flg	A/R Exmpt	Sequence Number		1	
					Component Code	Component Link									
07/04/98	750.00	15.00	50.0000	2,250.00	5002.1341.02210			5002 64	PR	1 7565				50 PO No.	
					Explanation Marshall, Lynn V.			W/O Class		J. Class REG Equip Class		Home B.U.		50 PO No.	
					Company 50					Jrnl Status 0 Printed Flg	A/R Exmpt	Sequence Number		1	
					Component Code	Component Link									
06/06/98	1,000.00				5002.1341.02210			5002						5000 PO No.	
					Explanation misc. cost			W/O Class		J. Class REG Equip Class		Home B.U.		5000 PO No.	
					Company 50					Jrnl Status 0 Printed Flg	A/R Exmpt	Sequence Number		1	
					Component Code	Component Link									
06/30/98	1,000.00				5002.1341.02210			5002						5000 PO No.	
					Explanation misc. cost			W/O Class		J. Class REG Equip Class		Home B.U.		5000 PO No.	
					Company 50					Jrnl Status 0 Printed Flg	A/R Exmpt	Sequence Number		1	
					Component Code	Component Link									
07/04/98	15.00		50.0000	45.00	5002.1341.02210			5002 64	PR	1 7565				012	
					Explanation Overhead and Cost of Money			W/O Class		J. Class REG Equip Class		Home B.U.		50 PO No.	
					Company 50					Jrnl Status 0 Printed Flg	A/R Exmpt	Sequence Number		1	
					Component Code COM	Component Link									

Processing Options for Billing Workfile Listing

PRINT OPTION:

1. Choose one of the following to print: _____
'0' = All detail (default).
'1' = Only one line of detail.

Work with Workfile History for Revenue and Billing

Working with Workfile History for Revenue and Billing

For every revision of a transaction that you create as you process workfile transactions, the system stores a copy of the previous transaction. You can review this audit trail to see all the changes you have made to a transaction. For example, if you change a markup and include a reason for the change, you can access the workfile history to review the markup change reason.

Working with the workfile history includes the following tasks:

- Reviewing transaction revisions
- Moving a transaction out of history

As you review the workfile history, you can reactivate eligible transactions. When you reactive a transaction, you move it from history back to the active workfile. For example, if you move a transaction to history in error, the transaction is eligible to be moved back to the workfile. After you move the transaction back to the workfile, you can include the transaction on an invoice.

To maintain the integrity of the workfile, the system determines whether a transaction is eligible for reactivation based on the billing control ID number and a combination of other factors.

The following transactions are not eligible for reactivation:

- Invoiced transactions
- Voided transactions
- Transactions copied to history during the split process
- Transactions copied to history during the modification process

Reviewing Transaction Revisions for Revenue and Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Workfile Generation

From Workfile Generation (G4822), choose Revisions

For every revision of a transaction that you create as you process workfile transactions, the system stores a copy of the previous transaction. You can review this audit trail to see all the changes you have made to a transaction. The system displays the revision history of a transaction starting with the most recent revision to the original transaction.

► To review transaction revisions

On Revisions

1. Complete the steps for reviewing workfile transactions.

See *Reviewing Workfile Transactions for Revenue and Billing*.

2. Choose Transaction History Inquiry for a specific transaction.

P	Par Seq	Seq Num	Seq	Description of Adjustment Reason	Invoiced Amount	Date Changed	User ID
		1	1		1,103.05	07/31/97	315495188

3. On Inquire Workfile History, review the revision history for the transaction.

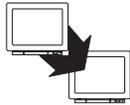
If text, components, tax, or burden are associated with the transaction, the Option field for the transaction is highlighted on the form.



Exercises

See the exercises for this chapter.

Moving a Transaction Out of History for Revenue and Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Workfile Generation

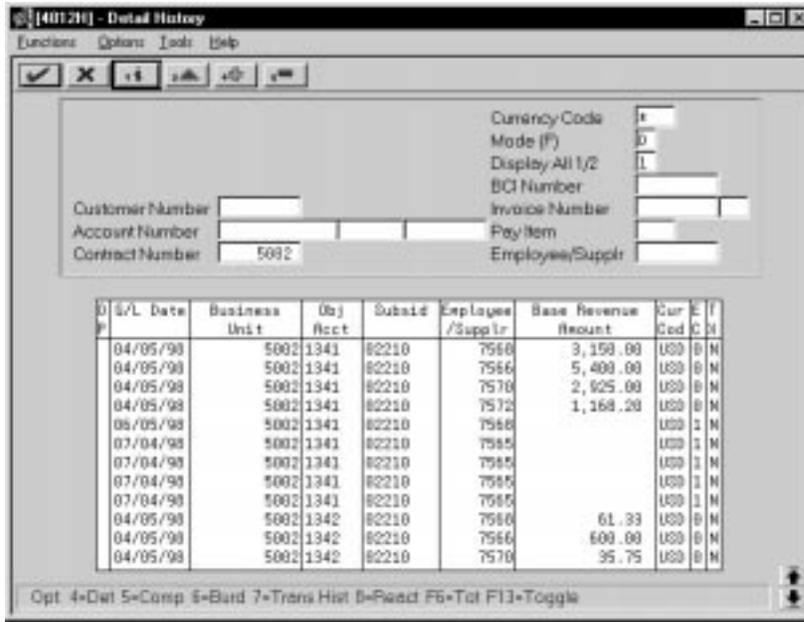
From Workfile Generation (G4822), choose Detail History

As you review the workfile history, you can move transactions that you previously assigned as nonbillable out of history. When you move a transaction out of history, you reactivate the transaction. When you reactivate a transaction, the system:

- Makes the transaction and all its associated components, burden, tax, and text eligible for processing
- Marks the historical transaction as reactivated
- Moves a copy of the historical transaction from the Billing Workfile – History table to the Billing Workfile table

► **To move a transaction out of history**

On Detail History



1. To locate a transaction, complete any of the following fields and press Enter:
 - Customer Number
 - Account Number
 - BCI Number
 - Employee/Supplier
2. Choose Reactivate for the transaction.

After you reactivate a transaction, the system continues to display the transaction on Detail History until you reinquire on the form.

What You Should Know About

Limiting the records that display

You can use the Display All field to display all the transactions in the Billing Workfile – History table. If you use this field, the number of records to display often exceeds the maximum number allowed.

J.D. Edwards recommends that you enter additional criteria to narrow your search when you review the history for workfile transactions.

Displaying eligible transactions

You can use a processing option to control whether the system initially displays all transactions or only those eligible for reactivation.

Billing status for reactivated transactions

Reactivated transactions are nonbillable when they return to the active workfile. You must manually update the billing status before you can complete the billing process for the transaction.

See Also

- *Moving a Workfile Transaction to History for Billing (P4824)*

Processing Options for Detail History

DISPLAY OPTIONS:

1. Enter a '1' to display all history records (default). Enter a '2' to display only the records that are eligible for re-activation. _____
2. Enter a '1' to load all records that meet the search criteria. Leave blank (default) to load two pages at a time (this improves performance). _____
3. Enter the amount to initially display on the screen. All amounts can be accessed using the toggle function. _____
 - '1' = Base Revenue (default)
 - '2' = Base Invoice
 - '3' = Total Revenue
 - '4' = Total Invoice
 - '5' = Base Cost
 - '6' = Total Cost



Exercises

See the exercises for this chapter.

Work with G/L Entries for Revenue and Billing

Working with G/L Entries for Revenue and Billing

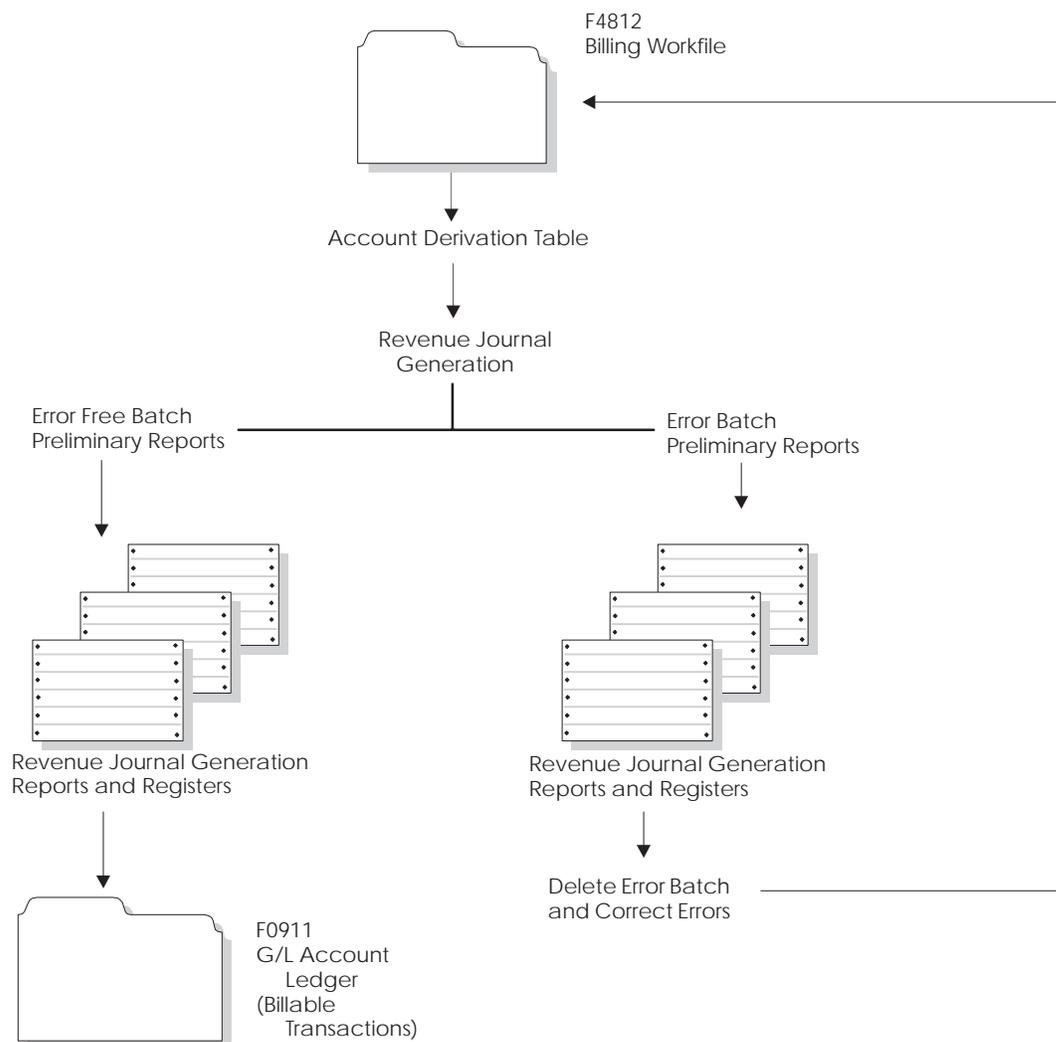
To calculate the unbilled revenue for the current period, you must create G/L journal entries. The amounts related to these entries appear on your income statements and balance sheets when you complete the revenue recognition process. You can use the recognized revenue amounts for projections and to review the profitability or liability of specific departments in your company.

Working with G/L entries consists of the following tasks:

- Creating preliminary G/L entries
- Reviewing preliminary G/L entries
- Creating final G/L entries
- Reviewing and posting G/L entries

J.D. Edwards strongly recommends that you create and carefully review preliminary G/L entries before you create the final entries that post to the general ledger. If you post out-of-balance records to the general ledger, you must manually correct these balances.

The following graphic illustrates the revenue recognition process.



About Journal Reclassification

Depending on how you set the system constants and the processing options for the Revisions form, you can reclassify, or change the account information for, an original journal entry.

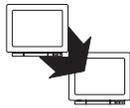
When you set up your system constants to allow journal reclassification, the system creates the correcting entries in the Account Ledger table (F0911) during journal creation.

For example, an employee might charge time to two different work orders during a pay period. When entering time for the pay period, the employee makes an error. After the accounting department processes payroll transactions, you review the costs and discover the employee's data entry error.

You correct the error by changing the work order numbers on the transactions in the Billing Workfile. With journal reclassification, when you runs Journal Generation program, the system creates correcting journal entries along with the preliminary G/L entries. The system creates general ledger entries and adjusting entries in the Payroll Transaction History table (F0618) for the journal reclassification entries related to the payroll transactions.

You can identify the correcting journal entries by their document type. The system also uses the same pay type (PDBA code) of the workfile transaction for journal reclassification, such as 101 for regular pay, unless you use the PDBA code override in the system constants.

Creating Preliminary G/L Entries for Revenue and Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Revenue Recognition

From Revenue Recognition (G4823), choose Journal Generation

You complete the revenue recognition process by creating journal entries. You first create preliminary G/L entries.

When you create the entries, the system prints the Revenue Journal Generation report. You can also set processing options to print the Billing Journal Register and to segregate errors within a revenue batch.

You must run Revenue Journal Generation to create preliminary G/L entries. You should carefully review the Revenue Journal Generation and Billing Journal Register reports to make sure that the preliminary entries are correct so that you do not create final journal entries that create out of balance records in the general ledger.

When you run Revenue Journal Generation, the system:

- Creates preliminary G/L journal entries with a different document type from the transactions in the Billing Workfile. The account derivation rules for revenue recognition that you define for the system determine which accounts the system assigns to the resulting journal entries.
- Temporarily stores the details for the preliminary G/L entries in the Detail Journal Workfile (F48910).
- Prints the Revenue Journal Generation report with journal entry detail.
- Compresses the detail journal workfile information and temporarily stores it in the Compressed Journal Workfile (F48911).
- Prints the Billing Journal Register with the compressed information as a summary of the journal entry detail.

Revenue Journal Generation - Job

48132		J.D. Edwards & Company										Page - . . . 3												
		Revenue Journal Generation - Job										Date - . . . 5/20/96												
Batch Number 6067521																								
Transaction	T	Customer	Employee	Contract	Comp	Equip	WO	Job	Job	Job	Document	Jrnl	G/L	Original Account No. /	Sub	L	Batch	Cost Amount /	Invoice	Billing				
Type/Key	Value	T	Number	Number	Number	Code	Worked	Cls	Cls	Type	Step	Type/Number	Number	Date	LT	Resulting	Account No.	Ledger	T	Number	Result	Amount	Number	Control
6		6001	1	150	7600					6S-1	T2	3489	19.0	06/13/98 AA								350.00		8926
														06/30/98 AA								525.20-		
6		6001	3	150	7600					6S-1	T2	3489	19.0	06/13/98 AA								350.00		8926
														06/30/98 AA								525.20		
6		6001	1	150	7600					6S-1	T2	3492	25.0	06/23/98 AA								350.00		8933
														06/30/98 AA								525.20-		
6		6001	3	150	7600					6S-1	T2	3492	25.0	06/23/98 AA								350.00		8933
														06/30/98 AA								525.20		
6		6001	1	150	7600					6S-1	T2	3154	18.0	06/30/98 AA								350.00		8940
														06/30/98 AA								525.20-		
6		6001	3	150	7600					6S-1	T2	3154	18.0	06/30/98 AA								350.00		8940
														06/30/98 AA								525.20		
6		6001	1	150	7600					6S-1	T2	3489	19.0	06/13/98 AA								5.25		8932
														06/30/98 AA								5.78-		
6		6001	3	150	7600					6S-1	T2	3489	19.0	06/13/98 AA								5.25		8932
														06/30/98 AA								5.78		
6		6001	1	150	7600					6S-1	T2	3492	25.0	06/23/98 AA								5.25		8939
														06/30/98 AA								5.78-		
6		6001	3	150	7600					6S-1	T2	3492	25.0	06/23/98 AA								5.25		8939
														06/30/98 AA								5.78		
6		6001	1	150	7600					6S-1	T2	3489	19.0	06/13/98 AA								.67		8927
														06/30/98 AA								.74-		
6		6001	3	150	7600					6S-1	T2	3489	19.0	06/13/98 AA								.67		8927
														06/30/98 AA								.74		
6		6001	1	150	7600					6S-1	T2	3489	19.0	06/13/98 AA								20.96		8928
														06/30/98 AA								23.06-		
6		6001	3	150	7600					6S-1	T2	3489	19.0	06/13/98 AA								20.96		8928
														06/30/98 AA								23.06		
6		6001	1	150	7600					6S-1	T2	3489	19.0	06/13/98 AA								20.96		8929
														06/30/98 AA								23.06-		
6		6001	3	150	7600					6S-1	T2	3489	19.0	06/13/98 AA								20.96		8929
														06/30/98 AA								23.06		
6		6001	1	150	7600					6S-1	T2	3489	19.0	06/13/98 AA								4.23		8930
														06/30/98 AA								4.65-		
6		6001	3	150	7600					6S-1	T2	3489	19.0	06/13/98 AA								4.23		8930
														06/30/98 AA								4.65		

Journal Register Listing

48300		J.D. Edwards & Company				Page No. 2						
		Journal Register Listing				Date - 5/20/96						
Batch Number 6067521 Generation Type 2 Revenue Batch												
Key												
CO	CO	FY	PN	DT	Account Description	Account Number	Subldgr/Ty	Debit	Credit	Offsets	LT	Document Number
00050	00050	98	06	EU	Unbilled A/R	50.1215		5,577.02			AA	17261
00050	00050	98	06	EU	Labor Revenues	6001.5520			5,577.02-		AA	17261
Doc/Period/LT Total								5,577.02	5,577.02-			
Company Total								5,577.02	5,577.02-			
Generation Type Total								5,577.02	5,577.02-			
Grand Total								5,577.02	5,577.02-			

What You Should Know About

G/L document types

The system can create seven different types of G/L entries. You can use the following document type codes to determine the origination of your journal entries:

- EU (Revenue) – Journal entry created during revenue recognition
- AJ (Adjustment) – Correction to a journal entry for revenue recognition
- BA (Billing Adjustment) – Reclassification of a billable source journal entry that originated from accounts payable or general accounting
- T2 (Payroll Labor Distribution) – Reclassification journal entry that originated from payroll labor
- T4 (Labor Billing Distribution) – Reclassification journal entry that originated from labor billing
- T5 (Equipment Distribution) – Reclassification journal entry that originated from equipment billing

Error batch segregation

If you have an error in a batch of journal entries, you do not have to stop processing the journal entries until it is corrected. If you set the processing option for error batch segregation, the system places any journal entries with errors in a separate batch. Then, you can continue processing the batch of journal entries without errors and correct the batch with errors at a later time.

The error batch segregation processing option works as follows:

- If two transactions are related, such as a base and its component, or a payroll transaction with burden, and one transaction is in error, the system places both transactions in an error batch with a separate batch number.
- The system prints a separate journal register for the error batch.

NOTE: If you select error batch segregation, the Revenue Journal Generation program requires additional processing time.

See Also

- *Defining Account Derivation Rules (P48126)*
- *Setting Up System Constants (P48091)* for more information about using journal reclassification
- *Appendix D – Accounting for the Billing Cycle* for more information about how the Contract Billing system uses account derivation rules
- *Technical Foundation Guide* for information about running, copying, and changing a DREAM Writer version

Processing Options for Revenue Journal Generation

DATE SELECTIONS:

1. Enter the cut-off date for retrieving work file records. Records with a G/L date after this date will not be processed. Leave blank (default) to use the system date as the cut-off date. _____

2. Enter the G/L date to assign to the revenue journal entries created. Leave blank (default) to use the G/L date of the source transaction. _____

PRINT OPTIONS:

3. Choose one of the following to control the printing of the exception report: _____
blank = Print all records (default).
'1' = Print warnings and errors only.
'2' = Print errors only.
'3' = Do not print the report.

4. Enter a '1' to print the Billing Edit/Register report (P48300). _____

JOURNAL DESCRIPTION SELECTION:

5. Choose one of the following for the journal entry description: _____
'1' = Use the description from the Vocabulary Overrides based on Table Type.
'2' = Use the description associated with the subledger value.
blank = Use the description from the Account Master (default).

ERROR BATCH SEGREGATION:

6. Enter '1' to perform the Error Batch Segregation function. _____

Reviewing Preliminary G/L Entries

After you create preliminary G/L entries, you can review the resulting journals to verify that the account information is correct.

Reviewing journals for G/L entries consists of the following:

- Reviewing the batch header and status
- Reviewing revenue journal details

J.D. Edwards strongly recommends that you create and carefully review preliminary G/L entries before you create the final entries that post to the general ledger. If you post out-of-balance records to the general ledger, you must manually correct these balances.

► To review the batch header and status



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Revenue Recognition

From Revenue Recognition (G4823), choose Batch Review

On Batch Review

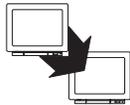
Batch Number	Batch Date	Total Amount	Total Documents	Batch Status Description	User I.D

1. Complete the following field:
 - User ID

If you place an asterisk in the User ID field, the system displays all batches created by all users regardless of the batch activity status.

2. To limit the list of batches, complete the following optional fields:
 - Batch Number
 - Batch Date From
 - Batch Date Thru
 - Batch Status
 - Current Activity
3. Review the following fields for a batch:
 - Batch Number
 - Total Amount
 - Current Activity
 - Batch Status Description

▶ **To review revenue journal details**



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Workfile Generation

From Workfile Generation (G4822), choose Revisions

If you want to review the workfile transaction details for a batch of revenue journals, you must use the Revisions form. You use a processing option to control whether the system displays the Revenue Batch Number field in the upper portion of the form.

When you enter the revenue batch number on the Revisions form, the system displays all transaction information. The system marks transactions in an active revenue batch with an R and displays the revenue batch number in the lower portion of the form. You cannot revise workfile transactions in a revenue batch.

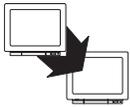
On Revisions

1. Complete the following field to locate transactions in a revenue batch:
 - Revenue Batch Number
2. To limit the display of transactions, complete a combination of the following fields:
 - Customer Number
 - BCI Number

- Account Number
- Employee/Supplier
- Equipment Worked
- Subledger
- Subledger Type
- Job Type
- Job Step
- G/L Date From
- G/L Date Thru

3. Choose Total Amounts For All Records.

Creating Final G/L Entries for Revenue and Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Revenue Recognition

From Revenue Recognition (G4823), choose Create G/L Entries

You complete the revenue recognition process by creating and posting journal entries that relate to the transactions. The system stores the final G/L entries in the Account Ledger table. When you create final G/L entries, the system:

- Changes the journal status for the related workfile transactions
- Moves the transactions out of the active workfile and into the Billing Workfile – History table
- Deletes the records in the Detail Journal Workfile and the Compressed Journal Workfile
- Removes the batch header number for the revenue journals from the Service Billing system

After you create the final G/L entries, you cannot change or delete the batch of journal information.

► **To create final G/L entries**

On Create G/L Entries



1. Complete the following field and press Enter:
 - Batch Number
2. Choose Submit Batch.

The system displays a message prompting you to verify the batch post submission.

3. Choose Submit Job.

See Also

- *Printing Invoices Manually (P48504)* for more information about locating a revenue recognition batch in the Service Billing System

Reviewing and Posting G/L Entries for Revenue and Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Revenue Recognition

From Revenue Recognition (G4823), choose Post G/L Journal

After you create the final G/L entries, you complete the revenue recognition process by reviewing, approving, and posting the journal entries.

The journal review and post programs are the same programs you use in the Accounts Receivable and General Accounting systems.

See Also

- *Reviewing and Approving Journal Entries (P00201)* in the *General Accounting I Guide*
- *Posting Journal Entries (P09800)* in the *General Accounting I Guide*

Generate Invoices for Revenue and Billing

Generating Invoices for Revenue and Billing

When you accumulate costs, the system creates the workfile transactions that contain the information for creating invoices. The next step is to generate invoices.

The term *invoice* has two meanings in the Service Billing system:

- Invoice information that the system generates from the workfile transactions in the Service Billing Workfile (F4812). The system stores the summarized invoice information in the Invoice Summary Workfile (F4822).
- A copy of the invoice that you print for customers. The system prints invoices based on the layouts that you define using Invoice Formatting.

When you generate invoices, the system assigns invoice numbers and summarizes active workfile transactions to create pay items. Pay items are the billing lines that summarize one or more workfile transactions. The pay items for a specific invoice make up the total amount of the invoice.

The system stores pay item information in the Invoice Summary Workfile (F4822).



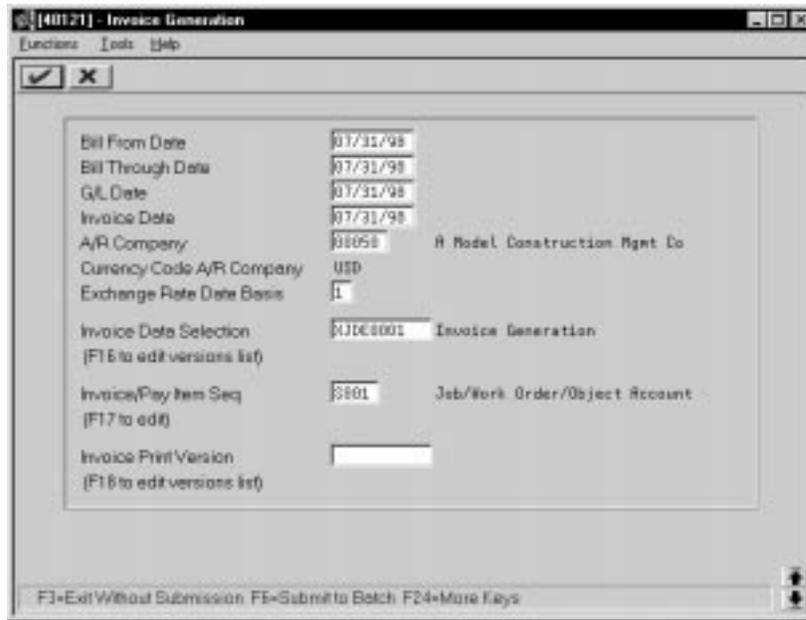
The system stores the current invoice information in the active transaction to prevent workfile transactions from being assigned to more than one invoice at a time.

You can run the Invoice Generation program to generate invoices automatically or you can create invoices manually. When you run the Invoice Generation program to create invoices automatically, the system:

- Creates a batch of invoices
- Assigns customer and invoice numbers to individual invoices
- Summarizes workfile transactions to create the pay items for invoices
- Assigns A/R information to the invoices, such as the G/L date, offset codes, and retainage percent
- Updates the workfile transactions with invoice information
- Prints invoices (optional)

Generating invoices consists of the following tasks:

- Defining the sequence and summarization
- Generating a batch of invoices



What You Should Know About

Assigning G/L offset and retainage information

When you generate invoices automatically, the system assigns the values to the following fields for each transaction:

- Payment Terms
- G/L Offset
- Retainage Percentage
- Retainage Offset

The system determines the correct values for these fields based on the sequence and summarization key that you define for the invoice batch and the information you define in the G/L Offset and Retainage rules.

For example, if your Invoice Level Summarization field is by subledger (work order), then you might set up your G/L Offset and Retainage Table with the valid key types subledger (work order) or work order class to locate the correct retainage rule.

See *Defining G/L Offset and Retainage Rules* for more information.

Defining the Sequence and Summarization for Revenue and Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Invoice Generation

From Invoice Generation (G4824), choose Invoice Generation

When you create invoices, you must set up a key to define how you want the system to sequence and summarize the transaction information for the pay items that appear on the invoice. The sequence and summarization key you define indicate divisions within generated batches of invoices and the individual invoices within a batch.

Defining the sequence and summarization consists of the following:

- Locating a sequence and summarization key
- Defining a sequence and summarization key

The sequence and summarization key that you define indicates divisions within generated batches of invoices and the individual invoices within a batch. You must define these divisions at the following levels:

Invoice level (I)

When the sequence and summarization key you define changes at the invoice level, the system creates a new invoice with a unique invoice number.

Pay item level (P)

When the sequence and summarization key you define changes at the pay item level, the system creates a new line of billing detail for the invoice. The system assigns the new line of billing detail a unique pay item number.

The system uses the sequence and summarization key you define to:

- Assign invoice numbers
- Summarize transactions by invoice and pay item
- Control how the transactions appear in the A/R Account Ledger table when you create the A/R and G/L entries
- Update the workfile transaction with the applicable key information

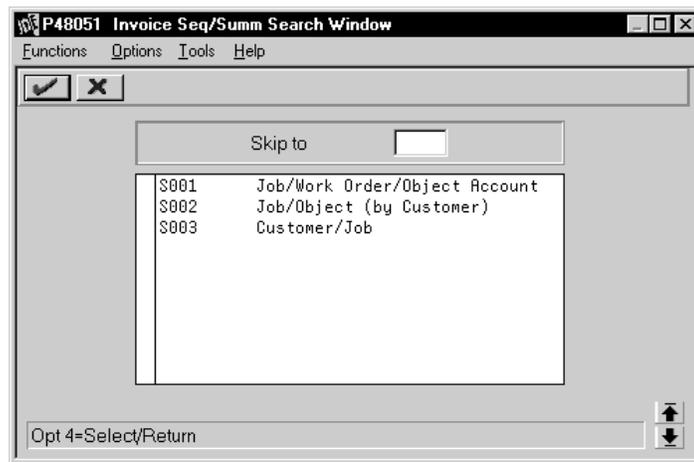
For example, you can define a sequence and summarization key with business units (jobs) at the invoice level, and subledgers (work orders) at the pay item level. During invoice generation, the system uses the key to:

- Create a new invoice number when the business unit (job) changes
- Create a new pay item number when the subledger (work order) changes for a business unit (job)

► To locate a sequence and summarization key

On Invoice Generation

1. Choose Field Sensitive Help for the following field:
 - Invoice/Pay Item Sequence



2. On Invoice Sequence/Summarization Search Window, choose Select/Return for a specific sequence and summarization key.

Field	Explanation
Summarization Key – Service Billing	The table key that identifies how the system summarized the service billing invoice. Within each table that is identified by the table key, there are multiple associated key fields to specify the level and method for sorting and summarizing the service billing detail transactions.

What You Should Know About

Invoice generation selections

After you run the generation, the system retains the values you entered on the Invoice Generation form. If you do not change the values on the form, the system runs the program using the values you entered for the last generation.

Accessing sequence and summarization keys

You use Field Sensitive Help to access sequence and summarization keys directly from Invoice Generation. Alternately, you can access sequence and summarization keys from the Service Billing Setup menu (G4841).

Displaying all sequence and summarization keys

The system displays the last value you entered on the Invoice Generation form in the Skip To field. Clear the Skip To field to review a list of all the sequence and summarization keys you have defined for your system.

► To define a sequence and summarization key

On Invoice Generation

1. Choose Edit Invoice/Pay Item Key.



2. On Invoice Sequence/Summarization Key Setup, complete the following fields:
- Sequence/Summarization Key
 - Key Description
 - Sequence Number
 - Summarization Code

Field	Explanation
Key Description	<p>A description, remark, name, or address.</p> <p>..... <i>Form-specific information</i></p> <p>A description that identifies the sequence of data items that this table controls.</p>
Sequence Number	A number that identifies where in the sequence this data item should appear.
Data Item	<p>Data items represent the fields that store information throughout J.D. Edwards software. You use data items to define the sequence of information on an invoice. Specific fields in the Billing Workfile are designated as valid data items that you can include on an invoice.</p>
Summ Code	<p>A code that identifies how the system summarizes records in the Service Billing Workfile when you generate invoices.</p> <p style="padding-left: 20px;">I Summarize at the invoice number level</p> <p style="padding-left: 20px;">P Summarize at the invoice pay item level</p> <p>Note: You must specify one I and one P for each sequence/summarization key.</p>

What You Should Know About

Assigning sequence numbers

You can use as many data items as you want to sequence billing detail. The sequence numbers you use control how the system groups billing information within the generated batch of invoices and on the invoices within the batch.

Generating a Batch of Invoices for Revenue and Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Invoice Generation

From Invoice Generation (G4824), choose Invoice Generation

Run the Invoice Generation program to group workfile transactions and assign invoice numbers. When you run the Invoice Generation program, the system creates pay item records. Pay items are the billing lines that summarize one or more workfile transactions. The pay items for a specific invoice make up the total amount of the invoice. The system stores pay item information in the Invoice Summary Workfile (F4822). The program also updates the workfile transaction records with the new invoice information and the sequence/summarization key information.

After you run the Invoice Generation program, the system generates a report that includes the following information:

- Invoice number and related pay items
- Totals by invoice
- Batch number
- Any applicable tax information
- Sequence and summarization code

Before You Begin

- Generate workfile transactions
- Define the sequence and summarization of the invoice information
- Define layouts if you want to print invoices during generation

► **To generate a batch of invoices**

On Invoice Generation

1. Complete the following fields:
 - G/L Date
 - A/R Company
 - Invoice Data Selection
 - Invoice/Pay Item Sequence
2. Complete the following optional fields:
 - Bill Thru Date
 - Invoice Date
3. Choose Submit to Batch.

The system prompts you to submit the batch.

4. Choose Submit.

Field	Explanation
A/R Company	Invoice Document Company.
Bill Through Date	A cut-off date. The transactions you enter after this date will not be billed in this billing cycle. If you leave this field blank, the system provides a default cut-off date based on the G/L date. The invoice generation process uses this cut-off date to compare against the Table Basis Date (WDTBDT) stored on the billing detail transaction. If the Table Basis Date is greater than the cut-off date, the billing detail transaction will NOT be included in the invoice batch.
Invoice Date	The date assigned to the invoice. The system updates this date during the invoice generation process.

Invoice Generation

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Invoice Generation

Table Key. . . 5/20/96

Batch Number	Pay	Revenue	G/L Date	Tax	Customer	Invoice Date	Summarization Key	Business	G/L	Rtng	Table	Information	Cur	Exchange
Number	Itm	Amount		Amount	Address	Customer Name	Unit	Offs	Offs	Type/	Key	Cod	Rate	
8158	001	1.12	06/30/98		150 DIA Property Management C					RETN	5	150		
Inv. Total:		1.12												
8159	001	1,575.60			150 DIA Property Management C		6001			RETN	5	150 USD		
8159	002	2,446.40			150 DIA Property Management C		6001			RETN	5	150		
8159	003	740.32			150 DIA Property Management C		6001			RETN	5	150		
8159	004	11.56			150 DIA Property Management C		6001			RETN	5	150 USD		
8159	005	271.84			150 DIA Property Management C		6001			RETN	5	150 USD		
8159	006	531.30			150 DIA Property Management C		6001			RETN	5	150		
Inv. Total:		5,577.02												

What You Should Know About

Creating preliminary invoices

If you set up the system constants to renumber invoices, the system assigns preliminary numbers to the invoices during invoice generation. When you create the G/L and A/R entries for the final invoices, the system reassigns the numbers and document types.

Invoice generation selections

After you run the generation, the system retain the values you entered on the Invoice Generation form. If you do not change the values on the form, the system run the program using the values you entered for the last generation.

See Also

- *Printing Invoices Automatically for Revenue Recognition and Billing (P48504)*
- *Invoice Formatting – Service Billing Guide* for more information about defining layouts

Processing Options for Service Billing Invoice Generation

INVOICE DOCUMENT TYPE OVERRIDE:
1. Enter the Invoice Document Type.
Leave blank (default) to use the Document Type specified in the Service Billing Constants.



Exercises

See the exercises for this chapter.

Work with Invoices for Revenue and Billing

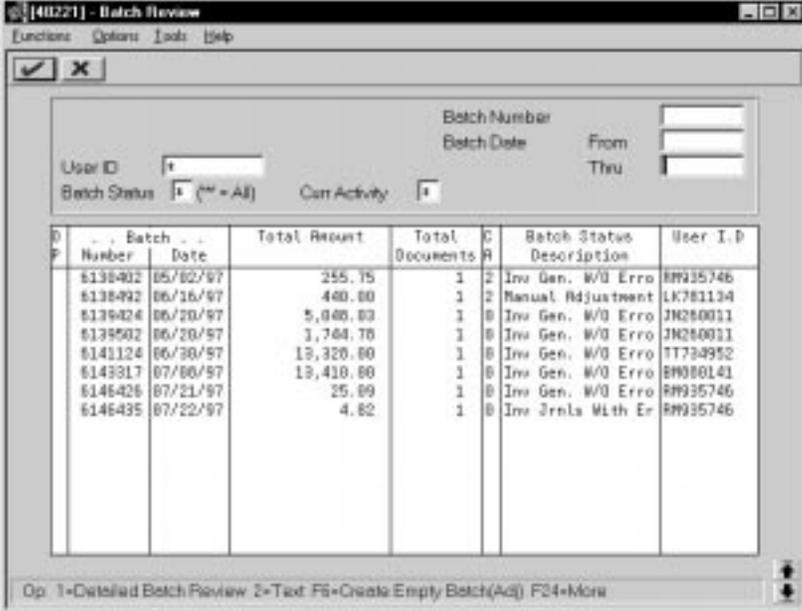
Working with Invoices for Revenue Recognition and Billing

When you generate invoices, the system creates a batch of invoice transactions and stores the information in the Invoice Summary Workfile. You can review and revise the batch of transactions to prepare it for further processing.

For example, if you print invoices for review by project managers, you can use the batch review process to make any corrections.

Working with invoices consists of the following tasks:

- Reviewing invoices
- Decreasing invoice amounts
- Calculating retainage



The screenshot shows a window titled "[40221] - Batch Review" with a menu bar (Functions, Options, Tools, Help) and a toolbar. Below the toolbar are input fields for "Batch Number", "Batch Date", "From", and "Thru". There are also fields for "User ID" and "Batch Status" (set to "(* = All)"), and a "Curr Activity" field. The main area contains a table with the following data:

P	Batch Number	Date	Total Amount	Total Documents	C	Batch Status Description	User I.D
	6138402	06/02/97	255.75	1	2	Inv Gen. W/O Erro	RW935746
	6138492	06/16/97	400.00	1	2	Manual Adjustment	LK781134
	6138424	06/20/97	5,000.00	1	0	Inv Gen. W/O Erro	JN280011
	6138502	06/20/97	1,764.70	1	0	Inv Gen. W/O Erro	JN280011
	6141124	06/30/97	10,320.00	1	0	Inv Gen. W/O Erro	T1734952
	6143317	07/06/97	10,410.00	1	0	Inv Gen. W/O Erro	RW080141
	6146426	07/21/97	25.09	1	0	Inv Gen. W/O Erro	RW935746
	6146435	07/22/97	4.82	1	0	Inv Jrnls With Er	RW935746

At the bottom of the window, there is a status bar with the text: "Op: 1=Detailed Batch Review 2=Text F6=Create Empty Batch(Adj) F24=More".

See Also

- *Adding Transactions to an Invoice for Revenue and Billing* to increase the amount on an invoice

Reviewing Invoices for Revenue Recognition and Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Invoice Generation

From Invoice Generation (G4824), choose Batch Review

When you generate invoices, the system creates a batch of invoice transactions. The system also updates each workfile transaction that is included in an invoice with the following information:

- Invoice number
- Invoice date
- Pay item number
- Batch number
- Journal status

To verify invoice information, you can review invoices at the following levels:

- Batch header information, including the batch status description and current activity
- Invoices for a selected batch
- Pay items for a selected invoice
- Individual workfile transactions for a selected pay item

As you review the different levels of an invoice, you can revise specific information. For example, you can decrease an invoice amount or add transactions to an invoice.

▶ **To review invoices**

On Batch Review

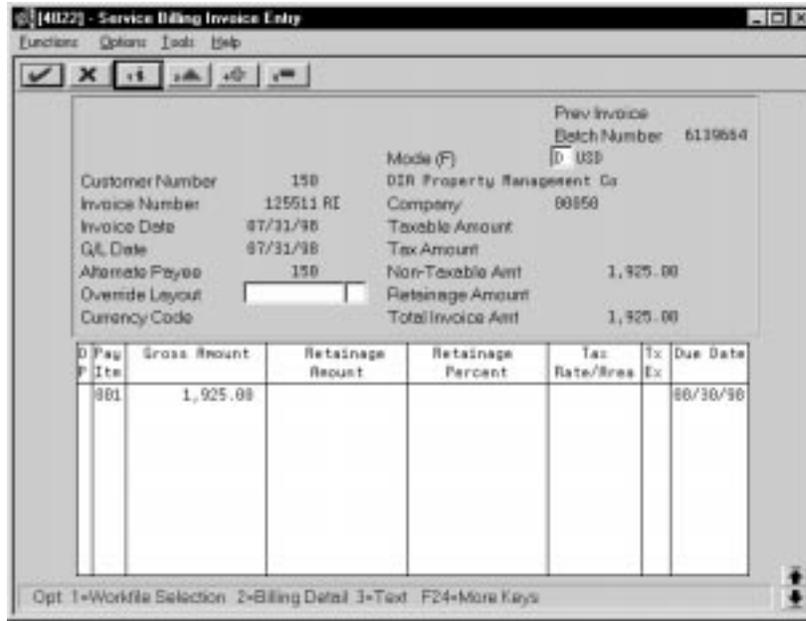
1. To locate a batch of invoices, complete any of the following fields:
 - Batch Number
 - Batch Date From
 - Batch Date Thru
 - User ID

If you place an asterisk in the User ID field, the system displays all batches created by all users regardless of the batch activity status. The system displays the most current batch last.

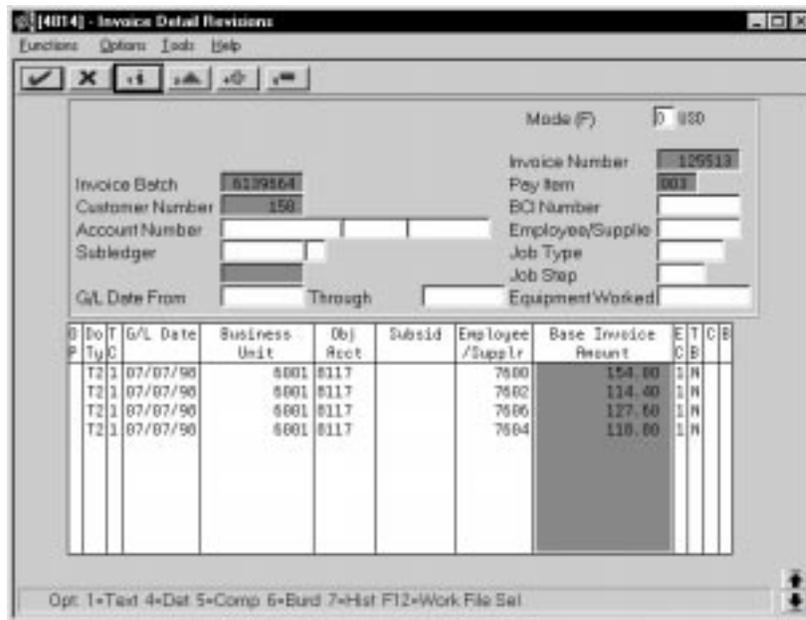
2. To limit the list of batches, complete the following optional fields:
 - Batch Status
 - Current Activity
3. Review the following fields for a batch:
 - Batch Number
 - Current Activity
 - Batch Status Description
4. To review the invoice information for a specific batch, choose Detailed Batch Review.



5. On Invoice Entry Review, review the following fields:
 - Invoice Number
 - Customer Name
 - G/L Date
6. To review the details for an invoice, choose Review Invoice.



7. On Service Billing Invoice Entry, review the following fields:
 - Pay Item
 - Gross Amount (This Period)
 - Taxable Amount
 - Tax Amount
8. To review the details for a specific pay item, choose Billing Detail.



9. On Invoice Detail Revisions, review the workfile transactions that make up a pay item.

Field	Explanation
Batch Number	<p>A number that associates a group of transactions with an invoice batch.</p> <p>..... <i>Form-specific information</i></p> <p>The header field identifies the number of a particular batch that you want to display.</p> <p>The detail field indicates the numbers of the individual batches that display.</p> <p>NOTE: If the OP (Option) field to the left of a batch number is highlighted, has extended text attached to it.</p>
Date – Batch (Julian)	<p>The date of the batch. If you leave this field blank, the system date is used.</p> <p>..... <i>Form-specific information</i></p> <p>The Batch Date From/Thru fields let you select batches that were created within a specified date range.</p> <p>The Batch Date field indicates the date that the individual batches were created.</p>
Date Through	<p>The ending date of the range for the batches you want to display. If you specify a From date and leave the Thru date blank, the system displays all batches with that batch date and future batch dates.</p>
Batch Status Description	<p>A control function in the Service Billing and Contract Billing systems. The system verifies the following values prior to executing various jobs to ensure the functions are performed in the proper sequence. Valid codes are:</p> <ul style="list-style-type: none"> blank Invoices have not been created 0 Manual adjustment in Contract Billing 1 Invoices generated without errors 2 Invoices generated with errors 3 Revenue journals created without errors 4 Revenue journals created with errors 5 Invoice journals created without errors 6 Invoice journals created with errors 7 Batch changed – rerun journals 8 Active revenue batch found <p>The batch status description is a user defined code (48/BS).</p>

Field	Explanation
Current Activity	<p>Identifies the processing cycle step that is currently active. This field maintains the integrity of the batch member throughout the Service Billing and Contract Billing systems. The Batch Validation form uses this field to ensure that the Batch Number selected is qualified for a particular function.</p> <p>Valid values are:</p> <ul style="list-style-type: none"> 0 Available 1 Generation in process 2 Maintenance in process 3 Journal generation in process 4 Batch delete in process 5 Invoice printing in process 6 Batch posting 7 Selection in progress * Display all batches <p>..... <i>Form-specific information</i></p> <p>There are two Current Activity fields on this form.</p> <ul style="list-style-type: none"> • Header Field – lets you display batches that are in a particular step of the invoice cycle. • Detail Field (CA) – indicates the current step of the invoice cycle for the individual batches that display.
Data Item Description	<p>A brief description of a code or abbreviation.</p> <p>..... <i>Form-specific information</i></p> <p>A description that identifies the status of the batch.</p>
Data Item Description	<p>A brief description of a code or abbreviation.</p> <p>..... <i>Form-specific information</i></p> <p>The customer who will receive the invoice.</p>
Amount – Total Pay Item	<p>The amount that is billed for this pay item, including any applicable sales tax.</p> <p>..... <i>Form-specific information</i></p> <p>The 'Total' row that appears on this screen indicates the total amount of all of the invoices in this batch.</p> <p>The Gross Amount is the total current billing amount for an invoice.</p>

What You Should Know About

Deleting a batch

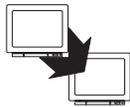
Use Batch Delete to delete any batches with or without invoice information that you do not want. When you delete a batch:

- You can set the processing option to print a report to retain an audit trail of the invoice information you delete.
- The system does not keep an audit trail for the batch number, which comes from the Foundation Environment (system 00).

Revising a batch header

Use Batch Header Revisions to revise the status and current activity of a batch. For example, you might need to do this if the generation program does not complete normally due to power failure. In this case, the current activity status would prevent you from accessing the batch for further processing.

Decreasing Invoice Amounts for Revenue Recognition and Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Invoice Generation

From Invoice Generation (G4824), choose Batch Review

As you review invoice information, you might need to decrease an invoice amount. You can decrease the amount of an invoice by changing the pay items or deleting the invoice.

Decreasing invoice amounts consists of the following:

- Decreasing a pay item amount
- Deleting a pay item
- Deleting an invoice

See Also

- *Adding Transactions to an Invoice for Revenue and Billing* to increase the amount of an invoice

To decrease a pay item amount

On Batch Review

1. To locate a batch of invoices, complete any of the following fields:
 - Batch Number
 - Batch Date From
 - Batch Date Thru
 - User ID

If you place an asterisk in the User ID field, the system displays all batches created by all users regardless of the batch activity status. The system displays the most current batch last.

2. To limit the list of batches, complete the following optional fields:
 - Batch Status
 - Current Activity
3. To review the invoice information for a specific batch, choose Detailed Batch Review.
4. On Invoice Entry Review, choose Review Invoice to review the details for an invoice.
5. To review the details for a specific pay item, choose Billing Detail.
6. On Invoice Detail Revisions, choose Remove Transaction From Invoice to delete a specific transaction in the pay item.
7. Use the Change action.

If the pay item no longer includes transactions and the gross amount field is blank, the system does not delete the pay item number.

To delete a pay item

On Batch Review

1. To locate a batch of invoices, complete any of the following fields:
 - Batch Number
 - Batch Date From
 - Batch Date Thru
 - User ID

If you place an asterisk in the User ID field, the system displays all batches created by all users regardless of the batch activity status. The system displays the most current batch last.

2. To limit the list of batches, complete the following optional fields:
 - Batch Status
 - Current Activity
3. To review the invoice information for a specific batch, choose Detailed Batch Review.
4. On Invoice Entry Review, choose Review Invoice to review the details for an invoice.
5. On Service Billing Invoice Entry, choose Delete for a specific pay item in the invoice.
6. Use the Change action.

To delete an invoice

On Batch Review

1. To locate a batch of invoices, complete any of the following fields:
 - Batch Number
 - Batch Date From
 - Batch Date Thru
 - User ID

If you place an asterisk in the User ID field, the system displays all batches created by all users regardless of the batch activity status. The system displays the most current batch last.

2. To limit the list of batches, complete the following optional fields:
 - Batch Status
 - Current Activity
3. To review the invoice information for a specific batch, choose Detailed Batch Review.
4. On Invoice Entry Review, choose Delete for the invoice.

If you delete the only remaining invoice in the batch, the system automatically deletes the batch header information without leaving an audit trail.



Exercises

See the exercises for this chapter.

Calculating Retainage Amounts for Revenue and Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Invoice Generation

From Invoice Generation (G4824), choose Batch Review

Retainage is a percentage of the invoice amount that your company is paid after the work is complete. For example, you can have a 10 percent retainage withheld on the billings to a customer. After the work is complete, the customer authorizes the payment of the amount of the invoice that was withheld.

When you enter a retainage amount or percent for an invoice amount, the system calculates the retainage and updates the pay item with the retainage amount. After the customer authorizes payment of the retainage amount, you must release the retainage.

You can change retainage amounts or percents for individual invoices on the Service Billing Invoice Entry form. For example, you might need to change a retainage amount if you have changed the retainage rules for the system, but you generated invoices prior to the change.

► To calculate retainage amounts

On Batch Review

1. To locate a batch of invoices, complete any of the following fields:
 - Batch Number
 - Batch Date From
 - Batch Date Thru
 - User ID

If you place an asterisk in the User ID field, the system displays all batches created by all users regardless of the batch activity status. The system displays the most current batch last.

2. To limit the list of batches, complete the following optional fields:
 - Batch Status

- Current Activity
3. To review the invoice information for a specific batch, choose Detailed Batch Review.
 4. On Invoice Entry Review, choose Review Invoice to review the details for an invoice.
 5. On Service Billing Invoice Entry, choose Tax Amount/Retainage Toggle.
 6. To calculate or change retainage, complete one of the following fields:
 - Retainage Amount
 - Retainage Percent
 7. Choose More Details.
 8. Complete the following field to change the accounting rules associated with the journal entries for retainage:
 - Retainage Offset
 9. Use the Change action.

What You Should Know About

Retainage offset

If you do not complete the Retainage Offset field to direct the system to a specific retainage account, the system uses the AAI for the Trade Accounts Receivable account.

See *Automatic Accounting Instructions* in the *Accounts Receivable Guide* for more information.

Assigning G/L offset and retainage information

When you generate invoices automatically, the system assigns values for the following fields for each transaction:

- Payment Terms
- G/L Offset
- Retainage Percentage
- Retainage Offset

The system determines the correct values for these fields based on the sequence and summarization key that you define for the invoice batch and the information you define in the G/L Offset and Retainage rules.

For example, if your Invoice Level Summarization field is by subledger (work order), then you might set up your G/L Offset and Retainage Table with the valid key types subledger (work order) or work order class to locate the correct retainage rule.

See *Defining G/L Offset and Retainage Rules* for more information.

See Also

- *Defining G/L Offset and Retainage Rules (P48128)*
- *Releasing Retainage for Revenue Recognition and Billing (P48221)*



Exercises

See the exercises for this chapter.

Create Invoices Manually for Revenue and Billing

Creating Invoices Manually for Revenue Recognition and Billing

You can manually generate invoices without running the Invoice Generation program. When you generate invoices manually, you can:

- Create a new batch header or add the invoices to an existing batch
- Create invoices you want to include in a batch
- Add transactions to individual invoices in a batch

For example, you might have an existing batch which includes invoices that you have already reviewed and revised. You can add another invoice to the batch manually without having to delete and regenerate the entire batch.

Creating invoices manually consists of the following tasks:

- Creating a batch header manually
- Creating an invoice manually
- Adding transactions to an invoice
- Releasing retainage

Creating a Batch Header Manually for Revenue and Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Invoice Generation

From Invoice Generation (G4824), choose Batch Review

You can manually create a new batch header for invoices. When you create a new batch header, you can create a new batch. Creating a new batch is optional because you can add invoices to an existing batch. If you do not want to create a new batch, you do not need to create a batch header.

▶ **To create a batch header manually**

On Batch Review

1. Complete the following field:
 - User ID

You do not have to specify a user ID. You can also create a batch header with an asterisk (*) in the User ID field. In either case, the system uses only the current user ID for the batch header.

2. Choose Create Empty Batch.

Creating an Invoice Manually for Revenue and Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Invoice Generation

From Invoice Generation (G4824), choose Batch Review

You can manually create a new invoice. You can add the invoice to an existing batch or to a new batch header. Creating a new invoice is optional. You can also add transactions to an existing invoice.

▶ **To create an invoice manually**

On Batch Review

1. To locate a batch of invoices, complete any of the following fields:

- Batch Number
- Batch Date From
- Batch Date Thru
- User ID

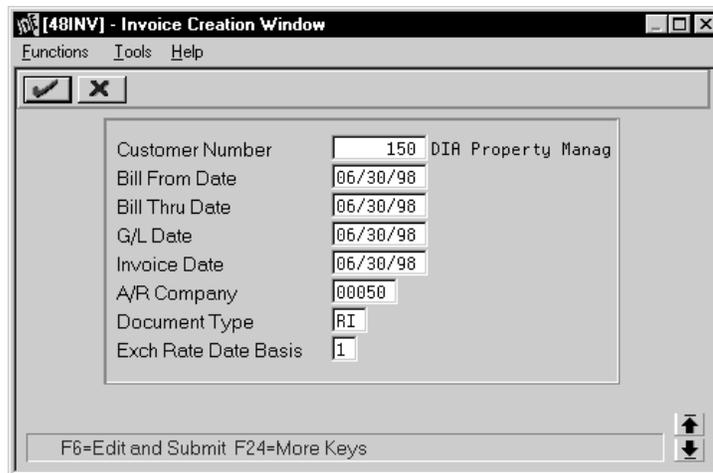
If you place an asterisk in the User ID field, the system displays all batches created by all users regardless of the batch activity status. The system displays the most current batch last.

2. To limit the list of batches, complete the following optional fields:

- Batch Status
- Current Activity

3. To review the invoice information for a specific batch, choose Detailed Batch Review .

4. On Invoice Entry Review, choose Invoice Adjustment.



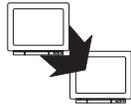
5. On Invoice Creation Window, complete the following fields:
 - Customer Number
 - Bill From Date
 - Bill Thru Date
 - Invoice Date
 - A/R Company
6. If you work in a multi-currency environment, complete the following field:
 - Rate Date Basis
7. Complete the following optional fields:
 - G/L Date
 - Document Type
8. Choose Edit and Submit.

The new invoice appears on Invoice Entry Review without a gross amount. You can then add workfile transactions to the invoice or release retainage.

Field	Explanation
Application Date	The date of the last or current application. (An application is assigned each time an invoice is issued for the contract.)
 <i>Form-specific information</i>
	The date that the system assigns to the invoice. This date is updated during the invoice generation process, but you can override it when you select an invoice batch for invoice journal generation. This override function is controlled by the Billing System Constants.

Field	Explanation
Date – For G/L (and Voucher)	<p>The date that identifies the financial period to which the source transaction was posted. Based on the company’s fiscal year and current accounting period, the system edits the date for PBCO (posted before cutoff), PYEB (prior year ending balance), PACO (post after cutoff), and WACO (post way after cutoff).</p> <p>..... <i>Form-specific information</i></p> <p>The system assigns the G/L date during the invoice generation process. You can override that date, however, when you select an invoice batch for invoice journal generation. You control this override function with the Billing system constants.</p>

Adding Transactions to an Invoice for Revenue and Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Invoice Generation

From Invoice Generation (G4824), choose Batch Review

The Invoice Summary Workfile might not contain all the billable amounts you have entered during the accounting cycle. To account for this, you need to:

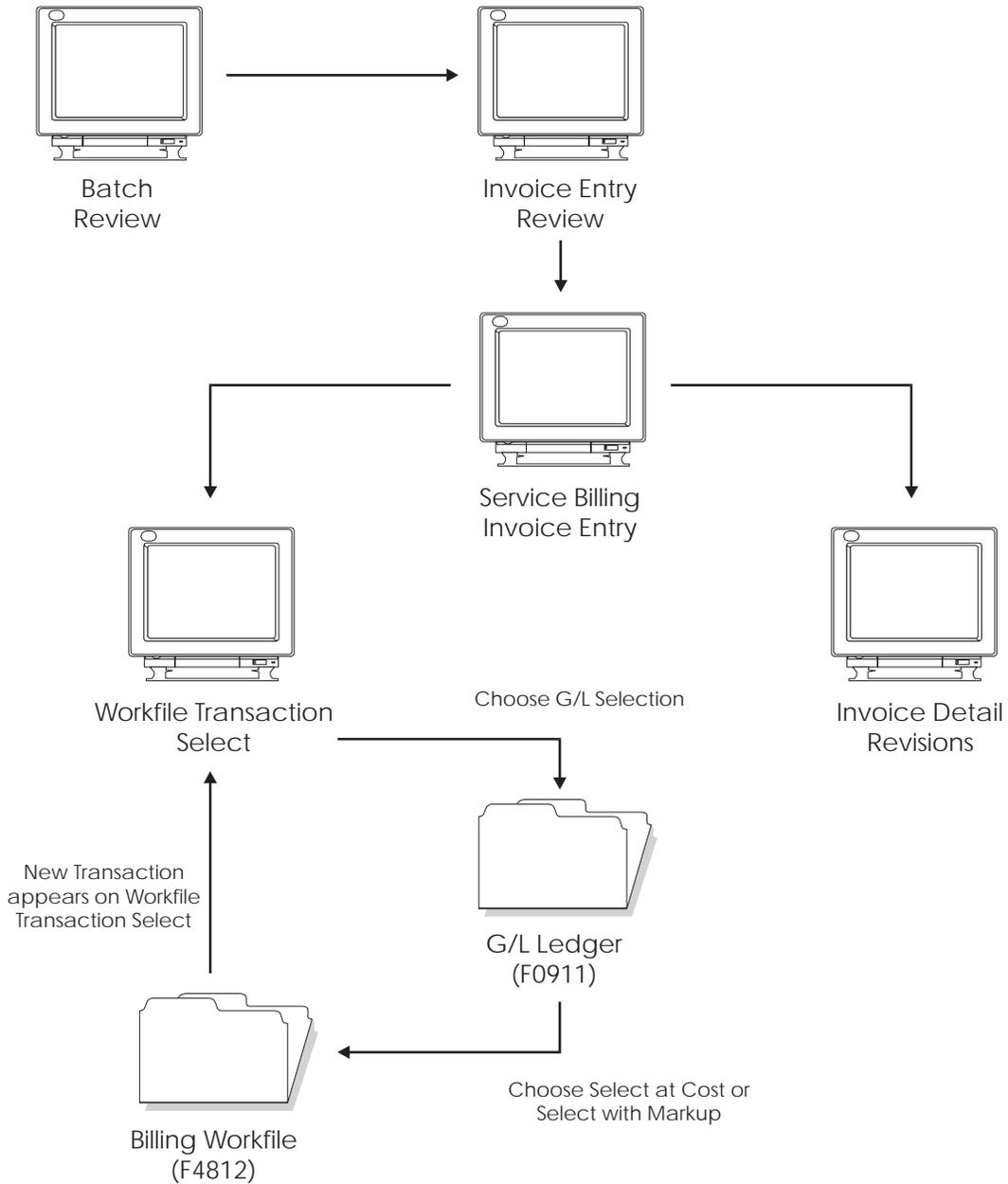
- Review the existing transactions in the Service Billing Workfile that are not currently in an invoice batch
- Manually add transactions that exist in the Service Billing Workfile
- Manually add costs that exist in the Account Ledger table and are not currently in the Service Billing Workfile, if necessary
- Manually add ad hoc costs or credits to the invoice, if necessary

You can add workfile transactions to a new invoice, an existing pay item in an invoice, or a new pay item.

Adding transactions to an invoice consists of the following:

- Adding transactions from the workfile
- Adding existing G/L transactions
- Adding ad hoc transactions to an invoice

The following graphic illustrates the steps that you take to add transactions to an invoice.



► To add transactions from the workfile

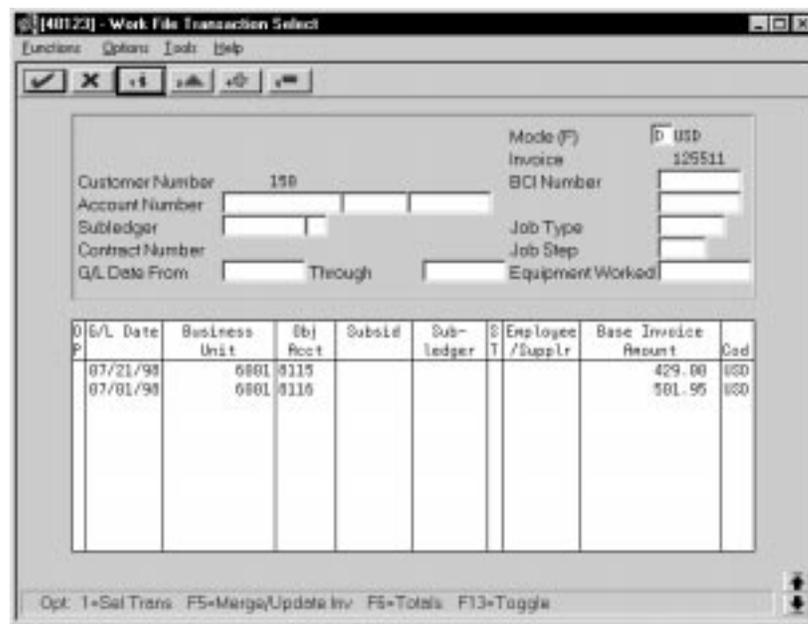
On Batch Review

1. To locate a batch of invoices, complete any of the following fields :
 - Batch Number

- Batch Date From
- Batch Date Thru
- User ID

If you place an asterisk in the User ID field, the system displays all batches created by all users regardless of the batch activity status. The system displays the most current batch last.

- To limit the list of batches, complete the following optional fields:
 - Batch Status
 - Current Activity
- To review the invoice information for a specific batch, choose Detailed Batch Review.
- On Invoice Entry Review, choose Review Invoice to review the details for an invoice.
- On Service Billing Invoice Entry, choose Workfile Selection for a specific pay item.



- On Work File Transaction Select, choose Select Transaction for one or more transactions.
- Choose Merge/Update Invoice.

The system merges the workfile transaction information into the invoice pay item.



The system prevents you from merging taxable and nontaxable transactions into the same pay item. If you merge taxable transactions into the same pay item, the transactions must have the same tax rate area and tax explanation. A blank in the Tax Rate/Area field is a valid tax code indicating that the pay item is nontaxable.

8. Choose Exit Program.
9. On Service Billing Invoice Entry, choose Billing Detail to review the transaction.

To add existing G/L transactions

On Batch Review

1. Complete any of the following fields to locate a batch of invoices:
 - Batch Number
 - Batch Date From
 - Batch Date Thru
 - User ID

If you place an asterisk in the User ID field, the system displays all batches created by all users regardless of the batch activity status. The system displays the most current batch last.

2. To limit the list of batches, complete the following optional fields:
 - Batch Status
 - Current Activity
3. To review the invoice information for a specific batch, choose Detailed Batch Review.
4. On Invoice Entry Review, choose Review Invoice to review the details for an invoice.
5. On Service Billing Invoice Entry, choose Workfile Selection for a specific pay item.
6. On Work File Transaction Select, choose G/L Selection.
7. On G/L Transaction Selection, complete the following field:
 - Business Unit
8. To limit the list of transactions, complete one or more of the following fields:
 - Date From
 - Date Thru

- Object
 - Subsidiary
 - Subledger
 - Subledger Type
9. Choose one of the following for a specific transaction or a group of transactions:
- Select at Cost
 - Select with Markup

The system processes the source transactions.

10. Choose Exit Program.
11. On Work File Transaction Select, use the Inquire action to review the transaction.
12. Choose Merge/Update Invoice.

The system merges the workfile transaction information into the invoice pay item.



The system prevents you from merging taxable and nontaxable transactions into the same pay item. If you merge taxable transactions into the same pay item, the transactions must have the same tax rate area and tax explanation. A blank in the Tax Rate/Area field is a valid tax code indicating that the pay item is nontaxable.

13. Choose Exit Program.
14. On Service Billing Invoice Entry, choose Billing Detail to review the transaction.



Exercises

See the exercises for this chapter.

▶ To add ad hoc transactions to an invoice

You can add transactions to an invoice on an as-needed basis. For example, you might want to add a transaction to an invoice to create a credit memo.

On Batch Review

1. To locate a batch of invoices, complete any of the following fields :
- Batch Number

- Batch Date From
- Batch Date Thru
- User ID

If you place an asterisk in the User ID field, the system displays all batches created by all users regardless of the batch activity status. The system displays the most current batch last.

2. To limit the list of batches, complete the following optional fields:
 - Batch Status
 - Current Activity
3. To review the invoice information for a specific batch, choose Detailed Batch Review.
4. On Invoice Entry Review, choose Review Invoice to review the details for an invoice.
5. On Service Billing Invoice Entry, choose Billing Detail.
6. On Invoice Detail Revisions, complete the following fields:
 - G/L Date
 - Business Unit
 - Object
 - Subsidiary
 - Employee/Supplier (optional)
 - Eligibility Code
7. Choose More Details.
8. Complete the following optional fields:
 - Subledger
 - Subledger Type
9. Choose Transaction Detail.
10. On Amounts/Units Information, complete the following field:
 - Total Billing
11. Choose Transaction Update with Redisplay.
12. Choose Exit Program.
13. On Invoice Detail Revisions, choose Update and Redisplay.
14. Choose Exit Program to review the details for the invoice on Service Billing Invoice Entry.

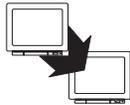
What You Should Know About

Removing ad-hoc transactions from an invoice

CAUTION: Ad-hoc transactions that you add to an invoice are not represented in the Account Ledger table. After you void the invoice, the system returns the ad-hoc transactions to the workfile. Ad-hoc transactions in the workfile are eligible for processing. You must change the status of the ad-hoc transactions and remove them from the workfile to prevent billing for the transactions in error.

See *Entering Ad-Hoc Transactions for Billing* for more information.

Releasing Retainage for Revenue Recognition and Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Invoice Generation

From Invoice Generation (G4824), choose Batch Review

You release retainage when work is completed and the customer authorizes payment for the retained invoice amounts. When you release retainage, you manually create a pay item for the retained amount. You can add the pay item for retainage to an existing invoice, or you can create an additional invoice. This retainage release invoice shows a negative amount representing the retained amounts from prior billings for your customer. You cannot release partial retained amounts.

J.D. Edwards recommends that you maintain a one-to-one relationship between your invoices and retainage release invoices. If you combine the retainage for multiple invoices on a single retainage release invoice, and you need to void one of the invoices and its retainage, you will have to void the retainage release invoice for all the invoices. Then, you must re-release retainage on the remaining invoices.

► To release retainage

On Invoice Generation

1. Complete the steps to create an invoice manually.

See *Creating Invoices Manually for Revenue Recognition and Billing*.

2. On Invoice Entry Review, choose Review Invoice for the invoice.

3. On Service Billing Invoice Entry, choose Retainage Release for a pay item that does not include billing detail.

The system displays Invoice History Inquiry.

4. On Invoice History Inquiry, choose Release Retainage to release retainage for the invoice.
5. Choose Edit and Submit.

The system marks each invoice with P in the Retainage Release Only field.

6. Choose Exit Program.

After you release retainage, the system updates the following fields:

- On Service Billing Invoice Entry, the released retainage amount is displayed as a negative number in the Retainage Amount fields.
- On Invoice Entry Review, the Gross Amount field is blank.
- On Batch Review, the Total Amount field includes the released retainage amount.

What You Should Know About

Retainage release invoices in a batch

If you generate a batch of invoices that includes invoices that were created to release retainage, the total amount for the batch is reduced by the total amount of the released retainage.

See Also

- *Voiding a Final Invoice for Revenue Recognition and Billing* for more information about voiding invoices with retainage



Exercises

See the exercises for this chapter.

Print Invoices for Revenue and Billing

Printing Invoices for Revenue Recognition and Billing

After you generate and review invoices, you can print invoices for your customers. You can use the following methods to print invoices:

Automatically

You can print invoices for your customers as you generate invoices. Use this method to print invoices in a batch during invoice generation.

Manually

You can print invoices after you generate them. When you use this method, you can:

- Print invoices from any existing batch
- Reprint batches that include revised invoices
- Print invoices that have completed the billing process with workfile transactions in history

As you print invoices, the system adds the format type code in the accounting and internal control information for the related workfile transactions. This code indicates which invoice type was used to print the invoices.

Printing invoices consists of the following tasks:

- Printing invoices automatically
- Printing invoices manually

What You Should Know About

Invoice types

The invoice type you choose in the processing options when you run the Print Invoices program must correspond to the invoice type for the layout design you assign to the invoices. If the invoice types do not match, the invoices will not print.

Invoice layouts

You must assign a key type and table key combination to an invoice layout on the Format Cross-Reference form. If invoices do not print, you must revise the cross-reference information for the layout.

See *Assigning Layouts Globally*.

See Also

- *Invoice Formatting – Service Billing Guide* for more information about designing invoice layouts

Printing Invoices Automatically for Revenue and Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Workfile Generation

From Workfile Generation (G4822), choose an option under the Invoice Processing heading

You can print invoices as you generate them. For example, you might want to print preliminary invoices for review.

Before You Begin

- Generate workfile transactions
- Define the sequence and summarization for the invoice information
- Define layouts if you want to print the invoices during generation

▶ **To print invoices automatically**

On Invoice Generation

1. Complete the steps for generating invoices.
2. Complete the following field:
 - Invoice Print Version
3. Choose Submit to Batch.

Printing Invoices Manually for Revenue Recognition and Billing

After you generate invoice batches, you can print the invoices. You can use the following methods to control the invoice types that the system uses to print the invoices:

- Override Format and Invoice Type fields on Service Billing Invoice Entry
- Key Type and Table Key fields on Format Cross-Reference

You can assign an override format if you want to print invoices using a layout other than the one you specify on Format Cross-Reference. If you do not specify an override format, the system uses the key type and table key combination that you define on Format Cross-Reference to determine which invoice layout to print. The system uses the following hierarchy to search for layouts:

- Work order number
- Work order class
- Customer
- Job number
- Job class
- Company number

Printing invoices manually consists of the following:

- Assigning an override invoice layout
- Locating a batch of invoices to print
- Printing invoices after generation

Before You Begin

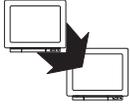
- Generate workfile transactions
- Define layouts if you want to print the invoices during generation

What You Should Know About

Printing selected invoices in a batch

You can print selected invoices rather than an entire batch. To do this, use the data selection for the DREAM Writer version you specify during the printing process. For example, you can limit the print selection to a business unit or an invoice number.

▶ **To assign an override invoice layout**



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Workfile Generation

From Workfile Generation (G4822), choose Batch Review

On Batch Review

1. To locate a batch of invoices, complete any of the following fields:

- Batch Number
- Batch Date From
- Batch Date Thru
- User ID

If you place an asterisk in the User ID field, the system displays all batches created by all users regardless of the batch activity status. The system displays the most current batch last.

2. To limit the list of batches, complete any of the following optional fields:

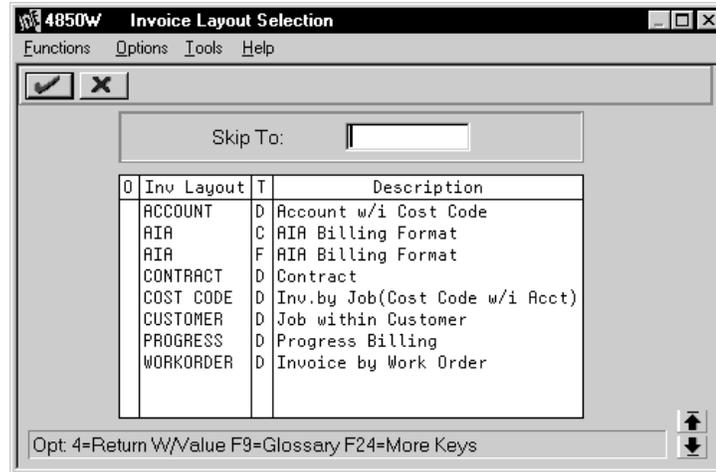
- Batch Status
- Current Activity

3. To review the invoice information for a specific batch, choose Detailed Batch Review.

4. On Invoice Entry Review, choose Review Invoice to review the details for an invoice.

5. On Service Billing Invoice Entry, choose Field Sensitive Help for the following field:

- Override Layout



- On Invoice Layout Selection, choose the invoice layout that you want the system to use.

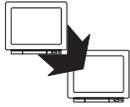
The system completes the Override Format and Invoice Type fields.

- Use the Change action.

Both the Override Layout and Invoice Type fields must be complete for the override to work properly. You can select the invoice layout from the Invoice Format Selection form to complete both the Override Format and Invoice Type fields.

Field	Explanation
Override Layout	<p>A code that uniquely identifies a series of formats and determines the overall layout of the invoice.</p> <p>..... <i>Form-specific information</i></p> <p>A code that identifies the invoice layout that you want to override any other invoice layout previously defined for the invoice or batch.</p>
Invoice Type	<p>A user defined, alphanumeric code that identifies different versions of the same format series. For example, you might use the code D to distinguish draft invoice formats from final invoice formats with code type F.</p>

► **To locate a batch of invoices to print**



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Workfile Generation

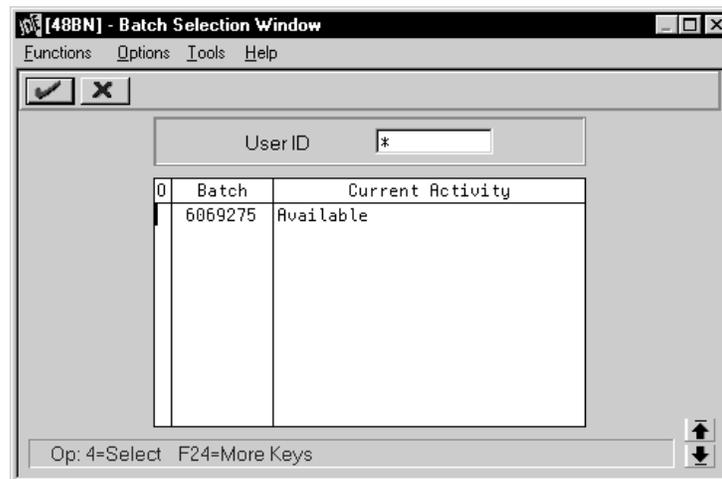
From Workfile Generation (G4822), choose Print Invoices

On Print Invoices



1. Choose Field Sensitive Help for the following field:

- Batch Number



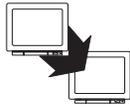
2. On Batch Selection Window, complete the following field:

- User ID

If you place an asterisk in the User ID field, the system displays all batches created by all users regardless of the batch activity status. The system displays the most current batch last.

3. Choose Select for a specific batch of invoices.

▶ **To print invoices after generation**



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Workfile Generation

From Workfile Generation (G4822), choose Print Invoices

On Print Invoices

1. Complete the following field:
 - Batch Number
2. Choose Field Sensitive Help to select a program version.

If you do not select a version, the system runs the ZJDE0001 program.



The value for the invoice type in the processing option for the ZJDE0001 program might not correspond to the value indicated in the DREAM Writer title. If you need to change the invoice type for the print program, you can access this processing option when you select Print Invoices.

After you enter the information, the batch is ready to submit.

3. Choose Submit Batch.

The system displays the message *Verify Invoice Print Submission*.

4. Choose Submit Batch again.

What You Should Know About

Invoice types

The invoice type in the processing option for Print Invoices must correspond to:

- The invoice type for the layout design you assign to the invoices
- The invoice type for the DREAM Writer version that you specify on Print Invoices

If the invoice types do not match, the system cannot print the invoices. You can access the processing option for Print Invoices from the Invoice Generation menu if you need to change the invoice type.

Processing Options for Invoice Print Sequence Derivation

PRINT SELECTION:

1. Enter the Invoice Type to print.
-



Exercises

See the exercises for this chapter.

Test Yourself: Generate Invoices Automatically

1. True or False

You create a sequence and summarization key to separate the billing information for a batch of invoices at either the invoice or the pay item level.

2. True or False

The sequence and summarization keys control how transactions appear in the Accounts Receivable Ledger table.

3. True or False

Regardless of other sequence and summarization information, the system creates a new invoice number each time the customer number changes.

4. True or False

Sequence numbers can be assigned without summarization information, but summarization information must be assigned with a sequence number.

The answers are in *Appendix A – Test Yourself Answers*.

Work with A/R & G/L Entries for Revenue and Billing

Working with A/R and G/L Entries for Revenue and Billing

You complete the billing process by creating the following journal entries related to a batch of invoices:

- The credit side for the account you specify in the account derivation rules that you define for your system. The system stores the credit entry *temporarily* in the Detail Journal Workfile (F48910).
- The debit for the account you specify in the G/L offset and retainage rules you define for your system. The system stores the debit entry in the Invoice Summary Workfile (F4822).

Working with A/R and G/L entries consists of the following tasks:

- Creating preliminary A/R and G/L entries
- Reviewing preliminary A/R and G/L entries
- Creating final A/R and G/L entries
- Reviewing and posting journal entries

J.D. Edwards strongly recommends that you create and carefully review preliminary A/R and G/L entries *before* you create the final entries that post to the G/L. If you post out-of-balance records to the general ledger, the only way to correct these balances is to void and regenerate the invoice.

Before You Begin

- Generate and post recognized revenue
- Generate invoices
- Define account derivation rules

Creating Preliminary A/R and G/L Entries for Revenue and Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Invoice Generation

From Invoice Generation (G4824), choose Invoice Journal Generation

You complete the revenue recognition and billing process by creating journal entries. You first create preliminary A/R and G/L entries. When you create the entries, the system prints the Invoice Journal Generation report. You can also set a processing option to print the Billing Journal Register. You should carefully review these reports to ensure that you do not create final journal entries that create out-of-balance records in the general ledger.

Creating preliminary A/R and G/L entries consists of the following:

- Creating preliminary A/R and G/L entries
- Revising override dates

When you run Invoice Journal Generation, the system:

- Creates preliminary journal entries from the transactions in the Billing Workfile. The account derivation rules that you define determine which accounts the system assigns to the resulting journal entries.
- Updates the batch status description for the batch.
- Temporarily stores the details for the preliminary A/R and G/L entries in the Detail Journal Workfile (F48910).
- Prints two separate reports; one for the Revenue Journal Generation and one for the Invoice Journal Generation. The reports show the accounting rule information and journal entry detail.
- Compresses the detail workfile information from the journals and stores it *temporarily* in the Compressed Journal Workfile (F48911).
- Prints two Billing Journal Registers; one for invoice amounts and one for revenue amounts. The reports include the compressed information as a summary of the journal entry detail.
- Runs Revenue Journal Generation to calculate any adjustments to the revenue recognition transactions created since the last revenue journal generation.
- Creates preliminary G/L entries for any revenue adjustments.



The system creates adjusting entries only for the revenue amounts associated with the workfile transactions in the invoice batch.

See Also

- *Printing Invoices Manually (P48504)* for information about locating a batch of invoices
- *Defining Account Derivation Rules (P48126)* for information about locating a batch of invoices
- *Appendix D – Accounting for the Billing Cycle* for more information about how the Service Billing system uses account derivation rules

► To create preliminary A/R and G/L entries

On Invoice Journal Generation

Batch Validation Screen
Enter the Batch Number To Be Processed

Batch Number

Version

F3=Exit F6=Submit Batch F8=Versions F10=Override Data F24=More Keys

1. Complete the following fields and press Enter:
 - Batch Number
 - Version (optional)

If you leave the Version field blank, when you choose Enter, the system automatically uses the ZJDE0001 version.

2. Choose Submit Batch.

The system displays the Exit and Submit Job Window so you can verify the batch post submission.

3. Choose Submit Job.



Exercises

See the exercises for this chapter.

► To revise override dates

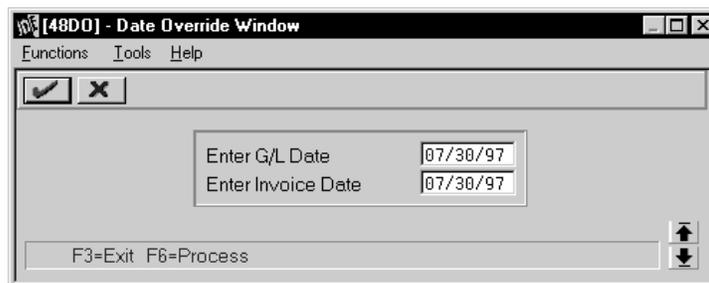
You use a system constant to control when the system displays the Date Override Window on Service Billing Journal Generation. You can set the constant so that the system:

- Always displays the window
- Only displays the window when you choose Override Date
- Never displays the window

The date the system displays in the Date Override Window is always the current system date.

On Invoice Journal Generation

1. Complete the following fields:
 - Batch
 - Version
2. Choose Override Date.



3. On Date Override Window, complete the following fields and press Enter:
 - Enter G/L Date
 - Enter Invoice Date
4. Choose Process.
5. Choose Submit Batch.

The system displays the Exit and Submit Job window so you can verify the batch post submission.

6. Choose Submit Job.

Processing Options for Invoice Journal Generation

JOURNAL DESCRIPTION SELECTION:

1. Choose one of the following for the journal entry description: _____
 - '1' = Use the description from the Vocabulary Overrides based on the Table Type.
 - '2' = Use the description associated with the subledger value.
 - ' ' = Use the description from the Account Master for the Account being used (default).

PRINT REPORT SELECTION:

2. Enter a '1' to print the Billing Edit/Register (P48300). _____

REVENUE JOURNAL VERSION SELECTION:

3. Enter the version number of the Revenue Journal Generation program (P48132) for processing any adjustments. Leave blank (default) to use version 'XJDE0001'. _____

SUPPRESS WARNING MESSAGES:

4. Choose one of the following to control the printing of the exception report: _____
 - ' ' = Print all records (default).
 - '1' = Print warnings and errors.
 - '2' = Print errors only.
 - '3' = Do not print the report.

Reviewing Preliminary A/R and G/L Entries for Revenue and Billing

When the system creates preliminary A/R and G/L entries, you can review the batch status on Batch Review to determine whether the entries were generated with errors. To verify the information for the general ledger journal before you create the final A/R and G/L entries, you can review the following reports:

- Revenue and Invoice Journal Generation Reports, to review the detail of transactions and the accounting rules for the transactions
- Billing Journal Registers for revenue and billing amounts, to review journal entry details summarized by business unit, object, subsidiary, and subledger

Depending on how you set your processing options, the report can include error messages and warnings related to the journal information.

Review the Billing Journal Registers first for errors and warnings. Use the Revenue and Invoice Journal Generation Reports to locate errors resulting from the account derivation rules.

Invoice Journal Generation

48131

J.D. Edwards & Company
Invoice Journal Generation

Page - . . . 3
Date - . . . 5/20/96

Batch Number 6067522

Customer Number	Customer Name	Transaction Type/Key Value	T	Comp Code	G/L Date	WO Cls	Job Cls	Job Type	Job Step	LT	Original Account ID. / Resulting Account ID.	Subldgr Subldgr	L T	Batch Number	Cost Amount / Resulting Amount	Invoice Number
150	DIA Property Managem	6		6001 3	06/30/98			6S-1		AA	6001.8110 50.1215			6067522	350.00 525.20-	8159
150	DIA Property Managem	6		6001 3	06/30/98			6S-1		AA	6001.8110 50.1215			6067522	350.00 525.20-	8159
150	DIA Property Managem	6		6001 3	06/30/98			6S-1		AA	6001.8110 50.1215			6067522	350.00 525.20-	8159
150	DIA Property Managem	6		6001 3	06/30/98			6S-1		AA	6001.8125 50.1215			6067522	5.25 5.78-	8159
150	DIA Property Managem	6		6001 3	06/30/98			6S-1		AA	6001.8125 50.1215			6067522	5.25 5.78-	8159
150	DIA Property Managem	6		6001 3	06/30/98			6S-1		AA	6001.8126 50.1215			6067522	.67 .74-	8159
150	DIA Property Managem	6		6001 3	06/30/98			6S-1		AA	6001.8126 50.1215			6067522	20.96 23.06-	8159
150	DIA Property Managem	6		6001 3	06/30/98			6S-1		AA	6001.8126 50.1215			6067522	20.96 23.06-	8159
150	DIA Property Managem	6		6001 3	06/30/98			6S-1		AA	6001.8126 50.1215			6067522	4.23 4.65-	8159
150	DIA Property Managem	6		6001 3	06/30/98			6S-1		AA	6001.8126 50.1215			6067522	4.90 5.39-	8159
150	DIA Property Managem	6		6001 3	06/30/98			6S-1		AA	6001.8126 50.1215			6067522	.67 .74-	8159
150	DIA Property Managem	6		6001 3	06/30/98			6S-1		AA	6001.8126 50.1215			6067522	20.95 23.05-	8159
150	DIA Property Managem	6		6001 3	06/30/98			6S-1		AA	6001.8126 50.1215			6067522	20.95 23.05-	8159
150	DIA Property Managem	6		6001 3	06/30/98			6S-1		AA	6001.8126 50.1215			6067522	4.23 4.65-	8159
150	DIA Property Managem	6		6001 3	06/30/98			6S-1		AA	6001.8126 50.1215			6067522	4.90 5.39-	8159
150	DIA Property Managem	6		6001 3	06/30/98			6S-3		AA	6001.8115 50.1215			6067522	260.00 390.00-	8159
150	DIA Property Managem	6		6001 3	06/30/98			6S-3		AA	6001.8115 50.1215			6067522	260.00 390.00-	8159
150	DIA Property Managem	6		6001 3 DUES	06/30/98			6S-3		AA	6001.8115 50.1215			6067522	2.80-	8159
150	DIA Property Managem	6		6001 3	06/30/98			6S-3		AA	6001.8116 50.1215			6067522	78.00 117.04-	8159
150	DIA Property Managem	6		6001 3	06/30/98			6S-3		AA	6001.8126 50.1215			6067522	.49 .54-	8159

Journal Register Listing

48300		J.D. Edwards & Company				Page No. . . . 2						
		Journal Register Listing				Date - . . . 5/20/96						
Batch Number 6067522 Generation Type 1 Invoice Batch												
Key												
CO	CO	FY	PN	DT	Account Description	Account Number	Subldgr/Ty	Debit	Credit	Offsets	LT	Document Number
00050	00050	98	06	RI	Unbilled A/R	50.1215			5,577.02-		AA	8159
Doc/Period/LT Total . . .									5,577.02-			
Company Total									5,577.02-			
Generation Type Total . .									5,577.02-			

48300		J.D. Edwards & Company				Page No. . . . 3						
		Journal Register Listing				Date - . . . 5/20/96						
Batch Number 6067522 Generation Type 1 Invoice Batch												
Key												
CO	CO	FY	PN	DT	Account Description	Account Number	Subldgr/Ty	Debit	Credit	Offsets	LT	Document Number
00050	00050	98	06	RI	Trade Accounts Receivable	50.1210		5,019.32			AA	8159
00050	00050	98	06	RI	Retainages Receivable	50.1225		557.70			AA	8159
Doc/Period/LT Total . . .								5,577.02				
Company Total								5,577.02				
Generation Type Total . .								5,577.02				
Grand Total								5,577.02	5,577.02-			

What You Should Know About

Additional copies of the journal register

You can run the Billing Invoice Journal Register program to print additional copies of the journal register after you have created the preliminary G/L entries.

To reprint the revenue recognition journals, you must use the Journal Register Listing program on the Revenue Recognition menu.

See *Working with G/L Entries for Revenue and Billing* for more information.

Reconciling errors

If you find errors on the reports, you do not always need to delete the batch and regenerate the invoices. Once you identify the errors, you can correct them and run Invoice Journal Generation again. Common errors include:

- Incorrect dates or invalid accounts related to the general ledger
- Incorrect table types or invalid accounts related to rules you define on the Account Derivation Table form

Deleting a batch

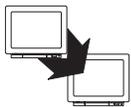
To delete a batch, use the Batch Delete program on the Invoice Generation menu.



Exercises

See the exercises for this chapter.

Creating Final A/R and G/L Entries for Revenue and Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Invoice Generation

From Invoice Generation (G4824), choose Create A/R and G/L Entries

You complete the revenue recognition and billing process within the billing system when you create the final A/R and G/L entries. To complete the overall invoice process, you then post the journal entries to the general ledger and accounts receivable.

When you create final A/R and G/L entries for a batch of invoices, the system:

- Changes the journal status for the related workfile transactions
- Moves the transactions out of the active Billing Workfile table (F4812) and into the Billing Workfile – History table (F4812H)
- Removes the batch number for the invoice journals from the billing system
- Deletes the records in the Detail Journal Workfile and Compressed Journal Workfile
- Calculates any adjustments to the transactions created since the last revenue journal generation
- Creates final G/L entries for the revenue adjustments



Before you create final A/R and G/L entries, ensure that the invoice amounts and journal transactions are correct. To make any changes after you create A/R and G/L entries, you must either void the invoices or create an adjusting invoice batch.

The system creates adjusting G/L entries only for the revenue amounts associated with the workfile transactions in the invoice batch.

▶ **To create final A/R and G/L entries**

On Create A/R and G/L Entries

Batch Validation Screen
Enter the Batch Number To Be Processed

Batch Number

Version

F3=Exit F6=Submit Batch F8=Versions F10=Override Data F24=More Keys

1. Complete the following fields and press Enter:

- Batch Number
 - Version
2. Choose Submit Batch.

The system displays a message prompting you to verify the batch post submission.

3. Choose Submit Job.

See Also

- *Printing Invoices Manually for Billing (P48504)* for information about locating a batch of invoices
- *Defining Account Derivation Rules (P48126)*
- *Appendix D – Accounting for the Billing Cycle* for more information about how the Service Billing system uses account derivation rules

48199	J.D. Edwards & Company				Page No.	2	
	Create A/R - G/L Entries				Date	5/21/96	
					Invoice Date .	07/31/98	
Contract Number . . .	5002 R2	Owner Address . . .	5070				
Application Number . .	2	Adjustment Number.					
G/L Date	07/31/98	Application Date .	07/31/98				
Owner		Chg	Job	A/R	Work in	Earned	
Pay Item	Description	Ord	Number	Co	Place	to date	
				Ofst		Stored Mat.	
						to date	
						Retainage	
						to date	
001	Concept Development	000		50			
002	Mechanical Developme	000		50	44,842.42		1,121.06
003	Electrical Developme	000		50	37,485.50		
004	Structural Developme	000		50	24,631.59		
005	Civil Development	000		50	9,941.32		
006	Subcontractor	000		50			
007	Travel Costs	000		50	2,636.32		
008	Other Reimbursables	000		50			
009	Fee on Labor	000		50	5,845.04		
010	Equipment	000		50	6,222.50		
011	Overhead Costs	000		50	39,854.37		
012	Cost of Money	000		50	1,991.51		
013	Track for Transit Sy	000		50			
014	component pricing ty	000		50			
001	"As Bults"	001		50			

Processing Options for A/R and G/L Journal Generation

RETAINAGE DEFAULT PROCESSING:

1. Enter a Pay Status to default for Retainage records. Leave blank to default Pay Status "H" (Held). _____
2. Enter a Due Date to default for Retainage records. Leave blank to default December 31, 1999 as the due date. _____

INVOICE JOURNAL DW SELECTION:

3. Enter the Invoice Journal Generation (P48131) DREAM Writer version to run. Leave blank (default) to run version 'ZJDE0001'. _____



Exercises

See the exercises for this chapter.

Reviewing and Posting Journal Entries for Revenue and Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Invoice Generation

From Invoice Generation (G4824), choose Post Invoices to G/L

After you create the final A/R and G/L entries, you complete the overall billing process by reviewing, approving, and posting the journal entries.

The journal review and post programs are the same programs you use in the Accounts Receivable and General Accounting systems.

Use the Post Invoice to G/L program to post invoice journals. If the system created adjusting entries for revenue recognition, you must use the Post General Journal program from the Revenue Recognition menu to post the resulting revenue journals.

See Also

- *Working with Final Invoices for Revenue and Billing*
- *Reviewing and Approving Invoices (P03201) in the Accounts Receivable Guide*
- *Posting Invoices (P09800) in the Accounts Receivable Guide*

Work with Final Invoices for Revenue and Billing

Working with Final Invoices for Revenue and Billing

After you create the A/R and G/L entries for your billings, the system moves the workfile transactions that have completed the billing process into the Billing Workfile – History table. You can work with final invoices to access these transactions.

Working with final invoices includes the following tasks:

- Reviewing the billing history for transactions
- Printing invoices from history
- Voiding a final invoice

When you work with final invoices, you can review the invoices on an as-needed basis. You can reprint invoices using the transactions in the Billing Workfile – History table. You can also void final invoices. When you void a final invoice, the billing transactions that were included on the invoice return to the active Billing Workfile with a status of not billed. You can then reprocess these transactions, or change them to a nonbillable status.

Reviewing the Billing History for Transactions for Revenue & Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

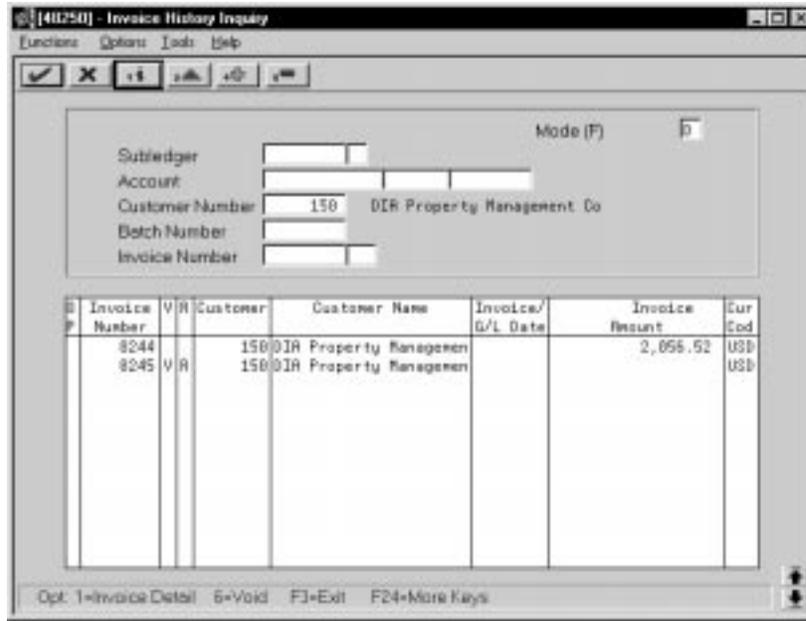
From Service Billing (G4821), choose Invoice Generation

From Invoice Generation (G4824), choose Invoice History Inquiry

When you access the invoice history, the system displays the invoice number first. This is particularly helpful if you need to review the billing information for a specific customer. You can also review the billing detail history for transactions if the associated invoice has not been voided.

▶ To review the billing history for transactions

On Invoice History Inquiry



4. To locate invoices, complete one or more of the following fields:
- Subledger
 - Account
 - Customer Number
 - Batch Number
 - Invoice Number

Invoices that display on the Invoice History Inquiry form with R in the Retainage Release Only field do not have invoice amounts or billing detail history.

5. Choose Invoice History to review the billing detail history for the workfile transactions associated with the invoice.

Field	Explanation
Invoice Number	The invoice number assigned to the billing detail transactions.
Display All Records	This field indicates which detail history records to display on the screen. <ul style="list-style-type: none"> 1 Display all detail history records 2 Display only those history records which are eligible for re-activation <p>NOTE: A processing option provides the initial value for this field.</p>

Field	Explanation
Document Type – Invoice Only	The document type of the invoice. If you leave this field blank, the system supplies the default document type for invoices from the system constants for Service Billing and Contract Billing.
Document Pay Item	A number that identifies the pay item for an invoice. The system automatically assigns the pay item number. If an invoice has multiple pay items, the numbers are sequential.

See Also

- *Voiding a Final Invoice for Revenue Recognition and Billing* for more information about billed transactions

Printing Invoices from History for Revenue and Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Invoice Generation

From Invoice Generation (G4824), choose Reprint Invoices

The system moves the workfile transactions that have completed the billing process into the Billing Workfile – History table. You can access these transactions from history and reprint invoices using the Reprint Invoices program. For example, if an invoice gets lost in the mail, but you have already completed the billing process, you can print the invoice from history.

For the transactions related to an invoice, the value in the Printed Flag field in the accounting and internal control information identifies:

- Whether the transaction has been printed
- The invoice type you used to print the last copy of the invoice



The system does not store a copy of the printed invoice. If you change the layout associated with the invoice type, the reprinted invoice will not look the same as the invoice you previously printed.

What You Should Know About

Printing invoices from multiple batches

You can use the Restricted Global Invoice Print program on the Service Billing Advanced Operations menu to print selected invoices from multiple batches or all the invoices in multiple batches.

See Also

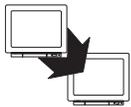
- *Reviewing the Billing History for Transactions for Revenue and Billing*
- *Technical Foundation Guide* for information about running, copying, and changing a DREAM Writer version

Processing Options for Print Invoices from History

PRINT SELECTION:

1. Enter the Invoice Type to print. _____

Voiding a Final Invoice for Revenue and Billing



From Work Order/Service Billing Processing (G48), choose Service Billing

From Service Billing (G4821), choose Invoice Generation

From Invoice Generation (G4824), choose Invoice History Inquiry

After you create A/R and G/L entries, you can void invoices. When you void an invoice, the transactions that were included on the invoice return to the Service Billing Workfile with a status of not billed. You can then reprocess these transactions or change them to a nonbillable status.

Voiding final invoices consists of the following:

- Voiding a final invoice without retainage
- Voiding a final invoice with released retainage



If you have applied unposted cash receipts against a posted invoice, you must void or reverse the receipts *before* you void the posted invoice. If you have applied posted cash receipts against a posted invoice, you must void the cash receipts and post them to the general ledger *before* you void the posted invoice.

When you void an invoice, the system updates the following information:

- Line number for the journal entry in the Account Ledger table

- Retainage amounts withheld for the invoice
- Detail for the invoice in the A/R Account Ledger table
- Batch header information
- Invoice information in the Invoice Summary Workfile
- Invoice information in the active Billing Workfile and the Billing Workfile – History tables
- Accounting and internal control information that is related to the invoice, batch, sequences, and so on



You must use the void process in the Service Billing system if you created the invoice in that system. If you void the invoice in the Accounts Receivable system, the system does not update the applicable Service Billing records.

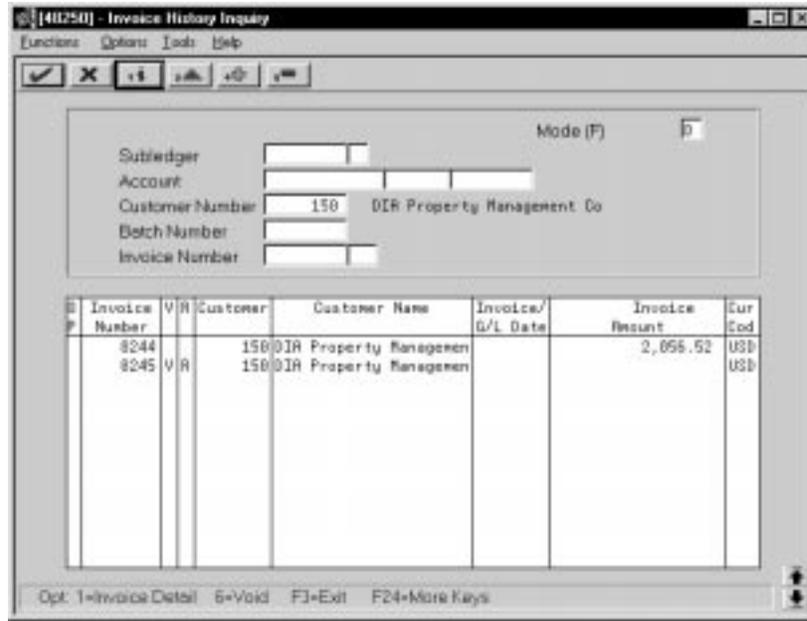
If you void an unposted invoice, the system deletes the A/R and G/L records without creating an audit trail for the A/R and G/L transactions and the invoice number. The system does not delete the batch header. You must run the G/L Integrity program to delete the empty header.

What You Should Know About

Alternate displays	You can toggle to review invoice and retainage amounts. <i>See Releasing Retainage for Revenue Recognition and Billing for more information about retainage amounts.</i>
Voiding posted invoices	When you void a posted invoice, the system creates adjusting A/R and G/L entries to reverse the original entries and changes the G/L batch status to Pending or Approved. You must post these adjusting entries for the batch number that the system displays in Invoice Void Window.
Voided invoices	You cannot void an invoice that has already been voided. Voided invoices display with V in the Void field.

See Also

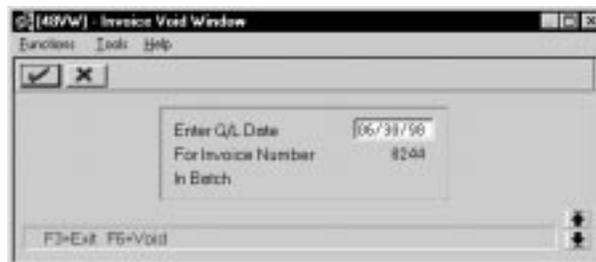
- *Working with Batch Headers* in the *General Accounting II Guide* for more information about deleting batch headers



► **To void a final invoice without retainage**

On Invoice History Inquiry

1. To locate a specific invoice, complete one or more of the following fields:
 - Subledger
 - Account
 - Customer Number
 - Batch Number
 - Invoice Number
2. Choose Void for the invoice.



3. On Invoice Void Window, complete the following optional field:
 - G/L Date
4. Choose Void.

The system places V in the Void field for the invoice.

Field	Explanation
Void Flag	A code that indicates whether the billing detail transactions associated with the invoice have been voided. Valid codes are: V Voided blank Not voided
Retainage Release Only	A one byte flag that indicates whether the invoice pay item is used specifically for the release of retainage. Also, it indicates that the retainage has been released from the invoice. R or 0 – The invoice pay item will be used for retention release only P or 1 – Retention release has been processed for this invoice

► To void a final invoice with released retainage

When you void a final invoice with released retainage, you must also void the retainage release invoice that you created to release the retainage.

On Invoice History Inquiry

1. To locate a specific invoice, complete one or more of the following fields:
 - Subledger
 - Account
 - Customer Number
 - Batch Number
 - Invoice Number
2. Choose Void for the invoice with retainage.

The system displays P in the Retainage Release Only field for the invoice with retainage.

3. On Invoice Void Window, complete the following optional field:
 - G/L Date

4. Choose Void.

The system places V in the Void field for the invoice with retainage.

5. Choose Void for the retainage release invoice.

The system displays R in the Retainage Release Only field for the retainage release invoice.

6. On Invoice Void Window, complete the following optional field:

- G/L Date

7. Choose Void.

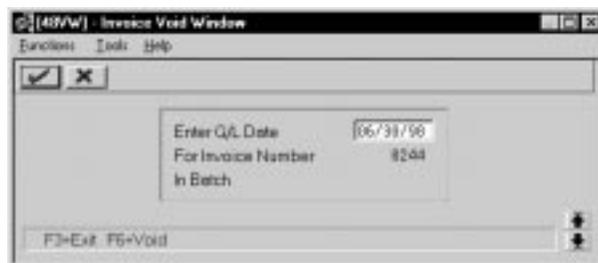
The system places V in the Void field for the retainage release invoice.

What You Should Know About

One retainage release invoice for multiple invoices

If you create only one retainage release invoice that releases the retainage for multiple invoices, and then void one of those invoices, you must also void the retainage release invoice. Then, you must release the retainage again for the invoices that you did not void.

See *Releasing Retainage for Revenue Recognition and Billing* for more information.



Exercises

See the exercises for this chapter.

Setup



System Setup

Objectives

- To define the rules that the system uses to process billing and revenue transactions
- To understand how the system constants affect the revenue recognition and billing processes

About System Setup

Before you can use the Service Billing system, you must define the constants and rules you want the system to use during the revenue recognition and billing processes. The information you set up in the system constants and rules determines:

- How the system uses dates to process source transactions, such as the service/tax date or G/L date, compared to the effective dates for the markup, account derivation, and tax derivation rules
- How the system uses account derivation rules to create journal entries
- How the system processes payroll transactions

Setting up the Service Billing system consists of the following tasks:

- Setting up system constants
- Defining markup rules
- Defining component rules
- Defining account derivation rules
- Assigning component information
- Setting up condition codes
- Defining G/L offset and retainage rules
- Defining tax derivation rules



- Setting up automatic accounting instructions
- Setting up user defined codes

What Do These Setup Features Do?

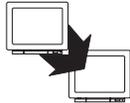
System constants	Control the global processing of: <ul style="list-style-type: none">• Billable costs• Customer information• Dates• Invoices• Revenue• Journals• Default markup
Markup rules	Define the calculation for the amount that you add to costs to account for overhead and profit.
Component rules	Define a type of markup that is based on amounts and units. The markup and account derivation also use this information.
Account derivation rules	Define the accounting rules that the system uses to process journal transactions for billing, revenue recognition and reallocations.
Condition codes	Define the conditions under which the system uses specific account derivation rules to create journal entries
G/L offset and retainage rules	Define the following: <ul style="list-style-type: none">• G/L offsets identify the accounts for which the system creates the offsetting entries during the posting of A/R information.• Retainage identifies the percentage of payment for the invoice which your company is paid after the work is complete.
Tax derivation rules	Define the following: <ul style="list-style-type: none">• The source transactions that are subject to tax• The tax rate or geographic area with common tax rates
Automatic accounting instructions (AAs)	Define accounting information and general ledger relationships.

User defined codes

Define custom codes for the system, such as condition codes and adjustment reasons.

Set Up System Constants

Setting Up System Constants



From Work Order/Service Billing Processing (G48), enter 29

From Work Order/Service Billing Setup (G4841), choose System Constants

You set up the system constants to represent your company's decisions on how source transactions and related revenue and billing are processed. The constants control how the system processes:

- Billable costs
- Customer information
- Dates
- Invoices
- Revenue
- Journals
- Default markup percentage
- Multi-currency transactions

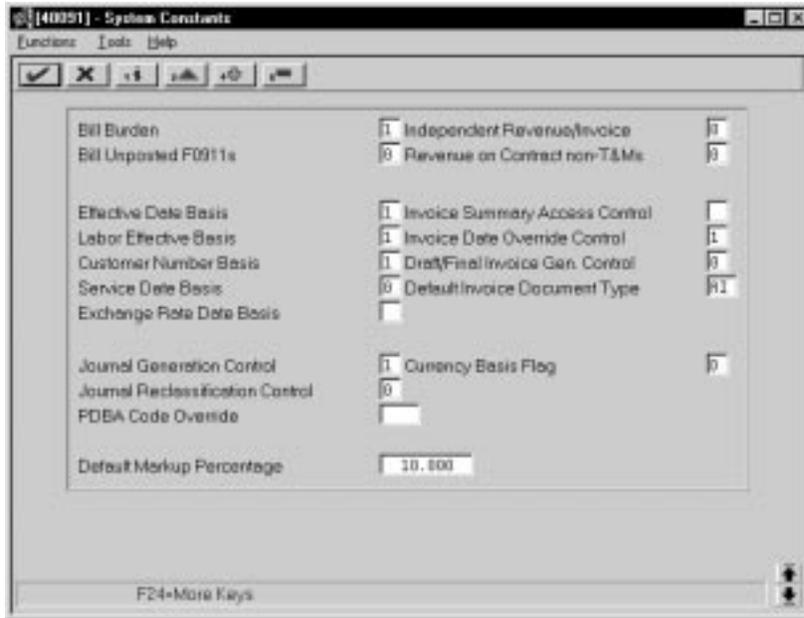
After you set up the constants, you should not change them. The system stores the constants in the System Constants table (F48091).

Before You Begin

- Verify that the default document type for invoices is set up on user defined codes tables 00/DT (Document Type – All Documents) and 00/DI (Document Type – Invoices Only)

► **To set up system constants**

On System Constants



1. To specify how you want the system to process billable costs, complete the following fields:
 - Bill Burden
 - Bill Unposted F0911s
2. To specify the address number that the system uses to identify customer information, complete the following field:
 - Customer Number Basis
3. To specify the dates you want the system to use when processing workfile transactions, complete the following fields:
 - Effective Date Basis
 - Labor Effective Basis
4. To specify the default value that the system uses when workfile transactions do not meet the criteria for any other markup rules, complete the following field:
 - Default Markup Percentage
5. To specify how the system processes revenue, complete the following field:
 - Independent Revenue/Invoice

6. To specify how the system processes journal entries, complete the following fields:
 - Journal Generation Control
 - Journal Reclassification Control
 - PDBA Code Override
7. To specify the date the system uses when processing accounts receivable transactions, complete the following field:
 - Service Date Basis
8. To specify how the system processes invoices, complete the following fields:
 - Invoice Date Override Control
 - Draft/Final Invoice Generation Control
 - Default Invoice Document Type
9. To build an additional audit table for invoice information, complete the following field:
 - Invoice Summary Access Control
10. To specify how the system processes multi-currency transactions, complete the following fields:
 - Exchange Rate Date Basis
 - Currency Basis Flag

Field	Explanation				
Bill Burden	<p>Burden is any cost that a company incurs as a direct consequence of employing labor (for example, company paid taxes, insurance, and fringe benefits). Burden can also include allowances for small tools, consumables, or other overhead costs that are allocated or assessed as a function of direct labor costs.</p> <p>The Bill Burden constant controls whether the system includes burden during workfile generation for the Service Billing and Contract Billing systems. If you do include burden, be aware of the following:</p> <ul style="list-style-type: none"> • The system processes all the burden associated with billable payroll transactions. • The burden account must be a billable account. <p>Valid codes are:</p> <table style="margin-left: 20px;"> <tr> <td style="padding-right: 10px;">0</td> <td>The system does not include burden.</td> </tr> <tr> <td>1</td> <td>The system includes burden.</td> </tr> </table>	0	The system does not include burden.	1	The system includes burden.
0	The system does not include burden.				
1	The system includes burden.				

Field	Explanation
Bill Unposted F0911s	<p>A constant that controls whether the system includes unposted billable transactions from the G/L Account Ledger file during workfile generation for the Service Billing and Contract Billing systems. Valid values are:</p> <ul style="list-style-type: none"> 0 Only posted billable transactions in the Account Ledger will be processed. 1 Both unposted and posted entries in the Account Ledger will be processed. <p>NOTE: Since unposted billable transactions are subject to change or deletion, you do not include them during workfile generation. However, if there is very little time between the entry of costs and the recognition of resulting revenue, you might find it helpful to generate revenue for unposted transactions.</p>
Customer Number Basis	<p>For Service Billing only, a constant that determines which customer number the system retrieves for a billing detail transaction. Valid codes are:</p> <ul style="list-style-type: none"> 0 Owner address number from the Job Master (F0006). 1 Customer number from the Work Order Master (F4801). If the customer number is blank, the system retrieves the owner address number from the Job Master.
Effective Date Basis	<p>A constant that determines whether the system uses the G/L date or the service/tax date from a billable source (cost) transaction as the basis for comparison with the effective dates for the tables. Valid codes are:</p> <ul style="list-style-type: none"> 1 G/L date 2 Service/tax date <p>NOTE: The Service Billing and Contract Billing systems use tables, such as the Cost Plus Markup Table and the Account Derivation Table, during the billing process. A range of dates can control when the table information is valid.</p>

Field	Explanation
Labor Effective Basis	<p>A constant that determines which date, from a billable source transaction originating in the Payroll system, is used as the basis for comparison with the effective dates for the tables. Valid codes are:</p> <ul style="list-style-type: none">1 G/L date2 Service/tax date3 Work date4 Ending date of the pay period <p>If your billing process does not involve payroll, the system ignores this constant.</p> <p>NOTE: The Service Billing and Contract Billing systems use tables, such as the Cost Plus Markup Table and the Account Derivation Table, during the billing process. A range of dates can control when the table information is valid.</p>

Field	Explanation
Contract Revenue Flag	<p>Use this flag to control whether the system generates billing detail transactions to recognize revenue for non-T&M contract billing lines prior to the billing process. In addition, the value you enter in this field determines whether or not the system recognizes the Not to Exceed (NTE) rules that you set up for revenue.</p> <p>The following values are valid:</p> <ul style="list-style-type: none"> 0 Do not generate billing detail transactions to recognize revenue for non-T&M contract billing lines. Not to Exceed (NTE) rules for revenue are not applicable to the revenue associated with non-T&M contract billing lines or T&M contract billing lines. 1 Generate billing detail transactions to recognize revenue for non-T&M contract billing lines. Recognize NTE rules for revenue, except for the contract billing lines for fees. NTE rules are not applicable to the revenue associated with T&M contract billing lines. 2 Generate billing detail transactions to recognize revenue for T&M contract billing lines only. Recognize NTE rules for revenue associated with T&M contract billing lines. NTE rules are not applicable to the revenue associated with non-T&M contract billing lines. 3 Generate billing detail transactions to recognize revenue for non-T&M contract billing lines. Recognize NTE rules for the revenue associated with non-T&M contract billing lines (except for fees) and T&M contract billing lines. <p>Note: When you choose to generate billing detail transactions to recognize revenue for non-T&M billing lines, the system:</p> <ul style="list-style-type: none"> • Generates revenue amounts for lump sum and unit price billing lines at the time of workfile generation. • Generates revenue amounts for fee billing lines during revenue generation.

Field	Explanation
Default Markup Percentage	<p>The percentage you use to mark up the revenue amount reflected in the billing of professional services, such as draftsmen, engineers, or consultants fees. This percentage rate will not affect the employee's paycheck. This percentage rate is set up in the Cost Plus Markup Table using generation type 1 to specify a table for revenue/invoice markup percentage rates.</p> <p>With the new Service Billing/Contract Billing modules, you can mark up the revenue amount at a different rate than invoice amount using the Cost Plus Markup Table with a generation type 2. The Independent Invoice flag in the constants controls this function. Enter percentages as whole numbers. For example, 50.275% would be entered as 50.275.</p> <p>..... <i>Form-specific information</i></p> <p>Use this field to enter a markup percentage that the system will use as a default value when a source (cost) transaction has no associated cost plus markup table entry. If the system finds a cost plus markup table entry for the source transaction, the table entry overrides this constant.</p> <p>NOTE: If you leave this constant blank, and the system does not find a cost plus markup table entry for a source transaction, the system will process that transaction at cost (without any markup).</p>
Independent Revenue/Invoice	<p>A constant that determines whether you can mark up the invoice and revenue amounts in the billing detail transactions independent of each other. Valid values are:</p> <ul style="list-style-type: none"> 0 The system ensures that the invoice amounts and the revenue amounts in the billing detail transactions are always equal. 1 You can manipulate and process invoice amounts without affecting the associated revenue amounts, and vice versa.

Field	Explanation
Journal Generation Control	<p>A constant that controls the process for journal generation in the Service Billing and Contract Billing systems. Valid codes are:</p> <ul style="list-style-type: none"> 1 Invoicing only 2 Revenue recognition only 3 Revenue recognition and invoicing, without requiring revenue reconciliation 4 Revenue recognition and invoicing, requiring revenue reconciliation <p>The following functions are also affected:</p> <ul style="list-style-type: none"> • The initial value of the eligibility code (ELGC) for the billing detail transactions • The edit for the table type (TBTY) when you enter information on the Account Derivation Table form
Journal Reclassification Control	<p>A constant that controls whether the system performs journal reclassification as a function within the journal generation process. Valid values are:</p> <ul style="list-style-type: none"> 0 Do not perform journal reclassification. 1 Perform journal reclassification. <p>NOTE: Journal Reclassification occurs within Service/Contract Billing to allow you to reclassify the original cost entry to a different account and automatically create the correcting entries in the Account Ledger (F0911). If you are correcting a billing entry that originated from payroll, then the system creates an adjusting entry in the Payroll Transaction History file (F0618).</p>
PDBA Code Override	<p>A code that overrides the pay type of the original payroll transaction. During journal reclassification, the system uses this code when creating an adjusting payroll history record.</p> <p>NOTE: Pay types are numbered from 1 to 999.</p>
Service Date Basis	<p>A constant that determines whether the system uses the G/L date or the invoice date from an A/R transaction as the service/tax date. Valid codes are:</p> <ul style="list-style-type: none"> 0 G/L date 1 Invoice date
Invoice Date Override Control	<p>A constant that determines whether you can override the invoice date and the G/L date when you use the Invoice Journal Generation and Create A/R & G/L programs. Valid values are:</p> <ul style="list-style-type: none"> 0 You cannot access the Date Override window. 1 The Date Override window is optional. 2 The system automatically displays the Date Override window.

Field	Explanation
Draft/Final Invoice Gen. Control	<p>A flag that determines whether the system assigns to the final invoices:</p> <ul style="list-style-type: none"> • New invoice numbers that are sequential • Different document types <p>Valid values are:</p> <p>0 Use the same invoice numbers and document types</p> <p>1 Assign new invoice numbers and document types</p> <p>In some places, you are required to assign the invoice numbers sequentially and without gaps in the numbering. If you choose to assign new numbers, you must use at least two different document types. The system assigns the first document type to preliminary invoices and assigns the subsequent document types when you create final A/R and G/L entries.</p> <p>The setup for this involves the following:</p> <ul style="list-style-type: none"> • Set up the document types as the following user defined codes: Document Type – All Documents (00/DT) and Document Type – Invoices Only (00/DI). • Reference the document type for the final invoices to the respective document type for the preliminary invoices. To do this, enter the final document type in the first two positions of the Description 2 field for the respective document type in the user defined code table (00/DI). • Set up Next Numbers by Company/Fiscal Year in the General Accounting system so you can assign different document types within the same invoice batch. This applies to all invoices, whether they are preliminary or final. <ul style="list-style-type: none"> If the Next Number Constant field contains 1, the system automatically enters the document types for the invoices to the Next Numbers table. If the field contains 2, you must manually enter the document types to the table.

Field	Explanation
Default Invoice Document Type	<p>A user defined (system 00, type DI) document type for invoice entry. Any document type set up for invoice-only entry should begin with the letter R (receivables). The default is RI, RR, or RM. Reserved document types have been defined for vouchers, invoices, receipts, and time sheets.</p> <p>The reserved document types are:</p> <ul style="list-style-type: none"> P_ Accounts Payable Documents R_ Accounts Receivable Documents T_ Payroll Documents I_ Inventory Documents O_ Order Processing Documents <p>NOTE: For invoice entry, if you are using document type DI, you must also set up document type DT in User Defined Codes.</p> <p>..... <i>Form-specific information</i></p> <p>A constant that controls the default document type for invoices. The system automatically uses this code when you do not specify the document type on invoice-related forms and programs.</p> <p>If you set the Invoice Numbering Control field in the system constants to renumber invoices, the system uses the default document type for the preliminary invoices.</p>
Invoice Summary Access Control	<p>A constant that determines whether the system builds and maintains the Invoice Summary Access (F48520) file. This table contains cumulative billing amounts that are summarized by G/L Date, Employee/Supplier, Cost Account Number, and Contract Owner Pay Item. If you choose to maintain this file, it requires extra disk space. You can use the summarized billing information for various reporting purposes, such as displaying billed-to-date amounts on your Service/Contract Billing invoices. Valid values are:</p> <ul style="list-style-type: none"> Blank Do not build and maintain the file. 1 Build and maintain the file. <p>The system stores billed-to-date amounts in the Invoice Summary (F4822) file by Owner Pay Item. The Invoice Summary Access (F48520) file stores the billed-to-date amounts in more detail than the Invoice Summary (F4822) file.</p>

Field	Explanation				
Date – Exchange Rate Date Basis	<p>A constant that controls the date that the system uses to retrieve the exchange rate.</p> <p>Valid codes are:</p> <ol style="list-style-type: none"> <li data-bbox="776 369 1406 457">1 Use the last day of the prior month. The system determines this date based on the company date patterns. <li data-bbox="776 464 1406 583">2 Use the date of the billable cost (source) transaction. The system determines this date based on the value of the Effective Date Basis and Labor Effective Date Basis billing constants. <li data-bbox="776 590 1406 678">3 Use the system date. (You should only use this value if you operate in an hyper-inflationary economy.) <p>Note: The Contract Billing and Service Billing modules can recognize TWO exchange rates; the first during the Workfile Generation process when creating the billing detail transaction and the second during the Invoice Generation process. This constant controls the Workfile Generation process. You can override this constant during Invoice Generation.</p>				
Currency Mode–Foreign or Domestic Entry	<p>A code that specifies whether amounts are in the domestic currency of the contract or the foreign currency of the supplier.</p> <p>Valid codes are:</p> <table data-bbox="776 1087 964 1146"> <tr> <td data-bbox="776 1087 797 1115">D</td> <td data-bbox="854 1087 964 1115">Domestic</td> </tr> <tr> <td data-bbox="776 1121 797 1148">F</td> <td data-bbox="854 1121 964 1148">Foreign</td> </tr> </table> <p>For conversions, D indicates domestic to foreign, and F indicates foreign to domestic.</p>	D	Domestic	F	Foreign
D	Domestic				
F	Foreign				

What You Should Know About

Billing burden

If you want to bill for burden, you must set up the appropriate AAIs in the Payroll system as well as the system constants for the billing system.

See *Setting Up Burden and Premium Labor Distribution Instructions* in the *Payroll Guide*

Customer numbers

All workfile transactions must include a customer number to bill the transactions. You must identify a customer number on individual jobs or work orders. The address book number on the Single Business Unit form is *not* the customer number.

If you set the Customer Number Basis field to 0 and do not specify a customer number for the job, the system creates an invoice without a customer number.

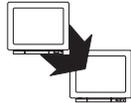


Exercises

See the exercises for this chapter.

Define Markup Rules

Defining Markup Rules



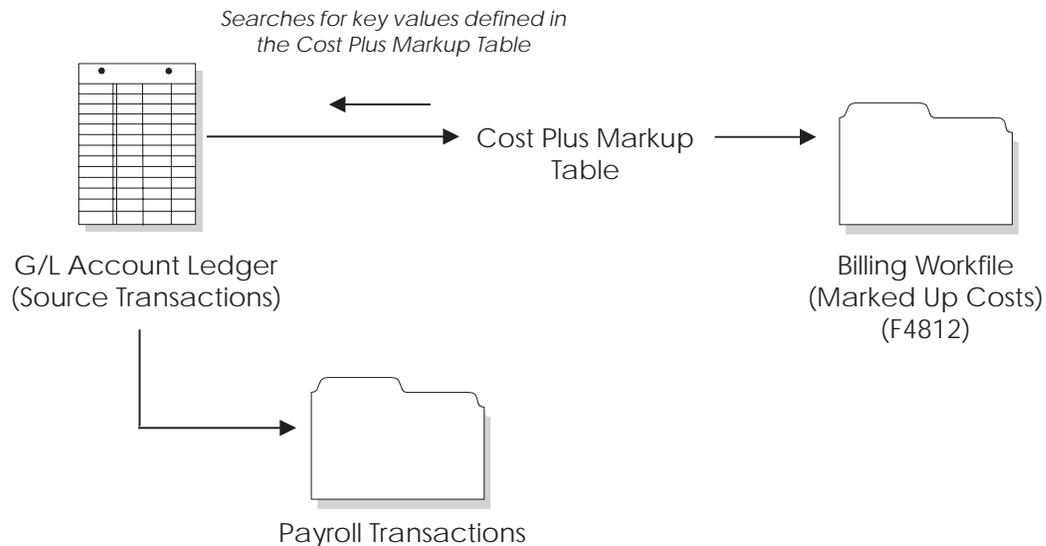
From Work Order/Service Billing Processing (G48), enter 29

From Work Order/Service Billing Setup (G4841), choose Table Information

From Table Information (G4843), choose Cost Plus Markup Table

The markup is an amount that you add to costs for overhead and profit. The system calculates markup amounts when you accumulate costs or revise workfile transactions based on the markup rules you define when you set up the Service Billing system.

The following graphic illustrates how the system marks up costs based on the Cost Plus Markup Table.



When you accumulate costs or revise workfile transactions, the system marks up costs as follows:

1. Accesses the markup rules
2. Searches and selects specific source transactions that match the values you specified for the major key

3. Continues the search, narrowing the selection of source transactions based on the value you specified for the minor key
4. Calculates the markup amount for individual transactions based on the applicable markup calculation rules
5. Updates the workfile transaction with the applicable markup amount

The system stores markup information in the Cost Plus Markup Information table (F48096).

When you define markup rules, you specify the following information:

- Major key
- Minor key
- Markup calculation rules

You define markup rules by specifying major and minor key values. The system uses these values in combination to identify the specific markup rules that apply to individual source transactions.

When you accumulate costs or revise workfile transactions, the system matches the key values in the markup rules with the same values in the transactions. The system uses the most specific rule it can locate to calculate the markup for a transaction.

Typically, you define general markup rules that apply to most of the source transactions you process in the Service Billing system. You can also define additional markup rules for the transactions that are exceptions. For example, you can define rules that specify alternative markup rates for an individual customer or work order.

Major Key

You must specify a major key for each markup rule you define. A major key must include the following information:

Generation type	Specifies whether the markup rule applies to invoice amounts, revenue amounts, both invoice and revenue amounts, or component amounts. Depending on how you set up your system constants, you might want different markup rules to apply to different amounts.
Key type	One of nine hard-coded values that defines the major key value for the markup rule.
Table key	Further defines the major key value, based on the key type.

Effective dates Specifies when the markup rule is effective.

The system uses the key type and table key in combination. For example, if the key type is work order number, the table key must be a specific work order number. If you have three work orders that require different markup rules, you must set up three different markup rules, each with work order number as the key type and a specific work order number as the table key.

Generation Types

You can use the following generation types in combination with your system constants to define markup rules:

Type 1 When your system constants are set up so that invoice and revenue amounts are always the same, the markup rule applies to revenue, invoice, and component amounts.

When your system constants are set up so that invoice and revenue amounts can be different, the markup rule applies to invoice and component amounts. It also applies to revenue amounts if no Type 2 rule exists.

Type 2 When your system constants are set up so that invoice and revenue amounts can be different, the markup rule applies to revenue amounts and the components for revenue.

NOTE: Type 2 is not applicable when the system constants are set up for revenue recognition only.

Type 3 Regardless of how your system constants are set up, the markup rule applies to component amounts.

Minor Key

You must specify one or more minor keys to further define each of the major keys in a markup rule. A minor key must include a range of accounts. You can further define the minor key by specifying the following information:

- Payroll information, such as job type, job step, and pay type
- Equipment information, such as number, rate, and group

You can specify a combination of payroll *or* equipment information. Payroll and equipment information are mutually exclusive.

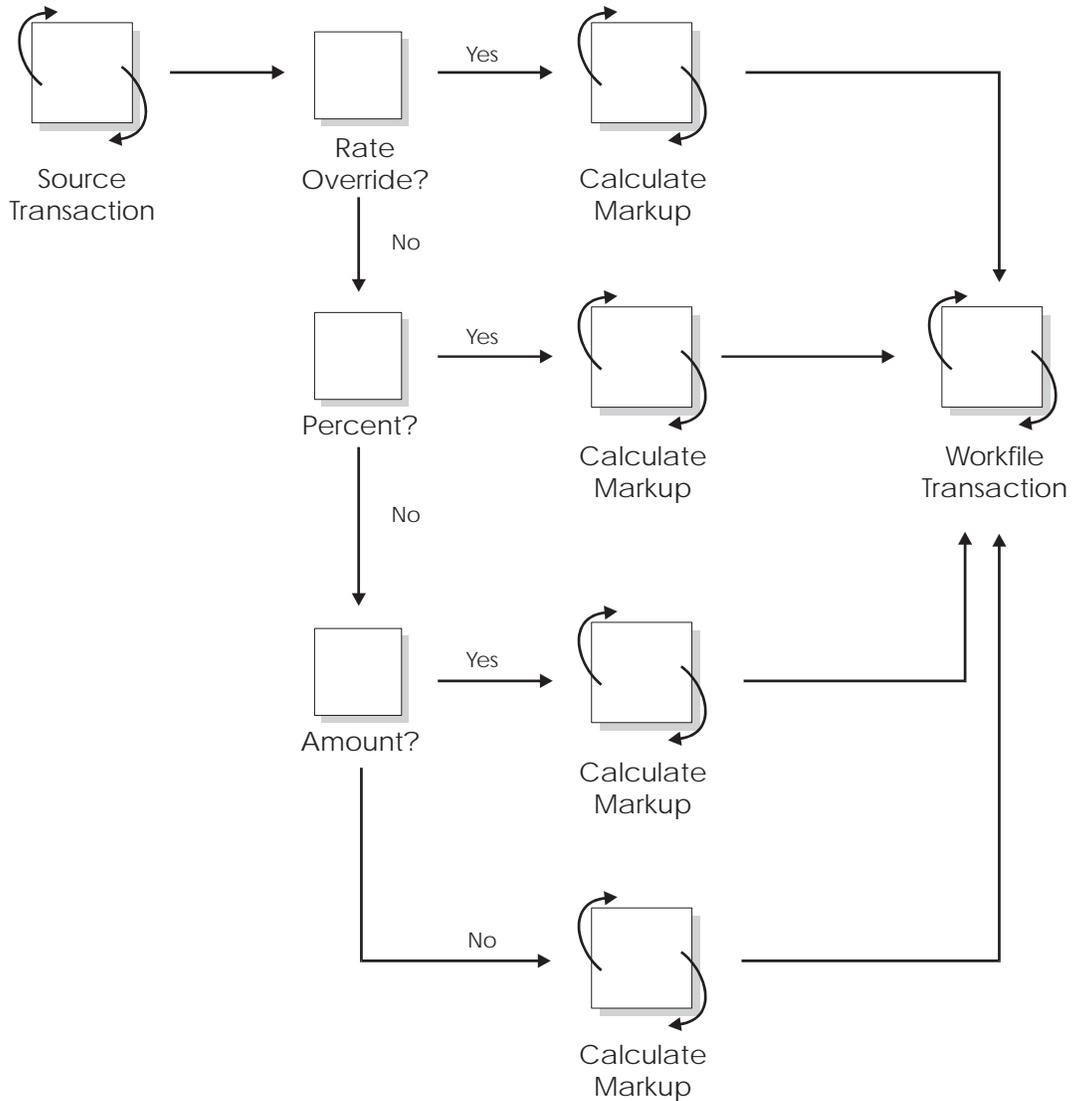
Markup Calculations

You can relate three markup calculations to a minor key. To mark up source or workfile transactions, the system applies the following calculations for a minor key in the order shown:

1. Rate override for the units
2. Percentage markup
3. Amount markup

If you do not specify markup calculations for the minor key, the system processes the transactions at cost. If the transaction does not match the key values for any of the markup rules you have defined, the system uses the default markup percentage in the system constants.

The following graphic illustrates how the Service Billing system applies calculations for a minor key.



Compound Markup

A compound markup results when you relate more than one markup calculation to a minor key.

For example, a source transaction with 10 units might use a minor key with the following markup calculations:

1. Rate override of 50 dollars per unit
2. Percentage markup of 10 percent
3. Amount markup of 25 dollars

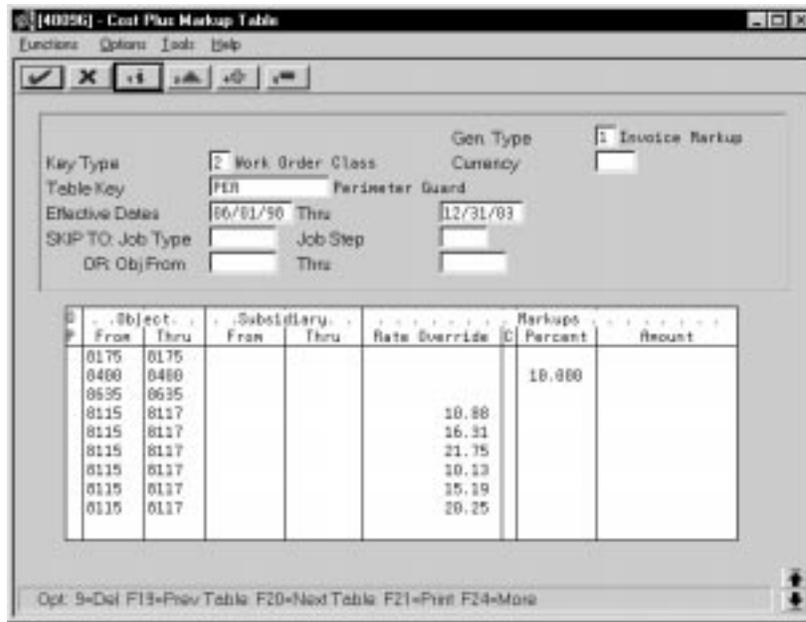
The system calculates the compounded markup amount as follows:

1. 10 units X 50 dollars = 500 dollars

2. (500 dollars X 10 percent) + 500 dollars = 550 dollars
3. 550 dollars + 25 dollars = 575 dollars

► **To define markup rules**

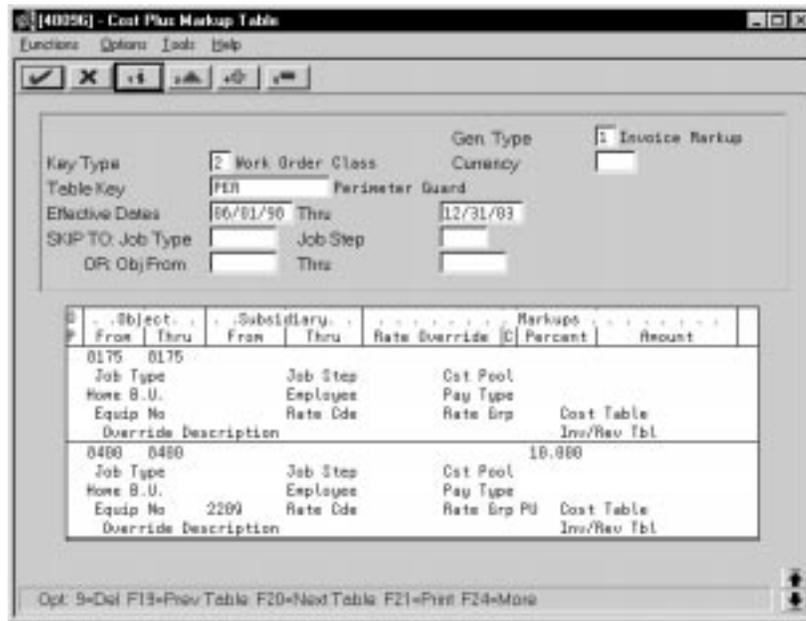
On Cost Plus Markup Table



1. To identify the major key for a markup table, complete the following fields:
 - Generation Type
 - Key Type
 - Table Key
 - Effective Date From
 - Effective Date Thru
2. If you work in a multi-currency environment, complete the following field:
 - Currency
3. To specify the account range for the table, complete the following fields:
 - Object From
 - Object Thru
 - Subsidiary From
 - Subsidiary Thru

If you leave the account range blank, the system applies the markup rule to all account ranges within the major key.

4. To specify the markup calculation, complete one or more of the following fields:
 - Rate Override
 - Cap/Override Rate
 - Percent
 - Amount
5. Choose More Details.



6. To specify payroll information for each minor key, complete any of the following fields:
 - Job Type
 - Job Step
 - Cost Pool
 - Home Business Unit
 - Employee
 - Pay Type
7. To specify equipment information for each minor key, complete any of the following fields:
 - Equipment Number
 - Rate Code

- Rate Group

Payroll and equipment information are mutually exclusive.

8. Complete the following optional field to override the descriptions from the related source transactions:

- Override Description

Field	Explanation
Generation Type	A code the system uses to determine the applicable Cost Plus Markup table when retrieving markup rates. Valid values are: <ol style="list-style-type: none">1 Invoice, revenue, and component markups are always calculated.2 Override revenue markup is calculated if the Independent Invoice Constant is set to 1.3 Default component markup is calculated for billing detail transactions.

Field	Explanation
Key Type	<p>A code that the system uses in combination with the table key to locate and edit source and billing detail transactions against the various tables in the Service Billing and Contract Billing systems.</p> <p>Valid key type codes and related tables are:</p> <ul style="list-style-type: none"> 1 Work order number – Work Order Master (F4801) 2 Work order class – User Defined Code (00/W7) 3 Contract number – Contract Master (F5201) 4 Parent contract number – Contract Master (F5201) 5 Customer – Address Book Master (F0101) 6 Job or business unit – Business Unit Master (F0006) 7 Job class – User Defined Code (00/11) 8 Company – Company Constants (F0010) 9 Default <p>When you select a key type, use the following guidelines:</p> <ul style="list-style-type: none"> • You cannot use the key types for contract number (3) or parent contract number (4) with the Tax Derivation and G/L Offset & Retainage tables. • You cannot use the key type for company (8) with the G/L Offset and Retainage tables. • You can use the default key type (9) with only the Account Derivation and Cost Plus Markup tables. <p>..... <i>Form-specific information</i></p> <p>The system uses the Key Type field in conjunction with the Table Key field to locate the applicable Cost Plus Markup table for each source transaction from the Account Ledger table (F0911).</p>

Field	Explanation
Table Key	<p>A value that the system uses in combination with the key type to locate and edit source and billing detail transactions against the various tables in the Service Billing and Contract Billing systems.</p> <p>The value you enter in the Key Type field determines the valid values for the Table Key field. For example, if you specify the key type for work order number (1), you must enter a valid work order number from the Work Order Master (F4801) in the Table Key field.</p> <p>The key type you specify also controls the search window that you access from the Table Key field when you use field sensitive help. For example, when you select Key Type 1, you can use the field sensitive help for the Table Key field to access the Work Order Search window. With Key Type 2, you access the User Defined Codes window for work order class.</p> <p>..... <i>Form-specific information</i></p> <p>The system uses the Table Key field in conjunction with the Key Type to locate the applicable Cost Plus Markup table for each source transaction from the Account Ledger table (F0911).</p>
Date – Beginning Effective	<p>The date on which an address, item, transaction, or table becomes active or the date from which you want transactions to display.</p> <p>..... <i>Form-specific information</i></p> <p>This field identifies an effective begin date for a Cost Plus Markup Table.</p> <p>Note: The effective dates for Cost Plus Markup tables with the same key values cannot overlap.</p>
Date – Ending Effective	<p>The date on which the item, transaction, or table becomes inactive or the date through which you want transactions to display.</p> <p>..... <i>Form-specific information</i></p> <p>This field identifies an effective end date for a Cost Plus Markup table.</p> <p>Note: The effective dates for Cost Plus Markup tables with the same key values cannot overlap.</p>

Field	Explanation
Currency	<p>A code that indicates the currency of a customer's or a supplier's transactions.</p> <p>..... <i>Form-specific information</i></p> <p>Specify a currency code in conjunction with the key type, table key, and effective dates to define a major key for your markup table. The system uses the major key to search for the applicable markup table during the workfile generation and re-extension processes.</p> <p>The system retrieves default currency codes for the following key types:</p> <ul style="list-style-type: none"> • Contract – default currency from the Contract Master table (F5201) • Parent Contract – default currency from the Contract Master table (F5201) • Company – default currency from the Company Information table (F0010) • Customer – default currency from the Customer Information table (F0301) • Job – default currency from the Business Unit Master table (F0006) • Work Order – default currency from the Work Order Master table (F4801) <p>You must enter a currency code for the following key types:</p> <ul style="list-style-type: none"> • Work Order Class • Job Class • Default <p>The currency code that you specify in this field controls the decimal display on the Cost Plus Markup Table form.</p>
Account Number – Input (Mode Unknown)	<p>A field that identifies an account in the general ledger. You can use one of the following formats for account numbers:</p> <ul style="list-style-type: none"> • 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) <p>The first character of the account indicates the format of the account number. You define the account format in the General Accounting Constants program.</p> <p>..... <i>Form-specific information</i></p> <p>The From and Thru fields for Object and Subsidiary identify the range of billable source accounts.</p>

Field	Explanation
Markups Rate Override	<p>The rate the system uses to markup the revenue amount reflected in the billing of professional services, such as draftsmen, engineers, or consultants fees. This rate does not affect the employee's paycheck. You can use this markup rate as an override rate or as a maximum rate.</p> <p>The Override Rate Calculator for the Total Revenue markup is:</p> $(\text{Override Rate} * \text{Unit}) * (1 + \text{Markup \%}) + \text{Markup Amount}$ <p>When you specify a Maximum or Cap Rate, the system compares the override rate with the rate from the cost transaction and uses the lower rate as the override rate.</p> <p>You set up the override/maximum unit rate in the Cost Plus Markup Table, using generation type 1 to specify a table for revenue/invoice markup rates. You can markup the revenue amount at a different rate than the invoice amount by using the Cost Plus Markup Table with a generation type 2. The Independent Invoice flag in the constants controls this function.</p> <p>..... <i>Form-specific information</i></p> <p>Enter a markup rate to override an existing rate. For example, if you want a standard consulting fee to be higher than the normal hourly rate, you can type the consulting fee in this field.</p> <p>You can also use the Rate Override to indicate a maximum rate for the entry when you use it in conjunction with the C (Cap) field.</p>
Cap or Override Rate	<p>This flag indicates whether the associated amount is the override rate or the cap of the rate.</p> <p>Values are:</p> <ul style="list-style-type: none"> blank Override Rate. 1 Cap of the Rate. If the cost rate is less than the cap rate, the cost rate will be used; if the cost rate is greater than the cap rate, the Cap Rate will be used.

Field	Explanation
Percentage – Revenue Markup	<p>The percentage you use to mark up the revenue amount reflected in the billing of professional services, such as draftsmen, engineers, or consultants fees. This percentage rate will not affect the employee’s paycheck. This percentage rate is set up in the Cost Plus Markup Table using generation type 1 to specify a table for revenue/invoice markup percentage rates.</p> <p>With the new Service Billing/Contract Billing modules, you can mark up the revenue amount at a different rate than invoice amount using the Cost Plus Markup Table with a generation type 2. The Independent Invoice flag in the constants controls this function. Enter percentages as whole numbers. For example, 50.275% would be entered as 50.275.</p> <p>..... <i>Form-specific information</i></p> <p>The field lets you include a markup percentage for the amount of revenue recognition.</p> <p>In the Service Billing system, you can set up a Generation Type 2 Cost Plus Markup table that lets you enter and maintain invoice amounts for single cost transactions that are different from the amounts used in revenue recognition. In Generation Type 2 tables, this field lets you apply a markup rate that will be specific to the revenue recognition amount for the table entry.</p>
Amount	<p>A number that identifies the actual amount. Type debits with no sign or a plus sign (+). Type credits with a minus sign (-) either before or after the amount. You can use decimals, dollar signs, and commas. The system ignores non-significant symbols.</p>
Override Description	<p>A description, remark, explanation, name, or address retrieved from the following cost (source) transactions:</p> <ul style="list-style-type: none"> • Journal entry (Explanation 2 field) • A/P voucher entry (Explanation field) • Payroll (pay type description — regular, overtime, and so on) <p>..... <i>Form-specific information</i></p> <p>A description, remark, explanation, name, or address that you want to apply to the billable detail transaction.</p>
Job Type	<p>A user defined code (07/G) that defines the jobs within your organization. You can associate pay and benefit information with a job type and apply that information to the employees who are linked to that job type.</p>
Job Step	<p>A user defined code (07/GS) that designates a specific level within a particular job type. The system uses this code in conjunction with job type to determine pay rates by job in the Pay Rates Table.</p>

Field	Explanation
Business Unit – Home	<p>The number of the business unit in which the employee generally resides.</p> <p>..... <i>Form-specific information</i></p> <p>This field tells the system to apply the specified markup rates only to accounts (costs) with the designated home business unit within the Cost Type, Cost Code, or Job specified.</p>
Employee	<p>A number that identifies an entry in the Address Book system. Use this number to identify employees, applicants, participants, customers, suppliers, tenants, and any other Address Book members.</p>
Pay Type	<p>A code to define the type of pay, deduction, benefit, or accrual.</p> <p>Pay types are numbered from 1 to 999. Deductions and benefits are numbered from 1000 to 9999.</p>
Equip No	<p>A unique number that identifies a work order in your system. If you leave this field blank during work order entry, the system uses the Next Numbers facility (system 48, index 01) to assign the work order number. The work order is stored in the Work Order Master table (F4801).</p>
Rate Cde	<p>A user defined code (00/RC) that indicates a billing rate, such as DY for daily, MO for monthly, and WK for weekly. You can set up multiple billing rates for a piece of equipment.</p> <p>If you leave this field blank, the system searches for a valid billing rate in the following sequence:</p> <ol style="list-style-type: none"> 1. Account Ledger Master (F0901) – This table contains the most detailed rate information. You can assign multiple rates for a job. For example, you can set up separate rates for different equipment working conditions. 2. Job or Business Unit Master (F0006) – This table contains less detailed rate information than the Account Ledger Master. You can only set up a single rate for a job based on this table. 3. Rental Rules (F1302) – This table contains the least detailed rate code information. The system searches this table according to the criteria you establish when setting up the table. <p>..... <i>Form-specific information</i></p> <p>The code lets you apply multiple billing rates per equipment item. For example, you might want to set up a markup for the maintenance on a vehicle that is different from the markup for the cost of gasoline for that same vehicle.</p>

Field	Explanation
Rate Grp	A user defined code (12/C0) that groups similar items for billing. If you are an Equipment Management client and you use Equipment Billing, you must use this category code for rate group purposes only.

What You Should Know About

Default markup rules

The system uses default markup rules to calculate the markup amounts for transactions that do not match the key values for any specific markup rules. You can define two types of default markup rules:

- Major key
- Minor key

For a major key default markup rule, specify 9 for a key type and *ALL for the table key. For a minor key default markup rule, leave the account range blank and specify a markup calculation.

Source transactions without markup

If you do not want to mark up a source transaction, the system processes it at cost. To include a source transaction in the Billing Workfile at cost, you must include the following for the markup rules:

- An account range that includes the account associated with the transaction
- Blank fields for the markup calculations

Otherwise, the system marks up the transaction using a default markup rule or the default percentage in the system constants.

Markup rate cap

If you want to force a comparison between the rate override and the per unit rate of the source transaction, you can use the Markup Rate Cap field. The system uses the lower of the two rates.

Multi-currency

The currency code that you set up for your markup tables must correspond to the currency code that you set up for any related component tables.

See *Setting Up Component Codes*.

See Also

- *Changing the Markup for a Transaction (P4812)*
- *Appendix C – Searches for Markup Rules*

Processing Options for Cost Plus Mark Up Information

FORMAT CONTROL OPTIONS:

1. Enter a '1' to use the Job Cost account search window (business unit, cost code, cost type). Leave blank (default) to use the General Ledger account search window (business unit, cost type, cost code). _____
2. Enter a '1' to display the employee number and name on the main line. Leave blank (default) to display the markup amount and percent on the main line. _____

SECURITY OPTIONS:

3. To prevent access to certain table key types, enter '1's below. Leave blank (default) to allow access to the table key types.
 - a. Key Type 1 (Work Order No.): _____
 - b. Key Type 2 (Work Order Class): _____
 - c. Key Type 3 (Contract No.): _____
 - d. Key Type 4 (Parent Contract No.): _____
 - e. Key Type 5 (Customer No.): _____
 - f. Key Type 6 (Job/Business Unit): _____
 - g. Key Type 7 (Job Class): _____
 - h. Key Type 8 (Company): _____
 - i. Key Type 9 (Default for Account Derivation and Markup Tables): _____

SECURITY OPTIONS (Cont'd):

4. To prevent access to certain table generation types, enter '1's below. Leave blank (default) to allow access to the table generation types.
 - a. Generation Type 1 (Invoice amount will be generated): _____
 - b. Generation Type 2 (Accounting for unbilled revenue will be created): _____
 - c. Generation Type 3 (Component override (special type used for cost plus markup tables)): _____

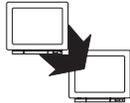


Exercises

See the exercises for this chapter.

Define Component Rules

Defining Component Rules



From Work Order/Service Billing Processing (G48), enter 29

From Work Order/Service Billing Setup (G4841), choose Table Information

From Table Information (G4843), choose Component Table

Components are a type of markup that the system calculates based on amounts and units. For example, the billing for labor might include a component to partially offset the cost of borrowing money. Component rules work in conjunction with markup rules. After you set up a component rule, you must associate it with a markup rule.

Defining component rules consists of the following:

- Setting up component calculation rules
- Setting up compound components

When you accumulate costs, the system calculates the component amount using the component rules you define to create component transactions. Component transactions are always associated with a parent workfile transaction. The system assigns both transaction types the same billing control ID number and a component link number that associates each component calculation with its related workfile transaction.

You define component rules using the following information:

- A name to identify a set of component calculation rules
- An effective date range
- One or more calculation rules based on an amount, a unit rate, or both

Compound Components

You can cross-reference component calculation rules to define compound components. For example, a 2 percent component rate might be cross-referenced to a 40 percent component rate. The system calculates the component amount for a cost of 1000 as follows:

1. $1000 \times 2 \text{ percent} = 20$
2. $1000 \times 40 \text{ percent} = 400$
3. $400 \times 2 \text{ percent} = 8$

The total cost plus the component amounts are calculated as follows:

4. $1000 + 20 + 400 + 8 = 1428$

You can include unit-based component calculation rules in a cross-reference, but you cannot use them as the basis for your cross-reference information.

Before You Begin

- Set up the user defined code table (system 48, code CM) with the codes that you want to use to identify individual component calculation rules on the Component Table form

See Also

- *Reviewing Component Transactions (P4812)* for more information about components and workfile transactions
- *Adding Component Rules to Cost Plus Markup Rules (P48096)*
- *Adding Component Rules to Account Derivation Rules (P48126)*

► **To define component calculation rules**

On Component Table

1. To identify a specific set of component calculation rules, complete the following fields:
 - Component Table
 - Description
2. If you work in a multi-currency environment, complete the following field:
 - Currency Code
3. To specify effective dates for the rules, complete the following optional fields:
 - Beginning
 - Ending
4. To define one or more component calculation rules, complete the following fields:
 - Component Code
 - Rate Basis
 - Component Rate

Field	Explanation
Component Table	<p>A user-specified code that identifies a set of component rules.</p> <p>If you work in a multi-currency environment, the system displays only the codes that are related to markup tables with the same currency code in the Component Table Selection window.</p>
Currency Code	<p>A code that indicates the currency of a customer's or a supplier's transactions.</p> <p>..... <i>Form-specific information</i></p> <p>Specify a currency code in conjunction with the component table and effective dates to identify a set of component rules.</p> <p>The system retrieves default currency codes for the following key types:</p> <ul style="list-style-type: none"> • Contract – default currency from the Contract Master table (F5201) • Parent Contract – default currency from the Contract Master table (F5201) • Company – default currency from the Company Information table (F0010) • Customer – default currency from the Customer Information table (F0301) • Job – default currency from the Business Unit Master table (F0006) • Work Order – default currency from the Work Order Master table (F4801) <p>You must enter a currency code for the following key types:</p> <ul style="list-style-type: none"> • Work Order Class • Job Class • Default <p>The currency code that you specify in this field controls the decimal display on the Component Table form.</p>
Beginning	<p>The date on which an address, item, transaction, or table becomes active or the date from which you want transactions to display.</p>
Ending	<p>The date on which the item, transaction, or table becomes inactive or the date through which you want transactions to display.</p>
Comp Code	<p>A component code identifies a provisional burden that is accounted for at the billing detail transaction level.</p>

Field	Explanation
Component Rate Basis	<p>A code that determines whether the calculation of the components is based on the unit(s) or amount(s) of the base billing detail transaction.</p> <ol style="list-style-type: none"> <li data-bbox="776 352 1409 537">1 Amount Basis. The number in the Component Rate field is treated as a percentage. The system calculates the component amount by multiplying the component rate percentage by the cost, invoice or revenue amount from the base billing detail transaction. <li data-bbox="776 541 1409 726">2 Unit Basis. The number in the Component Rate field is treated as a flat amount. The system calculates the component amount by multiplying the component rate flat amount by the number of units from the base billing detail transaction.
<p>Note: You can enter C for 1 or U for 2.</p>	
Component Rate Percent	<p>The rate that the system applies when it creates the individual component records. This field can be either a percentage or a flat amount, depending on the value entered in the “Component Rate Basis” (UORC) field.</p> <p>If the component rate basis is units, then the component rate is a flat amount which is multiplied by the number of units from the base billing detail transaction.</p> <p>If the component rate basis is amount, then the component rate is a percentage which is multiplied by the cost, invoice, or revenue amount from the base billing detail transaction.</p>

What You Should Know About

Multi-currency

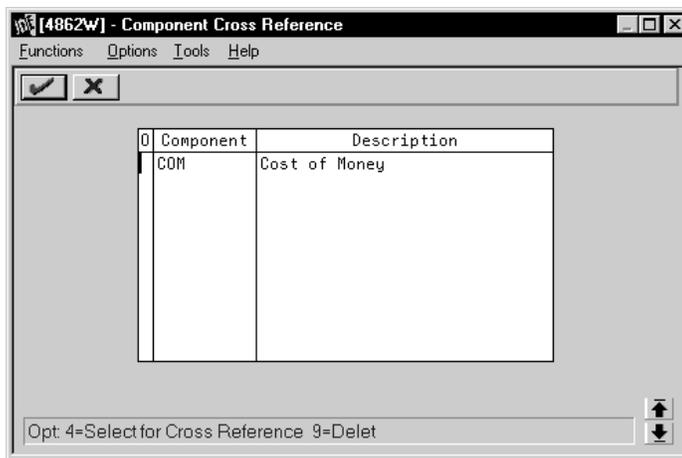
The currency code that you set up for your component tables must correspond to the currency code that you set up for any related markup tables.

See Defining Markup Rules.

► **To set up compound components**

On Component Table

1. To locate a set of component rules, complete the following field:
 - Component Table
2. Choose Cross Reference for a specific component calculation rule.



3. On Component Cross Reference, choose Select for Cross Reference for each component calculation rule that you want to include in the cross-reference.

A component link number associates component calculations with its related workfile transaction.



You can include only previously defined component calculation rules in your cross-reference information.

The system highlights the Option field on Component Table for component calculation rules that include cross-reference information.

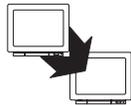


Exercises

See the exercises for this chapter.

Define Account Derivation Rules

Defining Account Derivation Rules



From Work Order/Service Billing Processing (G48), enter 29

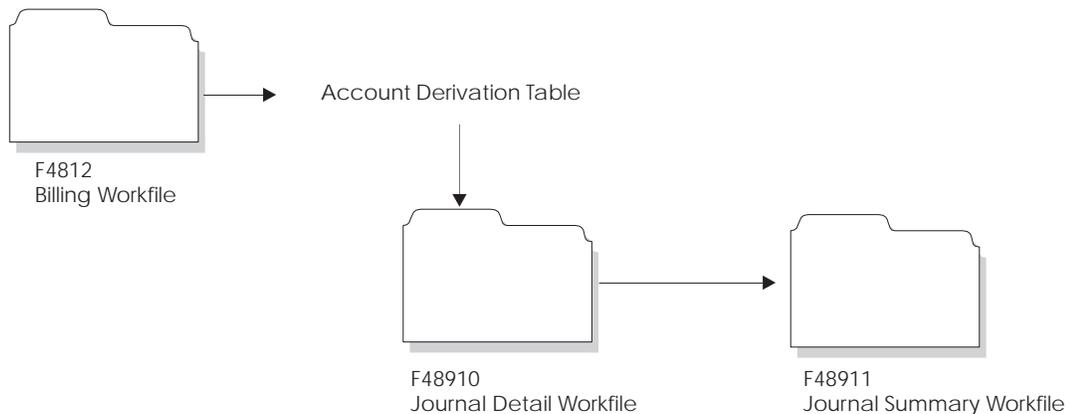
From Work Order/Service Billing Setup (G4841), choose Table Information

From Table Information (G4843), choose Account Derivation Table

The Service Billing system accesses account derivation rules when you generate journals. You define account derivation rules to indicate to the system:

- Which workfile transactions you are journaling
- How you want specific transactions processed
- Where to direct the resulting journal entries

The following graphic illustrates how the Service Billing system processes workfile transactions through the Account Derivation Table during journal generation.



Defining account derivation rules consists of the following tasks:

- Defining a base rule
- Defining a reallocation rule

About Defining Account Derivation Rules

You must define separate rules with a unique combination of key values for each journal process as it relates to revenue recognition and billing.

You specify the following key values to define account derivation rules:

- Table type
- Key type
- Table key
- Effective dates
- Source object and subsidiary account ranges

Table Types

The system uses table types to create journal entries based on the value you specify for the Journal Generation Control field in the system constants. The table types relate directly to the business needs of your company. When you define account derivation rules, you can specify the following table types, depending on your system constants:

- Invoicing only (1)
- Revenue recognition only (2)
- Revenue recognition and invoicing (3)
- Revenue recognition and invoicing, with revenue reconciliation (4)

Key Types and Table Keys

Key types are hard coded values that you specify in combination with table keys. The system uses the key type and table key to determine whether the account derivation rule applies to a specific transaction.

For example, if the key type is work order number, the table key must be a specific work order number. If you have three work orders that require different account derivation rules, you must set up three different account derivation rules, each with work order number as the key type and a specific work order number as a table key. The system matches the key type and table key with the information in individual transactions and applies the correct account derivation rules.

Types of Account Derivation Rules

You can define the following types of account derivation rules:

- Base
- Reallocation

Base Rules

Base account derivation rules indicate which accounts you want the system to use when creating journal entries for the revenue recognition and billing processes. The value you choose for the Journal Generation Control field in the system constants determines the table types for the account derivation rules and which journal entries the system creates for the base rule.

The system uses the base rule to create journals for the total of the base and component amounts. You must define a base rule for every key value combination you set up on the Account Derivation Table form.

Reallocation Rules

You use reallocations to move amounts from one account to another. A reallocation consists of at least two offsetting reallocation rules that must balance. The first reallocation rule is an offset journal entry that represents a reduction to the base amount. The second reallocation rule is a journal entry that represents an increase to the new account.

Your company might have many different reasons for using reallocation rules. For example, you might define reallocation rules when you want to change the costs for a work order from a work-in-process account to a cost-of-sales account. You can also define reallocation rules if the costs for a work order come from several departments within your company and you want the resulting revenue to be split among the departments.

Before You Begin

- Set the value of the Journal Generation Control in the system constants.

See Also

- *Appendix D – Accounting for the Billing Cycle* for more information about journal processes

► **To define a base rule**

On Account Derivation Table

The screenshot shows a window titled "[40126] - Account Derivation Table". It has a menu bar with "Functions", "Options", "Tools", and "Help". Below the menu bar is a toolbar with icons for checkmark, close, save, undo, redo, and print. The main area contains several input fields:

- Table Type: Actual Revenue
- Key Type:
- Table Key: Regular Work Rates
- Effective Dates: Through

Below the input fields is a table with the following columns: P, Object From, Object Thru, Subsidiary From, Subsidiary Thru, Resulting Account Bus. Unit, Object, Subsidiary, Subledgr, Y, H, B, X, F, =. The first row of data is: P, 1340, 1370, , , #00, 1215, #BLANK, , Y, B, B, +.

At the bottom of the window, there is a status bar with the text: "Opt-9=Del F5=Update w/Redisplay F9=NS F10=Account Rev F24=More".

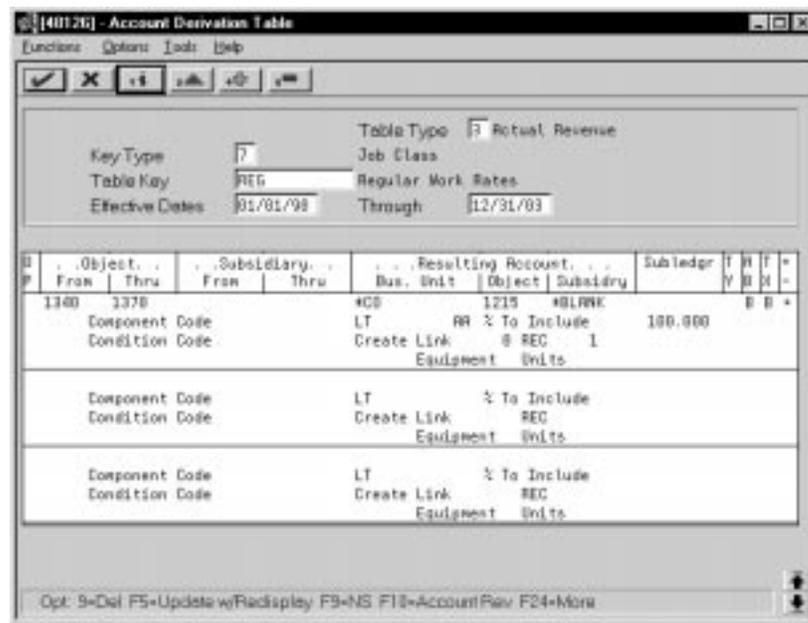
1. Complete the following fields:
 - Table Type
 - Key Type
 - Table Key
 - Object From
 - Object Thru
2. Complete the following optional fields:
 - Effective Date From
 - Effective Date Thru
 - Subsidiary From
 - Subsidiary Thru

If you leave these optional fields blank, the rule applies to all dates and subsidiaries.

3. To specify the accounts for which the system creates journal entries, complete any of the following fields:
 - Business Unit
 - Object
 - Subsidiary
 - Subledger
 - Subledger Type
4. Complete the following fields:
 - Table Amount Basis (AB)
 - Split Amount Basis (TX)
 - Positive/Negative

Leave these fields blank if you want the system to assign the default values that define a base rule.

5. Choose More Details.



6. To further define the base rule, complete any of the following optional fields:
 - Create Link
 - Equipment
 - Units

Field	Explanation
Table Type	This field tells the system how to process the entries in this table. The Journal Generation Control Flag in the system constants controls the table setup and journal processing.
Resulting Account Bus. Unit	<p>This field determines the business unit for the resulting transactions. You can specify a business unit or use one of the following values:</p> <p>blank — The business unit from the default revenue account in the master information for the customer.</p> <p>*SRC — The business unit from the source transaction.</p> <p>*WO — The charge-to business unit from the master information for the work order.</p> <p>*HOME — The home business unit from the source transaction. If no home business unit exists, the system uses the business unit from the source transaction.</p> <p>*PROJ — The project number from the master information for the job.</p> <p>*CO — The company number from the source transaction.</p> <p>*HOST — The host business unit from the master information for the contract.</p> <p>*EHMCU — The responsible business unit from the master information for the equipment.</p>
Object Account – Resulting	<p>This field determines the object account for the resulting transactions. You can use one of the following methods:</p> <ul style="list-style-type: none"> • Specify an object account. • Use an asterisk (*) as a positional wildcard in a definition that relates to the source transaction. For example, the object from the source transaction is 3106. If you define the object account for the resulting transaction as 4***, the resulting object account is 4106. • Use one of the following values: <ul style="list-style-type: none"> blank – The object account from the default revenue account in the master information for the customer *SRC – The object account from the source transaction

Field	Explanation
Subsidiary – Resulting	<p>This field determines the subsidiary for the resulting transactions. You can specify a subsidiary or use one of the following values:</p> <p>blank — The subsidiary from the default revenue account in the master information for the customer.</p> <p>*BLANK — The subsidiary is blank for the resulting transactions.</p> <p>*SRC — The subsidiary from the source transaction.</p> <p>*WO — The cost code (subsidiary) from the master information for the work order.</p>
Subledger – Resulting	<p>This field determines the subledger and subledger type for the resulting transactions. You can specify a subledger and subledger type or use one of the following values:</p> <p>*SRC — The subledger and subledger type from the source transaction</p> <p>*WO — The work order number and the subledger type W</p> <p>*CUST — The address number for the customer and the subledger type A</p> <p>*CC — The business unit from the source transaction and the subledger type C</p>
Amount Basis	<p>A code that identifies the amount to post to the resulting account. The amount comes from the billing detail transaction in the Service Billing Workfile (F4812). Valid codes are:</p> <p>B Base amount (The base amount represents either the revenue or invoice amount, depending on the type of processing you choose and on the stage of journal processing.)</p> <p>C Cost amount</p> <p>I Invoice amount</p> <p>M Margin amount (Revenue minus Cost)</p> <p>N Net margin (Invoice amount minus Cost)</p> <p>R Revenue amount</p> <p>If you leave this field blank, the system automatically enters B.</p>
Split Amount Basis	<p>This field tells the system how to split the amount identified in the Amount Basis field for the resulting accounts it creates.</p> <p>Blank Used with Cost, Margin, or Net Amount Basis. (These amount fields cannot be logically split into a taxable amount and a tax amount).</p> <p>B Invoice Amount + Tax OR Revenue Amount</p> <p>A Taxable Invoice Amount Only</p> <p>T Tax Only</p>
Positive or Negative	<p>This field designates whether the entries are debits or credits.</p>

Field	Explanation
Ledger Type	<p>A user defined code (system 09/type LT) that specifies the type of ledger, such as AA (Actual Amount), BA (Budget Amount), or AU (Actual Units). You can set up multiple, concurrent accounting ledgers within the general ledger to establish an audit trail for all transactions.</p> <p>..... <i>Form-specific information</i></p> <p>On this screen, the code tells the system the ledger type to which the resulting transactions should be sent. If you leave this field blank, the system automatically enters AA.</p>

What You Should Know About

Setting up default account derivation rules

On Account Derivation Table, complete the steps for setting up an account derivation rule. Include the following information:

- Key Type of 9.
- Table Key of *ALL.
- Leave the From and Thru fields for the minor key blank. In this case, the system assigns *DFT to the Object From field to indicate that all objects and subsidiaries are eligible for the table.

You should create a default rule for each table type that your billing process requires. The system uses a default table to process the transactions that do not match the key values of other rules.

CAUTION: If you do not define a default table, the system can create journals that do not balance.

Associating equipment with journal entries

When you enter an equipment number to associate a piece of equipment with a journal entry, the system uses the responsible business unit of the equipment.

▶ To define reallocation rules

On Account Derivation Table

1. To locate the base rule from which you want to reallocate, complete the following fields t:
 - Table Type
 - Key Type
 - Table Key
 - Effective Dates
2. Complete the following fields for the reallocation rule:
 - Object From
 - Object Thru
 - Subsidiary From
 - Subsidiary Thru

The account ranges for the reallocation rule must be identical to the range for the base rule.

3. To define the reallocation rule that reduces the base, complete the following fields:
 - Business Unit
 - Object
 - Subsidiary
 - Subledger
 - Subledger Type
 - Table Amount
 - Split Amount Basis
 - Positive/Negative
4. Choose More Details.
5. To further define the reallocation rule, complete any of the following fields:
 - Component Code
 - Condition Code
 - Ledger Type

The values you enter in these fields must be identical to the values you use to define the offsetting reallocation rule.

6. Complete any of the following optional fields:
 - Percent to Include
 - Create Link
 - Equipment
 - Revenue Entry Control
 - Units
7. On the next blank line, complete steps 2 through 6 to define the offsetting reallocation rule.

You must define at least one positive and one negative reallocation rule for each amount basis and split basis for a reallocation to balance.

8. Use the Change action.

What You Should Know About

Percentage reallocations You can reallocate any portion of the base amount, up to 100%, to one or more accounts. For example, you might want to reallocate the tax portion of a base to a different account.

To do this, you use the Percent To Include field. The percent by which you reduce the base amount must equal the percent that you reallocate.

Creating journals for base and component amounts

The system uses the base rule to create journal entries for the total of the base and component amounts. If you want the system to create separate journal entries for component amounts, you can assign a component code to a reallocation rule.

See *Adding Component Codes to Account Derivation Rules* for more information.

Conditional reallocation rules If you want the system to create journal entries only under certain conditions, you can specify conditions for a reallocation rule. For example, if you want to create journal entries only when a workfile transaction's home business unit does not equal its source business unit, you can set up a condition.

Before you can specify a condition for a reallocation rule, you must set up condition codes.

NOTE: If you use conditional reallocation rules, the Journal Generation programs for Revenue Recognition and Billing require additional processing time.

See *Setting Up Condition Codes*.

Processing Options for Account Derivation Information

SECURITY OPTION:

1. To prevent access to certain table key types, enter '1's below. Leave blank (default) to allow access.
 - a. Key Type 1 (Work Order No.):
 - b. Key Type 2 (Work Order Class):
 - c. Key Type 3 (Contract No.):
 - d. Key Type 4 (Parent Contract No.):
 - e. Key Type 5 (Customer No.):
 - f. Key Type 6 (Job/Business Unit):
 - g. Key Type 7 (Job Class):
 - h. Key Type 8 (Company):
 - i. Key Type 9 (Default for Account Derivation and Markup Tables):



Exercises

See the exercises for this chapter.

Assign Component Information

Assigning Component Information

The system processes the component information as a markup for the amounts in the source transactions. As a part of system setup, you define component rules. You then assign the component rules to the rules on Cost Plus Markup Table or Account Derivation Table.

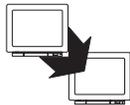
Assigning component information consists of the following tasks:

- Adding component rules to markup rules
- Adding component codes to account derivation rules

Before You Begin

- Define component rules. See *Defining Component Rules*.

Adding Component Rules to Markup Rules



From Work Order/Service Billing Processing (G48), enter 29

From Work Order/Service Billing Setup (G4841), choose Table Information

From Table Information (G4843), choose Cost Plus Markup Table

If you want the system to create separate workfile transactions for cost amounts and markup amounts, you can assign a component rule to a markup rule.

▶ **To add component rules to markup rules**

On Cost Plus Markup Table

1. Enter a 3 in the following field:
 - Generation Type

2. Complete the following fields to add a component rule:
 - Key Type
 - Table Key
 - Effective Dates
 - Object From
 - Object Thru
 - Subsidiary From
 - Subsidiary Thru
3. Choose More Details.
4. Complete the following fields to assign the component rule to the new markup rule:
 - Cost Table
 - Invoice/Revenue Table
5. Use the Change action.

Field	Explanation
Component Cost Rate Table	A code that identifies a component bill table to use for this Cost Plus Markup Table entry. The component table identifies the components and their calculation rules. These component amounts are applied as overhead to the original cost. You set up component tables on the Component Table Definition form.
Component Revenue Rate Table	A code that identifies a component bill table to use for this Cost Plus Markup table entry. The component table identifies the components and their calculation rules. These component amounts are recognized as revenue in addition to any revenue markups. You set up component tables on the Component Table Definition screen.

What You Should Know About

Mark up rules for generation type 1 or 2.

You can assign a component rule to an existing markup rule with a generation type of 1 or 2. To do this, locate the markup rule on the Cost Plus Markup Table form. You can specify a component rule for one or more lines on the form using the Cost Table field, Invoice/Revenue Table field, or both.

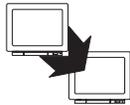
Basis for calculating components

The system calculates the component amounts based on the following:

- Cost amount when generation type is 1 or 2 with a cost table. If both types 1 and 2 exist with a cost table, the system uses the information from the table for generation type 2 for the revenue amount.
- Invoice amount when generation type is 1 with an invoice/revenue table.
- Revenue amount when generation type is 2 with an invoice/revenue table.
- Default component information when the generation type is 3 with either a cost table or invoice/revenue table.

See Also

- *Defining Markup Rules (P48096)*

Adding Component Codes to Derivation Rules

From Work Order/Service Billing Processing (G48), enter 29

From Work Order/Service Billing Setup (G4841), choose Table Information

From Table Information (G4843), choose Account Derivation Table

If you want the system to create separate journal entries for component amounts, you can assign a component code to an account derivation rule.

▶ To add component codes to account derivation rules

On Account Derivation Table

1. Complete the following fields to locate a specific reallocation rule:
 - Table Type
 - Key Type
 - Table Key
 - Effective Date From
2. Choose More Details.

3. Complete the following field to specify the component code for the component calculation rule you want to add:

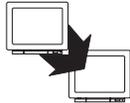
- Component Code (Comp)

You cannot add a component code to a base rule.

4. Use the Change action.

Set Up Condition Codes

Setting Up Condition Codes



From Work Order/Service Billing Processing (G48), enter 29

From Work Order/Service Billing Setup (G4841), choose Table Information

From Table Information (G4843), choose Account Derivation Table

Whenever you create journals for revenue recognition or billing, the system must follow instructions that you set up in the account derivation rules. If you want the system to create journals only under certain conditions, you can specify condition codes for reallocation rules that you define on Account Derivation Table.

For example, if you want the costs for a work order to go to one account and the revenue for the work order to go to another account, but *only* when the home business unit for the related workfile transactions do not equal the source business unit, you can set up a condition.

You use the Condition Code Revisions form to set up and revise the codes that you apply to your reallocation rules. These codes define the conditions that transactions must meet before the system can create the resulting journal entries specified by the account derivation rules.

When you use condition codes, the system requires additional processing time to test each condition before creating the resulting journal entries.

About Conditions

You use logical operators, retrieval references, and specific values to define the conditions that make up a condition code. Logical operators include *and*, *or*, *equal*, *not equal*, and so on. Retrieval references direct the system to specific variable information stored in system tables, such as data items. If you set up a condition code with multiple conditions, you use an *and/or* statement.

For example, you might define a condition as “Business Unit equal to 5001.” *Equal* is the logical operator. The retrieval reference directs the system to the data dictionary item for Business Unit. Finally, *5001* is a specific value that refers the system to a specific business unit in the system. If you assigned a condition code that included this condition to a reallocation rule, the rule would only

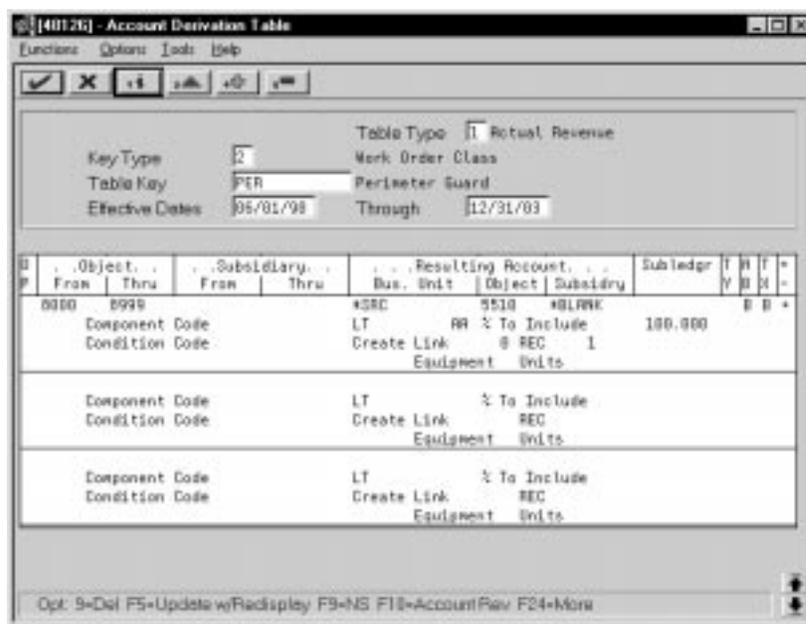
apply to transactions that included Business Unit 5001 in the account information.

Before You Begin

- Set up the names for your condition codes on the user defined codes table 48/CC

► To set up condition codes

On Account Derivation Table



1. Complete the following fields to locate a specific reallocation rule:
 - Table Type
 - Key Type
 - Table Key
 - Effective Dates
2. Choose Condition Code Definition.
3. On Condition Code Revisions, complete the following field to locate a condition code:
 - Condition Code
4. Complete the following field to define more than one condition for the code:
 - And/Or Selection (AO)

5. Complete the following fields to define the conditions:
- Value One
 - Relationship (Df Rl)
 - Comparison Value Two
 - Sequence Number (optional)

Field	Explanation																
Condition Code	<p>A descriptive name for a condition code. The code represents a set of logical tests of the relationships between specified values. You enter the values and their relationships to test on the Condition Code Revision form.</p> <p>When you use a condition code, all of the specified relationships for that code must exist before the system will create the resulting transactions for the table entry.</p>																
And Or	A code that determines whether compound data selection logic is based on an A = AND condition or an O = OR condition.																
Value One	The information entered in this field will determine the first value in a comparison of two values. This field must contain a Retrieval Reference Number, preceded by an ampersand (&). The retrieved value will then be compared to the value specified in Comparison Value 2 to determine if the relationship entered in the Relationship field is satisfied.																
Relationship	<p>A code that identifies the operands in Boolean logic. You can specify any of the following:</p> <table style="margin-left: 20px;"> <tr><td>EQ</td><td>Equal to</td></tr> <tr><td>LT</td><td>Less than</td></tr> <tr><td>LE</td><td>Less than or equal to</td></tr> <tr><td>GT</td><td>Greater than</td></tr> <tr><td>GE</td><td>Greater than or equal to</td></tr> <tr><td>NE</td><td>Not equal to</td></tr> <tr><td>NL</td><td>Not less than</td></tr> <tr><td>NG</td><td>Not greater than</td></tr> </table>	EQ	Equal to	LT	Less than	LE	Less than or equal to	GT	Greater than	GE	Greater than or equal to	NE	Not equal to	NL	Not less than	NG	Not greater than
EQ	Equal to																
LT	Less than																
LE	Less than or equal to																
GT	Greater than																
GE	Greater than or equal to																
NE	Not equal to																
NL	Not less than																
NG	Not greater than																
Comparison Value Two	This field represents the second of two values that will be compared. You can enter a specific value to be used in the comparison, or you can enter a Retrieval Reference Number, preceded by an ampersand (&). This value will be compared to the value referenced in the Value One field to determine if the relationship specified in the Relationship field is satisfied.																

What You Should Know About

Retrieval references You must specify a retrieval reference in the Value One field for each condition you define on the Condition Code Revisions form. Use only the retrieval references associated with variable information in system tables. Special retrieval references, such as *Add*, *Total*, and *Page*, do not apply to conditions.

Comparison values You can specify a retrieval reference or a specific value in the Comparison Value Two field to define a condition.

NOTE: If you specify a value in the Comparison Value Two field, you must enter the value using the same format that is used to store the information in the table you specify for the Value One field.

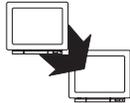
Sequencing conditions The system applies conditions to transactions in the order that the conditions appear on the Condition Code Revisions form. You can use the Sequence Number field to resequence the order in which the conditions apply to transactions. When you resequence conditions, the system redisplay the conditions in the appropriate order. Conditions for which you do not assign a sequence number appear before sequenced conditions in the order that they were entered on the form.

See Also

- *Defining Retrieval References (P4850)* for more information about defining retrieval reference codes
- *About Retrieval References* for more information about retrieval references

Define G/L Offset and Retainage Rules

Defining G/L Offset and Retainage Rules



From Work Order/Service Billing Processing (G48), enter 29

From Work Order/Service Billing Setup (G4841), choose Table Information

From Table Information (G4843), choose G/L Offset and Retainage Table

You can define G/L offset and retainage rules to designate the following information:

- Payment terms
- G/L offset
- Retainage offset
- Retainage percent

G/L offsets indicate the accounts in which the system creates offsetting entries during the creation of A/R and G/L journal entries.

Retainage is a percentage of the invoice pay item that your company is paid after the work is complete. When you create A/R and G/L entries, the system creates a separate journal entry for the retainage amount.

When you generate invoices, the system uses the summarized data items you specify for the sequence and summarization key to locate G/L offset, retainage, and payment terms information in the G/L Offset and Retainage Information table (F48128). Summarized data items are those data items that you use to summarize invoices at the pay item or invoice level. If you do not use the G/L Offset & Retainage Table to set up the information, the system uses the G/L offset and the payment terms in the customer master information.

You set up the G/L Offset and Retainage Table using multiple key types and table keys. The system uses these key values to associate offset, retainage, and payment terms to billing detail transactions with the same values.

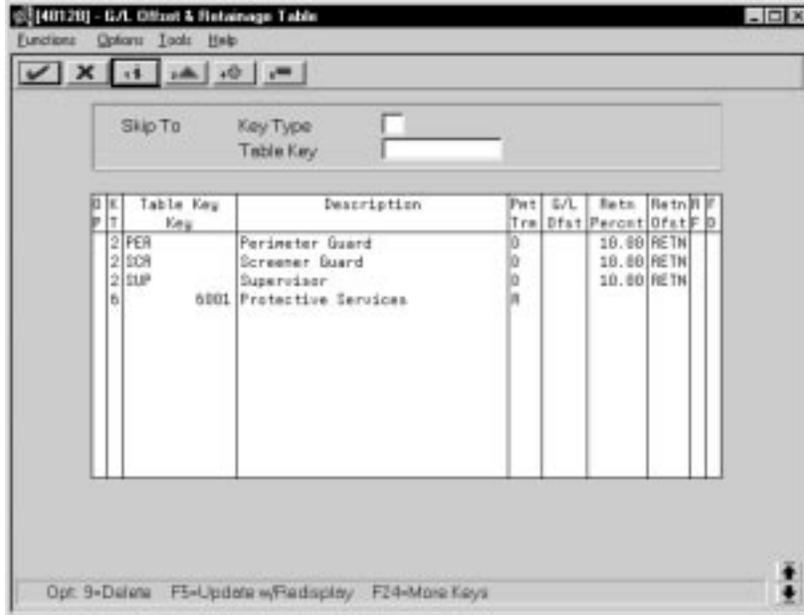
The G/L Offset & Retainage Table applies only to the Service Billing system.

Before You Begin

- Define the payment terms and AAIs for the G/L offset and retainage

► To define G/L offset and retainage rules

On G/L Offset & Retainage Table



1. Complete the following fields to identify the key values:
 - Key Type
 - Table Key

Verify that you complete the fields in the lower portion of the form when you define new G/L offset and retainage rules. You can use the fields in the upper portion of the form only to locate rules that are already defined for the system.

2. Complete the following field to specify payment terms:
 - Payment Terms
3. Complete the following field to specify the G/L offset:
 - G/L Offset
4. Complete the following fields to specify retainage information:
 - Retainage Percent
 - Retainage Offset

Field	Explanation
Pmt Trm	<p>Code that indicates the default terms of payment for a customer. Payment terms can determine due dates and discounts. This is used as a default value when invoices are created.</p> <p>Define payment terms in the Payment Terms Revisions program (P0014). Use a blank code for the most frequently used payment terms.</p> <p>Examples:</p> <ul style="list-style-type: none"> blank Net 30 days 1 1/10 net 30 2 2/10 net 30 N Net 30 P Prox 25th of month
G/L Ofst	<p>The table of Automatic Accounting Instruction accounts on which you predefine classes of automatic offset accounts for the Accounts Receivable information.</p>
Retn Percnt	<p>The retainage rate for the invoice pay item. The rate is a percentage that is expressed as a whole number. For example, you enter a retainage rate of 10.5 percent as 10.5. Do not enter a retainage percentage greater than 99.99 or less than zero.</p>
Retn Ofst	<p>A code that designates the offset accounts for retainage, such as RETN or 1220. You set up the code as an automatic accounting instruction.</p> <p>NOTE: Do not use code 9999. This is reserved for the post program and indicates that offsets should not be created.</p>

What You Should Know About

Assigning G/L offset and retainage information

When you generate invoices automatically, the system assigns values to the following fields for each transaction:

- Payment Terms
- G/L Offset
- Retainage Percentage
- Retainage Offset

The system determines the correct values for these fields based on the sequence and summarization keys that you define for the invoice batch and the information that you define in the G/L offset and Retainage rules.

For example, if your Invoice Level Summarization field is by subledger (work order), then you might define rules on the G/L Offset and Retainage Table form with the valid key types of subledger (work order) or work order class to locate the correct retainage rule.

Customer number

The system always generates invoices by customer. If your sequence and summarization key does not include customer number as a summarized data item, the system still uses the G/L offset and retainage rules you set up using a key type of customer and a table key of a specific customer number.

Creating invoices manually

You do not use sequence and summarization keys to create invoices manually. If you create invoices manually, the system uses only the G/L offset and retainage information you set up with a key type of customer and a table key of a specific customer number.

See Also

- *Setting Up Automatic Accounting Instructions*
- *Creating Invoices Manually*
- *Creating Invoices Automatically*
- *Setting Up Payment Terms (P0014) in the Accounts Receivable Guide*

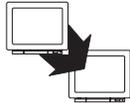


Exercises

See the exercises for this chapter.

Define Tax Derivation Rules

Defining Tax Derivation Rules



From Work Order/Service Billing Processing (G48), enter 29

From Work Order/Service Billing Setup (G4841), choose Table Information

From Table Information (G4843), choose Tax Derivation Table

You define tax derivation rules to specify the tax information you want the system to apply to workfile transactions. If you do not use the Tax Derivation Table to set up tax rules, the system uses the tax information you specify in the job master. If you have not specified tax information in the job master, the system uses the information in the customer master.

To set up tax derivation rules, you must specify the following key information:

- Key type and table key
- Effective date range
- Object and subsidiary account ranges

When you accumulate costs or revise workfile transactions, the system applies the appropriate tax rules to each transaction based on the key information you specify for the rule.

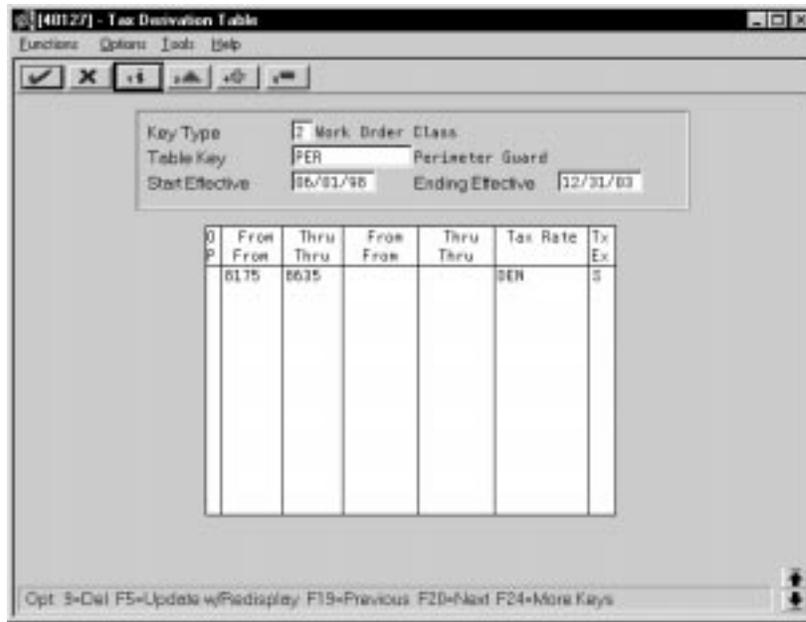
The Tax Derivation Table applies only to the Service Billing system.

Before You Begin

- Set up the tax rates and explanation codes. See the *Tax Reference Guide* for more information about setting up tax rates and explanation codes.

► **To define tax derivation rules**

On Tax Derivation Table



1. Complete the following fields:
 - Key Type
 - Table Key
2. Complete the following optional fields to further define the tax rule:
 - Start Effective
 - Ending Effective
3. Complete the following fields to specify the account range for the rule:
 - Object From
 - Object Thru
 - Subsidiary From (optional)
 - Subsidiary Thru (optional)
4. Complete the following fields to specify the tax information for the rule:
 - Tax Rate
 - Tax Explanation

Field	Explanation
Tax Rate	<p>A code that identifies a tax or geographic area that has common tax rates and tax distribution. You must define the tax/rate area to include the tax authorities (for example, state, county, city, rapid transit district, province, and so on) and their rates. In order for the codes to be valid, you must set them up in the Tax Rate/Area file.</p> <p>..... <i>Form-specific information</i></p> <p>You can specify a specific Tax Rate/Area or use one of the following values:</p> <ul style="list-style-type: none">*CC Use the Tax Rate/Area and Tax Explanation Code from the Business Unit*WO Use the Tax Rate/Area and Tax Explanation Code from the Work Order
Tax Expl Code 1	<p>A user defined code (00/EX) that controls how a tax is assessed and distributed to the G/L revenue and expense accounts.</p>



Exercises

See the exercises for this chapter.

Set Up Automatic Accounting Instructions

Setting Up Automatic Accounting Instructions

You must set up the RC automatic accounting instruction (AAI) to define the rules by which the Service Billing and Accounts Receivable systems interact. The Service Billing system uses the RC AAI (receivables class accounts) to determine the G/L account for the debit side of a journal entry for accounts receivable and retainage.

The system stores the information for AAIs in the Automatic Accounting Instructions table (F0012).

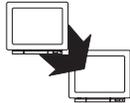
You should be thoroughly familiar with AAIs before you change them.

See Also

- *Setting Up AAIs for General Accounting (P00121)* in the *General Accounting I Guide*
- *Setting Up AAIs for A/R (P00121)* in the *Accounts Receivable Guide*

Set Up User Defined Codes

Setting Up User Defined Codes



From Work Order/Service Billing Processing (G48), enter 29

From Work Order/Service Billing System Setup (G4842), choose User Defined Codes

From Work Order/Billing User Defined Codes, choose an option under the Billing User Defined Codes heading

To customize J.D. Edwards systems to meet the needs of your business environment, you define the codes that are valid for many of the fields in the programs.

User defined codes exist in tables based on a specific system and code type. If you use a code that is not set up in the table related to a field, the system displays an error. To work with user defined codes, you can access them through a single user defined code form. After you select a user defined code form from a menu, change the values in the System Code field and User Defined Codes field to access another user defined code table.

The system stores the information for user defined codes in the User Defined Codes table (F0005).

You should be thoroughly familiar with user defined codes before you change them.

The following user defined codes are the primary codes that affect processing in the Service Billing system:

- Adjustment Reasons (48/AR)
- Condition Codes (48/CC)
- Component Codes (48/CM)

See Also

- *Technical Foundation Guide* for more information about setting up user defined codes
- *Changing the Markup for a Transaction*
- *Setting Up Condition Codes*
- *Defining Component Rules*

Appendices

Appendix A – Test Yourself Answers

Service Billing Overview

1. True
2. Bill(able) (Yes/No)
3. B
C
A
4. A
C
D
E
5. False, burden transactions must always link to their corresponding payroll labor distribution transaction. Burden transactions cannot be processed alone.
6. C
D
A
B
7. Actual method or actual burden rate and percentage with employees' actual hours and pay rates
Flat method or estimated burden percentages
8. False, the document type is TE.
9. D

10. Work Order
Job Cost
11. True
12. D
13. True
14. C
B
D
A
15. Service Billing Workfile (F4812)

Create Invoices Automatically

1. False, you create divisions at both levels.
2. True
3. True
4. True

About Revenue Recognition and Billing

1. True
2. True
3. E
4. D
G
A
F
B
E
C

Appendix B – Data Models

The flowcharts on the following pages illustrate the relationships among the principal physical tables for the following aspects of the Service Billing system:

- Base
- Workfile generation
- Revenue recognition
- Invoice format definition

To present the information in an uncluttered format, the lesser control tables, worktables, and tables for seldom-used features have been omitted.

Service Billing Base

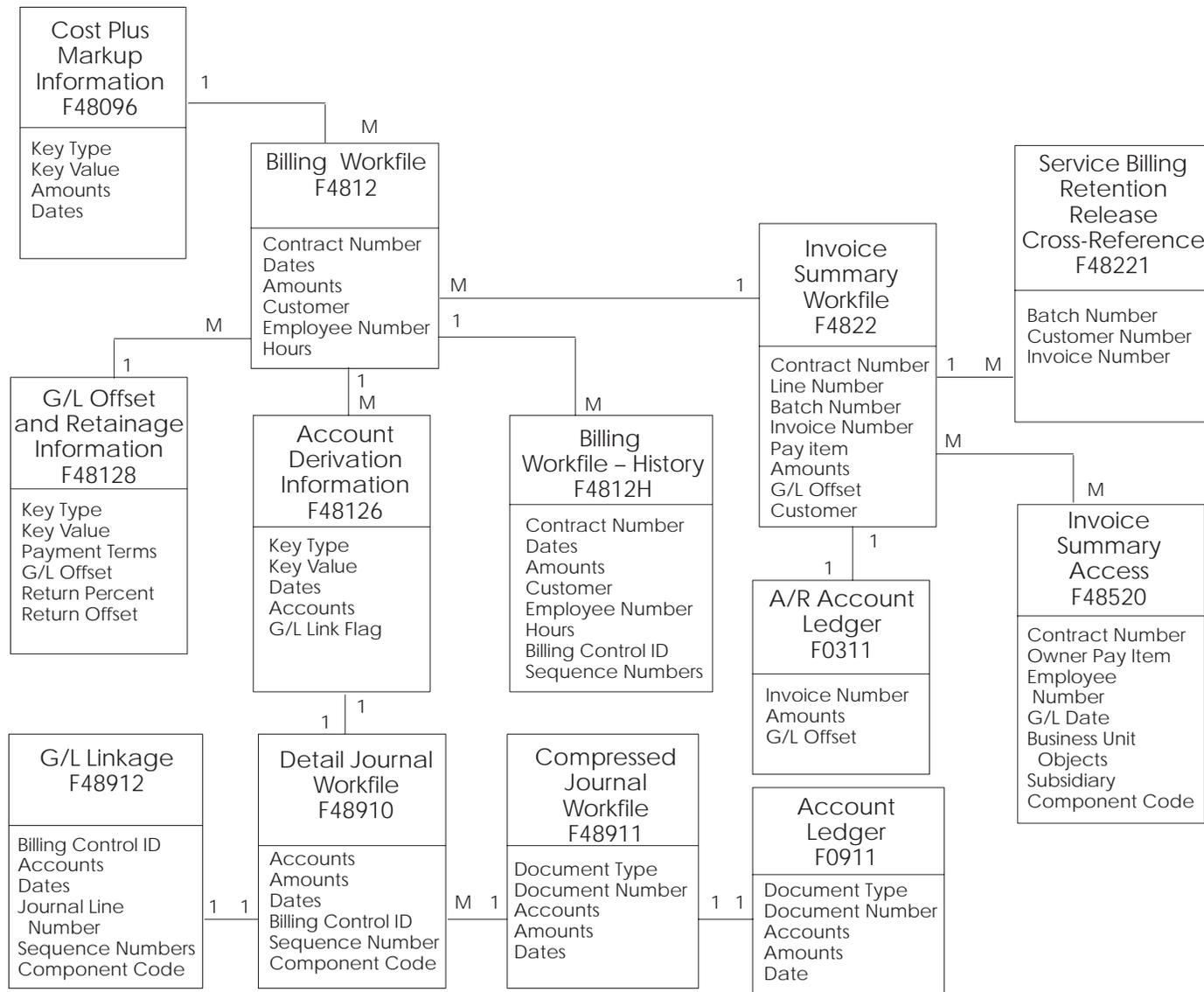
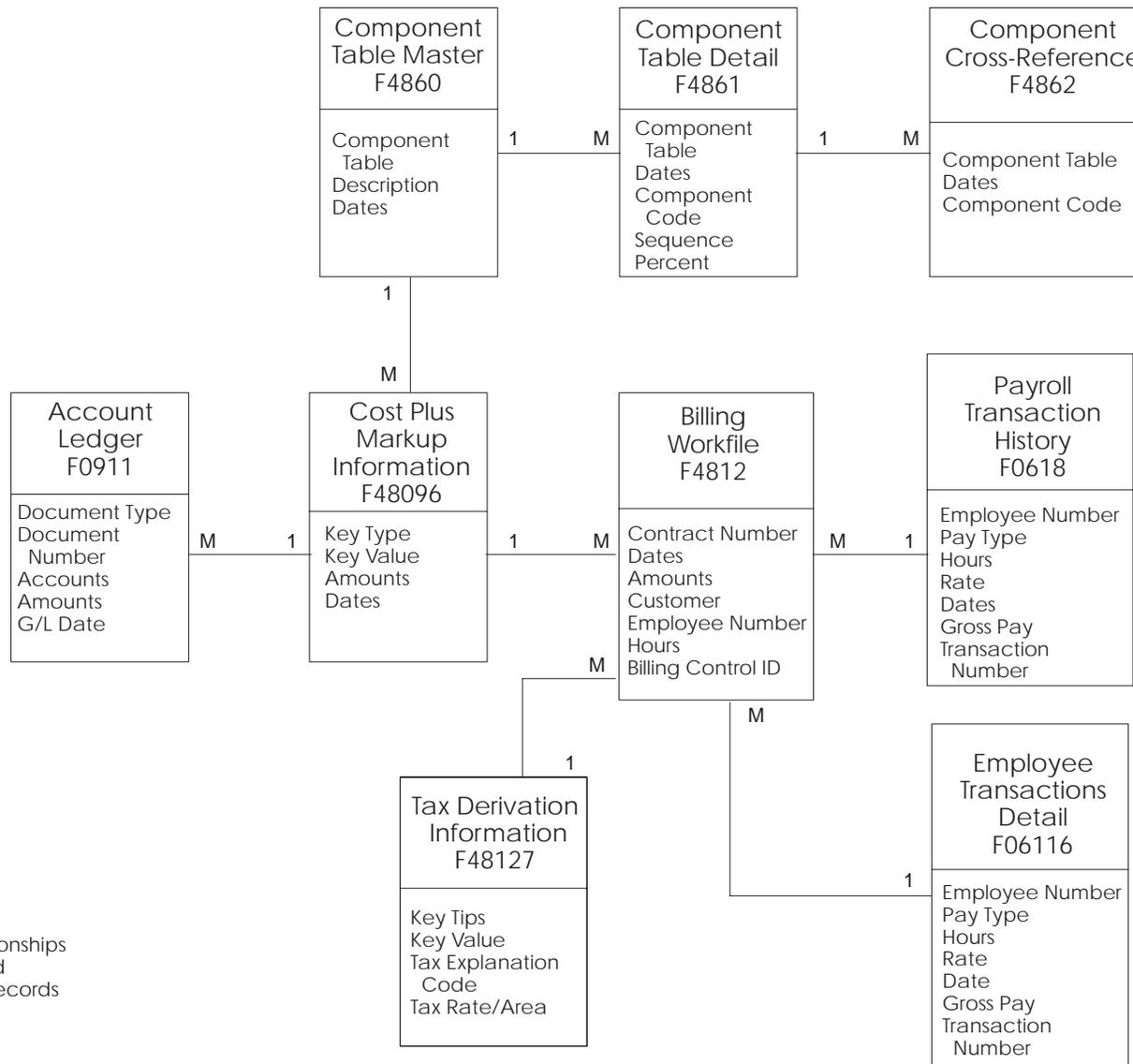
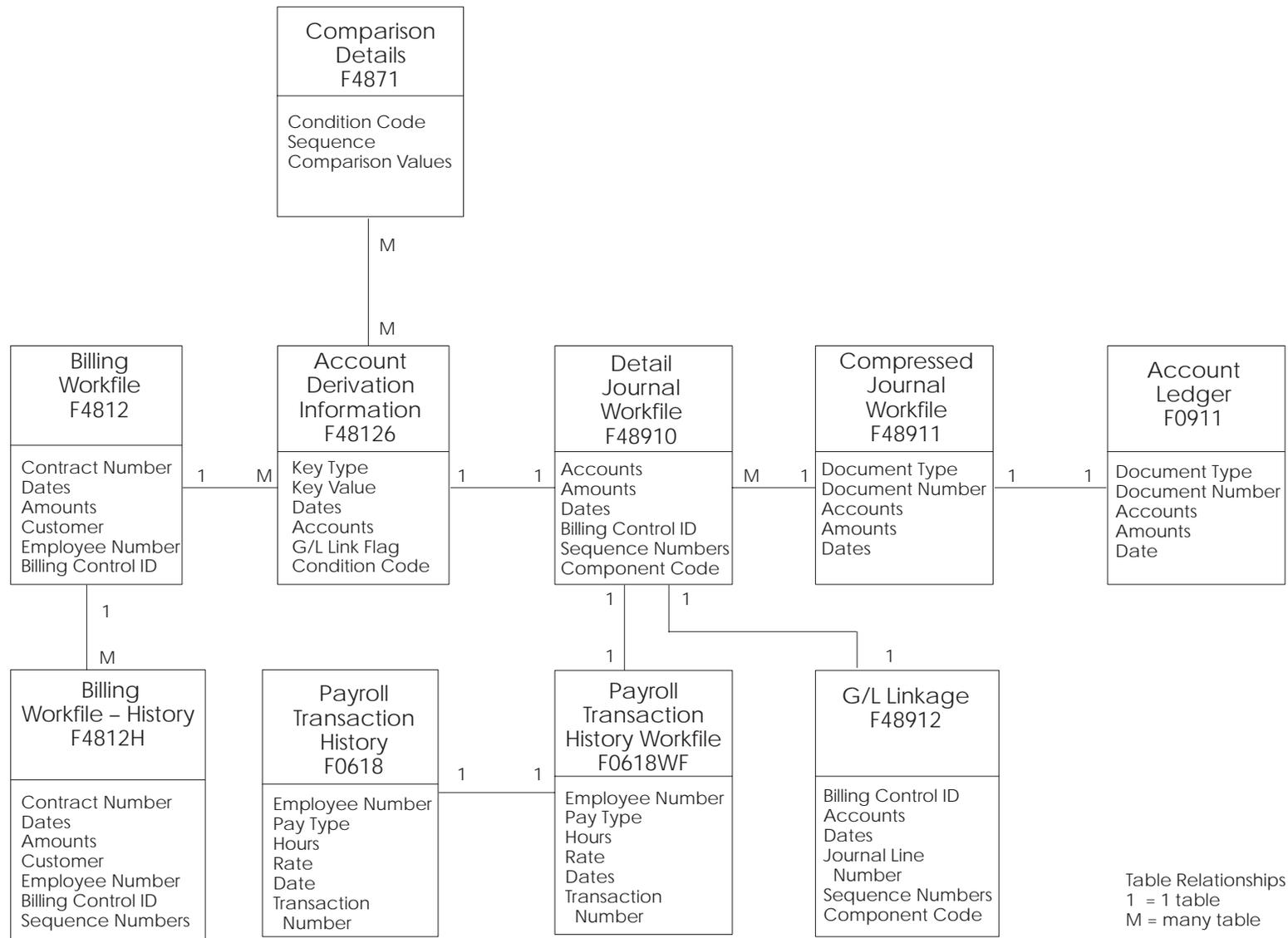


Table Relationships
 1 = 1 record
 M = many records

Service Billing Workfile Generation



Service Billing Revenue Recognition



Appendix C – Searches for Markup Rules

The markup is an amount that you add to costs for overhead and profit. The system calculates markup amounts when you accumulate costs or revise workfile transactions based on the markup rules you define when you set up the Contract Billing system.

You define markup rules by specifying major and minor key values. The system uses these values in combination to identify the specific markup rules that apply to individual source transactions. To identify the correct markup rules, the system:

- Accesses the markup rules
- Searches and selects specific source transactions that match the values you specified for the major key
- Continues the search, narrowing the selection of source transactions based on the value you specified for the minor key

The system uses the most specific rule it can locate to calculate the markup for a transaction.

Major Key Values

The system matches the major key information you define for a markup table to the information in billable workfile transactions.

The following table lists the searches that the system can use for a major key.

Search Level	Key Type	Searches for:	Validates against:
First	1	Work Orders	Work Order Master (F4801)
Second	2	Work Order Classes	User Defined Code (UDC 00/W7)
Third	3	Contract Numbers	Contract Billing Master (F5201)
Fourth	4	Parent Contract Numbers	Parent Contract Master (F5201)
Fifth	5	Customer Numbers	Address Book Master (F0101)

Search Level	Key Type	Searches for:	Validates against:
Sixth	6	Job/Business Units	Job (Business Unit) Master (F0006)
Seventh	7	Job Classes	User Defined Code (UDC 00/11)
Eighth	8	Company	Company Constants (F0010)
Ninth	9	System Default.	No validation

The system uses Key Type 9 if a match is not found at any of the previous levels. The system applies the remaining eligible transactions to tables with this key type. If the system does not find a match, it uses the default markup percentage that you specify in the system constants.

Minor Key Values

Payroll Transactions

The system identifies payroll transactions using the T2, T4, and T5 document type coding. Having identified a T2, T4, or T5 document, the system conducts two searches for related minor key values.

First-Level Search

At the first level of the first search, the system looks for a match with transactions that include the job type, job step, pay type, and employee number.

Search Level	Searches for:				
	JBCD (Job Type)	JBST (Job Step)	PDBA (Pay Type)	AND	AN8 (Employee)
First	X	X	X	AND	X
Second	X	X		AND	X
Third	X		X	AND	X
Fourth	X			AND	X
Fifth		X	X	AND	X
Sixth		X		AND	X
Seventh			X	AND	X
Eighth					X

Second-Level Search

In the second search for payroll transactions, the system uses job type, job step, and pay type, with either the home business unit or a cost pool. Employee number, home business unit, and cost pool are mutually exclusive and are not used in the second level search.

Search Level	JBCD (Job Type)	JBST (Job Step)	PDBA (Pay Type)	HMBU (Home BU)	RP12 (Cost Pool)
First	X	X	X	X	
Second	X	X	X		X
Third	X	X	X		
Fourth	X	X		X	
Fifth	X	X			X
Sixth	X	X			
Seventh	X		X	X	
Eighth	X		X		X
Ninth	X		X		
Tenth	X			X	
Eleventh	X				X
Twelfth	X				
Thirteenth		X	X	X	
Fourteenth		X	X		X
Fifteenth		X	X		
Sixteenth		X		X	
Seventeenth		X			X
Eighteenth		X			
Nineteenth			X	X	
Twentieth			X		X
Twenty-first			X		
Twenty-second				X	
Twenty-third					X
Twenty-fourth					

Non-Payroll Transactions for Equipment

The system identifies non-payroll equipment transactions using the TE document type code. It applies the following search criteria to transactions with the TE document type.

Search Level	Searches for:				
	ACLO (Rate Grp)	NUMB (Equipment)	ERC (Rate Code)	HMBU (Home BU)	RP12 (Cost Pool)
First		X			
Second	X		X		X
Third	X				X
Fourth			X		X
Fifth	X		X		
Sixth	X				
Seventh			X		
Eighth				X	
Ninth					X
Tenth					

All Other Transactions

For the remaining eligible transactions (those that are not T2, T4, T5, or TE documents), the system conducts the following search for minor key values.

Search Level	Searches for:			
	AN8 (Employee)	HMBU (Home BU)	RP12 (Cost Pool)	JBST (Job Step)
First	X	X		X
Second	X		X	X
Third	X	X		
Fourth	X		X	
Fifth	X			
Sixth		X		
Seventh			X	
Eighth				X
Ninth				

Object and Subsidiary Search

When the system finds a match between the minor key values and the transactions being billed, it searches for a match of the object and subsidiary account information between the markup table rule and the billable transaction.

Search Level	Searches for:	
	OBJ (Object)	SUB (Subsidiary)
First	X	X
Second	X	
Third		X
Fourth		

T2 Payroll Transactions with Equipment Information

If a markup table rule contains information for a rate group (ACL0), equipment number (EQCG), or rate code (ERC), the T2 payroll transaction with equipment information must match the equipment information in the markup table rule. If the information does not match, the system continues to search for the correct rule. The following three examples illustrate this search:

- The markup table rule specifies an equipment number of 180 and the T2 payroll transaction contains an equipment number of 100. The system continues searching for another rule because the equipment numbers do not match.
- The markup table specifies an equipment number of 180 and the T2 payroll transaction does not contain an equipment number. The system continues searching for another rule because the equipment numbers do not match.
- The markup rule does not specify an equipment number and the T2 payroll transaction contains an equipment number of 100. When the rule does not specify an equipment number, it applies to all T2 payroll transactions, whether they contain an equipment number or not. The system stops the search and uses the rule.

Appendix D – Accounting for the Billing Cycle

Accounting for the billing cycle is controlled by the account derivation rules. The system uses the rules to:

- Identify and process workfile transactions
- Direct the amount of the resulting journal entries to specific accounts

You can define two types of account derivation rules:

Base rules

Base rules indicate which accounts you want the system to use when it creates journal entries for the billing and revenue recognition processes. The system uses base rules to create journals for the total of the base and component amounts.

Reallocation rules

Reallocation rules are used to move amounts from one account to another. A reallocation rule consists of two or more offsetting journal entries that must balance. The first offset journal entry represents the reduction to the base account. The second journal entry represents the increase to the new account.

The Journal Generation Control field in the system constants for Service Billing controls the types of account derivation rules that you define for the following processes:

- Billing (Invoicing) only – Revenue reconciliation is not applicable.
- Revenue recognition only – Revenue reconciliation is not applicable.
- Revenue recognition and billing
 - *Without* reconciliation of the unbilled receivable account to the billed revenue and receivable accounts. The unbilled receivable account *does not* equal zero. Unbilled receivable variances *are* allowed.
 - *With* reconciliation of the unbilled revenue and unbilled receivable amounts to the billed revenue and receivable amounts. The unbilled revenue and receivable amounts *must* equal zero after you generate the invoice. Unbilled variances *are not* allowed.

Base Rules

There are three types of Account Derivation Tables that the system can use to create revenue recognition and invoice journal entries. The type of journal processing that you select in the system constants controls whether the system is restricted from using a specific table type. Each applicable type must contain a base rule that defines how the system creates journal entries.

The following table shows the relationship between the Journal Generation Control field in the system constants and the Table Type field for the account derivation rules.

If you are processing	Set Journal Generation Control in system constants as:	Create Information for Account Derivation Table Types	Restricted Account Derivation Table Types
Invoices only	1	3	1 and 2
Revenue Recognition only	2	1 and 3	2
Invoices and Revenue Recognition <i>without</i> Revenue Reconciliation	3	1 and 3	2
Invoices and Revenue Recognition <i>with</i> Revenue Reconciliation	4	1, 2, and 3	N/A



The system uses the RC automatic accounting instruction (AAI) for accounts receivable and retainage when you generate invoices. The RC AAI does not apply if you are processing revenue recognition *only*.

The following table shows how the system uses the base rules to create the accounting journal entries. The amount basis results from either the invoicing or revenue recognition process.

Journal Generation Control	Table Types	Amount Basis	“+” Indicates	System Created Entries
1 Invoices	3	Invoice	Credit entry	Actual Revenue
	RC AAI	Invoice	Debit entry	Accounts Receivable
2 Revenue Recognition	1	Revenue Recognition	Credit Entry	Actual Revenue
	3	Revenue Recognition	Debit Entry	Unbilled Accounts Receivable
3 Revenue Recognition without Reconciliation	1	Revenue Recognition	Credit Entry	Actual Revenue
	3	Revenue Recognition	Debit Entry	Unbilled Accounts Receivable
	3	Invoice	Credit Entry	Unbilled Accounts Receivable
	RC AAI	Invoice	Debit Entry	Accounts Receivable
4 Revenue Recognition with Reconciliation	1	Revenue Recognition	Credit Entry	Unbilled Revenue
	3	Revenue Recognition	Debit Entry	Unbilled Accounts Receivable
	1	Revenue Recognition	Debit Entry	Unbilled Revenue
	3	Revenue Recognition	Credit Entry	Unbilled Accounts Receivable
	2	Invoice	Credit Entry	Actual Revenue
	3	Invoice	Debit Entry	Unbilled Accounts Receivable
	3	Invoice	Credit Entry	Unbilled Accounts Receivable
	RC AAI	Invoice	Debit Entry	Accounts Receivable

Invoicing Only

When you process invoicing only:

- The journal generation control is 1
- Revenue recognition does not apply
- The system calculates the same amount for actual revenue and accounts receivable
- The system calculates the amounts for revenue and accounts receivable simultaneously
- The RC AAI designates the accounts for accounts receivable and retainage

For example, if the cost for a workfile transaction is 100.00 and the markup is 15 percent, the amounts for the invoice and accounts receivable are 115.00. The system creates the following journal entry:

Accounts receivable	115.00	
Actual revenue		(115.00)

The “T” account posting in the general ledger is:

Accounts Receivable		Actual Revenue	
Debit	Credit	Debit	Credit
115			115

The RC AAI directs the system to the accounts receivable and retainage account information. Account Derivation Table Type 3 directs the system to the base rules for the actual revenue account.

Revenue Recognition Only

When you process revenue recognition only:

- The journal generation control is 2
- Invoicing does not apply
- The system calculates the same amount for actual revenue and unbilled accounts receivable
- The system calculates the amounts for revenue and unbilled accounts receivable simultaneously
- The RC AAI does not apply because no invoice exists

For example, if the cost for a workfile transaction is 100.00 and the markup is 25 percent, the amounts for the unbilled accounts receivable and actual revenue are 125.00. The system creates the following journal entry:

Unbilled accounts receivable	125.00	
Actual revenue		(125.00)

The “T” account posting in the general ledger is:

Unbilled Accounts Receivable		Actual Revenue	
Debit	Credit	Debit	Credit
125			125

The system uses two different table types to direct the system to the base rules for the journal entries:

- Table type 1 directs the system to the rules for actual revenue
- Table type 3 directs the system to the rules for unbilled accounts receivable

Revenue Recognition and Invoicing without Reconciliation

At times, a company might find it advantageous to allow a variance between invoices and the recognized revenue. For example, if the company recognizes revenue monthly, but generates invoices only after the work is completed, the revenue, unbilled accounts receivable and invoice accounts will:

- Contain variances before the invoice journal is created
- Reconcile over time once all invoice journals for the completed project are generated and posted to the account ledger

When you process revenue recognition and generate invoices without reconciliation:

- The journal generation control is 3
- Invoicing does not apply when you process revenue recognition
- The system calculates the same amount for actual revenue and unbilled accounts receivable
- The system calculates the amounts for revenue and unbilled accounts receivable simultaneously

When the work is complete and you process invoices, the system:

- Calculates the same amount for unbilled accounts receivable and accounts receivable.
- Calculates the amounts for unbilled accounts receivable and accounts receivable simultaneously.
- Uses the RC AAI to designate the accounts receivable and retainage accounts

For example, your company began a project on June 15 and completed the project 90 days later. The total cost for the project was 1,000.00. Every week, the company generates the workfile transactions with a 15 percent markup added to the cost. Your company processes revenue recognition at the end of each month, beginning in June. They process the invoice on September 25.

The system creates the following journal entries for the project costs:

06/28/98	Project cost	350.00	
	Accounts payable		(350.00)
07/25/98	Project cost	500.00	
	Accounts payable		(500.00)
09/10/98	Project cost	150.00	
	Accounts payable		(150.00)

The “T” account postings and balances in the general ledger are:

PROJECT COSTS			
Date	Debit	Credit	Balance
06/28/98	350.00		350.00
07/25/98	500.00		850.00
08/31/98			850.00
09/10/98	150.00		1,000.00

The system uses two different table types to direct the system to the base rules for the journal entries:

- Table type 1 directs the system to the rules for actual revenue
- Table type 3 directs the system to the rules for unbilled accounts receivable

Revenue Recognition for June

On June 30, your company processes revenue recognition. The workfile contains a new transaction for 402.50. The system uses the following calculation for the workfile transaction:

- $350.00 \text{ cost} \times 15 \text{ percent markup} = 52.50$
- $350.00 \text{ cost} + 52.50 = 402.50$

The system creates the following journal entry for revenue recognition:

06/30/98	Unbilled accounts receivable	402.50	
	Actual revenue		(402.50)

The “T” account postings and balances for June in the general ledger are:

UNBILLED ACCOUNTS RECEIVABLE			
Date	Debit	Credit	Balance
06/30/98	402.50		402.50

Account Derivation Table Type 3 directs the system to unbilled accounts receivable base rules. It creates a debit journal entry for the revenue recognition amount.

ACTUAL REVENUE			
Date	Debit	Credit	Balance
06/30/98		402.50	(402.50)

Accounts Derivation Table Type 1 directs the system to the base rules for actual revenue. It creates a credit journal entry for the revenue recognition amount.

Revenue Recognition for July

On July 31, your company processes revenue recognition. The workfile contains a new transaction for 575.00. The system uses the following calculation for the workfile transaction:

- 500.00 cost X 15 percent markup = 75.00
- 500.00 cost + 75.00 = 575.00

The system creates the following journal entry for revenue recognition:

07/31/98	Unbilled accounts receivable	575.00	
	Actual revenue		(575.00)

The “T” account postings and balances for July in the general ledger are:

UNBILLED ACCOUNTS RECEIVABLE			
Date	Debit	Credit	Balance
06/30/98	402.50		402.50
07/31/98	575.00		977.50

Account Derivation Table Type 3 directs the system to unbilled accounts receivable base rules. It creates a debit journal entry for the revenue recognition amount.

ACTUAL REVENUE			
Date	Debit	Credit	Balance
06/30/98		402.50	(402.50)
07/31/98		575.00	(977.50)

Account Derivation Table Type 1 directs the system to the base rules for actual revenue. It creates a credit journal entry for the revenue recognition amount.

Revenue Recognition for August

In August, your company does not have new costs for the project. No new workfile transactions exist for the project. The balances for August in the general ledger are:

UNBILLED ACCOUNTS RECEIVABLE			
Date	Debit	Credit	Balance
06/30/98	402.50		402.50
07/31/98	575.00		977.50
08/31/98			977.50

ACTUAL REVENUE			
Date	Debit	Credit	Balance
06/30/98		402.50	(402.50)
07/31/98		575.00	(977.50)
08/31/98			(977.50)

Invoicing for September

On September 25, your company processes the invoice. The workfile contains a new transaction for 172.50. The system uses the following calculation for the workfile transaction:

- $150.00 \text{ cost} \times 15 \text{ percent markup} = 22.50$
- $150.00 \text{ cost} + 22.50 = 172.50$

The system creates the following journal entry for the invoice:

09/25/98	Accounts receivable	1,150.00	
	Actual revenue		(1,150.00)

The workfile transactions for June, July, and September have not been invoiced up to now. The system sums the invoice amounts for the three months to create an invoice amount of 1,150.00.

The “T” account postings and balances for September in the general ledger for the invoice journals are:

UNBILLED ACCOUNTS RECEIVABLE			
Date	Debit	Credit	Balance
06/30/98	402.50		402.50
07/31/98	575.00		977.50
08/31/98			977.50
09/25/98		1,150.00	(172.50)

The system uses the Account Derivation Table Type 3 to determine the base rules for unbilled accounts receivable. When it creates the journal entry, it credits the invoice amount to unbilled accounts receivable. Unbilled Accounts Receivable contains an unreconciled balance of 172.50.

ACCOUNTS RECEIVABLE			
Date	Debit	Credit	Balance
06/30/98			0
07/31/98			0
08/31/98			0
09/25/98	1,150.00		1,150.00

Accounts receivable contains the actual invoiced amount. The system uses the RC AAI to create the journal entry for Accounts Receivable.

Revenue Recognition Adjustments for September

When you generate the journals for invoices, the system also generates adjustment journals for revenue recognition. The system uses the workfile transactions in the invoice batch to determine if it must create any applicable adjustments to the prior journal entries for revenue recognition. Adjustments can occur for various reasons, such as:

- You have not included invoiced workfile transactions for the current batch in a prior revenue journal
- The information for the workfile transaction, such as the object account, cost amount, or eligibility code, has changed from when you originally included it in a revenue batch

The invoice was processed prior to the end of the month. Revenue has not been calculated for the 172.50 workfile transaction that was included in the invoiced amount. The system created the following adjustment journal entry for revenue recognition:

09/25/98	Unbilled accounts receivable	172.50	
	Actual revenue		(172.50)

After you post the adjustment, the amount for actual revenue equals the amount for accounts receivable, and the variance for unbilled accounts receivable self-corrects. The “T” account postings and balances for September in the general ledger are:

ACTUAL REVENUE			
Date	Debit	Credit	Balance
06/30/98		402.50	(402.50)
07/31/98		575.00	(977.50)
08/31/98			(977.50)
09/25/98		172.50	(1,150.00)

Account Derivation Table Type 1 directs the system to the base rules for actual revenue. It creates a credit journal entry for the revenue recognition amount.

UNBILLED ACCOUNTS RECEIVABLE			
Date	Debit	Credit	Balance
06/30/98	402.50		402.50
07/31/98	575.00		977.50
08/31/98			977.50
09/25/98		1,150.00	(172.50)
09/25/98	172.50		0

Account Derivation Table Type 3 directs the system to the base rules for unbilled accounts receivable. It creates a debit journal entry for the revenue recognition amount.



Generally, during each month, a company processes multiple invoice batches. Depending upon company policy, revenue recognition might be processed more than once a month. Timing differences always occur between revenue recognition and invoice processing. Therefore, the account for unbilled accounts receivable would contain a variance amount and would not zero out each month.

Revenue Recognition and Invoicing with Reconciliation

Many companies do not want a variance between invoice and recognized revenue amounts. In this case, the revenue and receivable amounts are unbilled estimates. The actual revenue and receivable amounts always equal the invoiced amounts. When a company processes invoices, all the estimates are reconciled.

For example, if the company recognizes revenue monthly, but generates invoices only after the work is completed, the estimated revenue and receivable amounts are reconciled when the actual revenue and receivable amounts for the invoice are processed.

When you process invoices with revenue reconciliation, the journal generation control is 4.

When you process revenue recognition:

- Invoicing does not apply when you process revenue recognition at the end of each month
- The system calculates the same amount for unbilled revenue and unbilled accounts receivable
- The system calculates the amounts for unbilled revenue and unbilled accounts receivable simultaneously
- The system uses two different table types for the account derivation rules to create the journal entries:
 - Table type 1 directs the system to the rules for unbilled revenue
 - Table type 3 directs the system to the rules for unbilled accounts receivable

When the work is complete at a later time, and you process invoices:

- The system calculates the same amount for unbilled accounts receivable and accounts receivable
- The system calculates the amounts for unbilled accounts receivable and accounts receivable simultaneously
- The RC AAI designates the A/R account
- The system uses the account derivation rules and AAIs to create the journal entries. Table type 3 directs:
 - The system to the rules for unbilled accounts receivable
 - The RC AAI to the account information for accounts receivable

The system also:

- Processes the revenue reconciliation journals
- Reconciles the unbilled revenue and receivable amounts
- Creates the actual income amounts
- Uses three different table types for the account derivation rules to create journal entries:
 - Type 1 to reconcile the unbilled revenue amounts
 - Type 2 to credit the actual revenue amount
 - Type 3 to reconcile the unbilled accounts receivable amounts

For example, your company began a project on June 15 and completed the project 30 days later. The total cost for the project was 1,000.00. Every week, the company generates the workfile transactions with a 15 percent markup added to the cost. Your company processes revenue recognition at the end of each month, beginning in June. They process the invoice on July 25. The system creates the following journal entries for the project costs:

06/28/98	Project cost	350.00	
	Accounts payable		(350.00)
07/25/98	Project cost	650.00	
	Accounts payable		(650.00)

The “T” account postings and balances for the cost in the general ledger are:

PROJECT COSTS			
Date	Debit	Credit	Balance
06/28/98	350.00		350.00
07/25/98	650.00		1,000.00

Revenue Recognition for June

On June 30, your company processes revenue recognition. The workfile contains a new transaction for 402.50. The system uses the following calculation for the workfile transaction:

- $350.00 \text{ cost} \times 15 \text{ percent markup} = 52.50$
- $350.00 \text{ cost} + 52.50 = 402.50$

The system creates the following journal entry for revenue recognition for the unbilled revenue and unbilled accounts receivable:

06/30/98	Unbilled accounts receivable	402.50	
	Unbilled revenue		(402.50)

The “T” account postings and balances for June in the general ledger are:

UNBILLED ACCOUNTS RECEIVABLE			
Date	Debit	Credit	Balance
06/30/98	402.50		402.50

Account Derivation Table Type 3 directs the system to unbilled accounts receivable base rules. It creates a debit journal entry for the revenue recognition amount.

UNBILLED REVENUE			
Date	Debit	Credit	Balance
06/30/98		402.50	(402.50)

Account Derivation Table Type 1 directs the system to unbilled revenue base rules. It creates a credit journal entry for the revenue recognition amount.

Invoicing for July

On July 25, your company processes the invoice. The workfile contains a new transaction for 747.50. The system uses the following calculation for the workfile transaction:

- $650.00 \text{ cost} \times 15 \text{ percent markup} = 97.50$
- $650.00 \text{ cost} + 97.50 = 747.50$

The system creates the following journal entry for the June and July workfile transactions by adding the 402.50 and 747.50 that apply to the invoice:

07/25/98	Accounts receivable	1,150.00	
	Unbilled accounts receivable		(1,150.00)

The "T" account postings and balances for July in the general ledger are:

UNBILLED ACCOUNTS RECEIVABLE			
Date	Debit	Credit	Balance
06/30/98	402.50		402.50
07/25/98		1,150.00	(747.50)

Account Derivation Table Type 3 directs the system to unbilled accounts receivable base rules. It creates a credit journal entry for the *invoice amount*.

ACCOUNTS RECEIVABLE			
Date	Debit	Credit	Balance
06/30/98			0
07/25/98	1,150.00		1,150.00

The RC AAI directs the system to the accounts receivable and retainage account information. It uses the *invoice amount* to create the debit for the journal entry.

Revenue Recognition and Reconciliation for July

Revenue Recognition

Unbilled accounts receivable and untitled revenue have not been calculated for the 747.50 workfile transaction that was included in the invoiced amount. The system creates the following journal entry for reconciliation of the revenue recognition amounts:

07/25/98	Unbilled accounts receivable	747.50	
	Unbilled revenue		(747.50)

The account postings and the balances in the general ledger for the journals are:

UNBILLED ACCOUNTS RECEIVABLE			
Date	Debit	Credit	Balance
06/30/98	402.50		402.50
07/25/98		1,150.00	(747.50)
07/25/98	747.50		0

Account Derivation Table Type 3 directs the system to the base rules for unbilled accounts receivable. It creates a debit journal entry for the *revenue recognition amount*.

UNBILLED REVENUE			
Date	Debit	Credit	Balance
06/30/98		402.50	(402.50)
07/25/98		747.50	(1,150.00)

Account Derivation Table Type 1 directs the system to the base rules for unbilled revenue. It creates a credit journal entry for the *revenue recognition amount*.

Revenue Reconciliation of the Revenue Amounts

The system uses Unbilled Accounts Receivable as the “clearing” account for the Revenue Recognition and INvoice amounts during the reconciliation of revenue. When the revenue and invoice amounts are the same, it appears as if the system has created unnecessary, duplicate entries. This occurs because the system uses gross amounts rather than net amounts to reconcile the unbilled accounts.

The system creates the following journal entries for the reconciliation of the revenue recognition amounts:

07/25/98	Unbilled revenue	1,150.00	
	Unbilled accounts receivable		(1,150.00)

The account postings and the balances in the general ledger for the journals are:

UNBILLED REVENUE			
Date	Debit	Credit	Balance
06/30/98		402.50	(402.50)
07/25/98		747.50	(1,150.00)
07/25/98	1,150.00		0

Account Derivation Table Type 1 directs the system to the base rules for unbilled revenue. It creates a debit journal entry for the *revenue recognition amount*.

UNBILLED ACCOUNTS RECEIVABLE			
Date	Debit	Credit	Balance
06/30/98	402.50		402.50
07/25/98		1,150.00	(747.50)
07/25/98	747.50		0
07/25/98		1,150.00	(1,150.00)

Account Derivation Table Type 3 directs the system to the base rules for unbilled accounts receivable. It creates a credit journal entry for the *revenue recognition amount*.

Revenue Reconciliation of the Invoice Amounts

The system also creates the following journal entries for the revenue reconciliation by using the invoice amount for actual revenue:

07/25/98	Unbilled accounts receivable	1,150.00	
	Revenue		(1,150.00)

UNBILLED ACCOUNTS RECEIVABLE			
Date	Debit	Credit	Balance
06/30/98	402.50		402.50
07/25/98		1,150.00	(747.50)
07/25/98	747.50		0
07/25/98		1,150.00	(1,150.00)
07/25/98	1,150.00		0

Account Derivation Table Type 3 directs the system to the base rules for unbilled accounts receivable. It creates a debit journal entry for the *invoice amount*.

REVENUE			
Date	Debit	Credit	Balance
07/25/98		1,150.00	(1,150.00)

Account Derivation Table Type 2 directs the system to the base rules for actual revenue. It creates a credit journal entry for the *invoice amount*.

After all the journals have been posted, the unbilled accounts are reconciled. Only the actual revenue and accounts receivable accounts contain balances for the invoiced workfile transactions.

Reallocation Rules

Companies define reallocation rules so that the system can redirect amounts. The amounts can include:

- Taxes
- Invoices
- Costs

To use reallocation rules, you must first define a base rule. Then, you can define reallocation rules to redirect up to 100% of an amounts from and to one or more alternate accounts.

For example, your company might charge a “trip” fee whenever they send a service person to the equipment location to preform repairs. If your company wants to direct trip fees to a separate business unit from repair fees, you can define a reallocation rule to redirect the trip fee.

Reallocation rules use any combination of the following files in the Account Derivation Table:

- Table Amount Basis
- Split Amount Basis
- Positive or Negative
- Component Code
- Condition Code
- Percent to Include
- Reverse Entry Control

When you define reallocation rules for table amounts, the system uses the billing detail transaction in the Billing Workfile (F4812). Table amounts can be defined as:

Base	Either the revenue or invoice amount, depending on the type of processing and the stage of journal processing
Cost	Actual amount of cost for workfile transaction
Invoice	Actual amount invoiced for workfile transaction
Revenue	Actual amount for revenue recognition for workfile transaction
Margin	Actual amount for revenue less the actual amount for cost
Net Margin	Actual amount for invoice less the actual amount for cost



Depending on the value for the system constant for independent revenue and invoice amounts, and the type of markup tables, the revenue and invoice amounts are either the same or can differ. The Margin and the Net Margin amounts might not differ.

The Positive or Negative (+/-) field directs the system to increase or decrease the amount for the resulting account. Whether an account is increased or decreased depends on the type of journal processing and the stage of journal processing. For example, a + can increase the unbilled accounts receivable account during revenue recognition, and decrease the unbilled accounts receivable account during invoicing.

The Reverse Entry Control (REC) field is used to prevent the system from creating a reversing entry for rules on the Account Derivation Table. You can use this field with any entry other than the Base Entry rule for the table.

The Split Amount Basis field is related to the table amounts in the Amount Basis fields. When the Split Amount Basis field is blank, the reallocation can be used with the amounts for Cost, Margin, or Net Margin. (Taxable amounts and the tax amount cannot be split apart from the Cost, Margin, or Net Margin.) Other split amounts can be based on:

- B – Invoice amount plus tax or revenue amount
- A – Taxable invoice amount
- T – Tax amount

The system can execute reallocation rules depending on different circumstances. the system might execute a reallocation rule when there is a component name in the component field. In this case, a component amount is calculated for the named component code and the amount is attached to the workfile transaction.

Executing rules can also depend on the results of a conditional test. The condition code directs the system to the test the system must perform. Based on the results of the test, the system determines whether to execute the reallocation rule.

Companies can determine the need for reallocation rules by analyzing the account journal entries that are required when they post transactions that are processed by the Service and Contract Billing systems.

Invoicing Only

A company creates an invoice for 1,200.00. The original cost per unit is 10.00 for 100 units. The cost of each unit is recorded in the Work in Process account. After the units are invoiced, the cost is moved from the Work in Process account to the Cost of Goods Sold account. Each unit is sold for 12.00.

The journal entries are:

06/30/98	Work in Process	1,000.00	
	Accounts Payable		(1,000.00)
07/31/98	Accounts Receivable	1,200.00	
	Sales Revenue		(1,200.00)
07/31/98	Cost of Goods Sold	1,000.00	
	Work in Process		(1,000.00)

The Account Derivation Table rules for Table Type 3 – Actual Revenue first direct the 1,200.00 invoice amount to the Sales Revenue account. The system uses the AAIs to create the Accounts Receivable portion of the journal entry. Then, the Work in Process account is reduced and the Cost of Goods Sold is increased by the cost amount.

The account postings and balances for June in the general ledger are:

WORK IN PROCESS			
Date	Debit	Credit	Balance
06/30/98	1,000.00		1,000.00

ACCOUNTS PAYABLE			
Date	Debit	Credit	Balance
06/30/98		1,000.00	(1,000.00)

The account postings and balances for July in the general ledger are:

ACCOUNTS RECEIVABLE			
Date	Debit	Credit	Balance
07/31/98	1,200.00		1,200.00

SALES REVENUE			
Date	Debit	Credit	Balance
07/31/98		1,200.00	(1,200.00)

WORK IN PROCESS			
Date	Debit	Credit	Balance
06/30/98	1,000.00		1,000.00
07/31/98		1,000.00	0

COST OF GOODS SOLD			
Date	Debit	Credit	Balance
07/31/98	1,000.00		1,000.00



In the example, the Journal Generation system constant is set to 1 because the company is creating invoices only without revenue recognition. Account Derivation Table Type 3 is the only table needed to create the revenue and reallocation journal entries.

Account Derivation Table Rules

You set up the Account Derivation Table rules for invoicing only as follows:

ACCOUNT DERIVATION TABLE TYPE 3			
Purpose	Account Basis	Tax Basis	+/-
Define base rule for revenue amount from the invoice	B (Base)	B (Base)	+ creates a credit to the Revenue account
Remove cost from the Work in Process account	C (Cost)		+ creates a credit to the Work in Process account
Reallocate cost to Cost of Goods Sold account	C (Cost)		- creates a debit to Cost of Goods Sold account

The RC AAI directs the system to the account information associated with the debit to Accounts Receivable.



To determine the correct +/- entry, you must analyze the type of account and the normal type of balance within the account. For example, the Work in Process account is usually a balance sheet account with a debit (+) balance. If you use a + on Table Type 3 when the Journal Generation is set to only create invoices, the system automatically creates a credit (-) entry to the resulting account.

Revenue Recognition Only

A company recognizes revenue for 1,200.00. The original cost per unit is 10.00 for 100 units. The cost of each unit is recorded in the Work in Process account. After the revenue for the units is recognized, the cost is moved from the Work in Process account to the Cost of Goods Sold account. The revenue for each unit is recognized as 12.00 per unit.

The journal entries are:

06/30/98	Work in Process	1,000.00	
	Accounts Payable		(1,000.00)
07/31/98	Inter-Company Receivable	1,200.00	
	Reimbursed Expenses		(1,200.00)
07/31/98	Cost of Goods Sold	1,000.00	
	Work in Process		(1,000.00)

The Account Derivation Table rules for Table Type 1 – Actual Revenue first direct the 1,200.00 revenue amount to the Reimbursed Expense account. The Account Derivation Table rules for Table Type 3 – Unbilled Receivables, direct the 1,200.00 reimbursable amount to the Inter-Company Receivable account. Then, the Work in Process account is reduced and the Cost of Goods Sold is increased by the cost amount.

The account postings and balances for June in the general ledger are:

WORK IN PROCESS			
Date	Debit	Credit	Balance
06/30/98	1,000.00		1,000.00

ACCOUNTS PAYABLE			
Date	Debit	Credit	Balance
06/30/98		1,000.00	(1,000.00)

The account postings and balances for July in the general ledger are:

INTER-COMPANY RECEIVABLE			
Date	Debit	Credit	Balance
07/31/98	1,200.00		1,200.00

REIMBURSED EXPENSES			
Date	Debit	Credit	Balance
07/31/98		1,200.00	(1,200.00)

WORK IN PROCESS			
Date	Debit	Credit	Balance
06/30/98	1,000.00		1,000.00
07/31/98		1,000.00	0

COST OF GOODS SOLD			
Date	Debit	Credit	Balance
07/31/98	1,000.00		1,000.00

Account Derivation Table Rules

You can use either Method 1 or Method 2 to create the Account Derivation rules for revenue recognition only. Set up the rules as follows:

Method 1

ACCOUNT DERIVATION TABLE TYPE 1 – ACTUAL REVENUE Account Basis and Tax Basis Increase/Decrease Rules			
Purpose	Account Basis	Tax Basis	+/-
Define base rule for revenue for reimbursed expenses	B (Base)	B (Base)	+ creates a credit to the Reimbursed Expense account
Define a reallocation rules for the Cost of Goods Sold account	R (Revenue)		- creates a debit to the Inter-Company Receivable account
Define a reallocation rule for the Work in Process account	R (Revenue)		+ creates a credit to the Work in Process account
ACCOUNT DERIVATION TABLE TYPE 3 – UNBILLED ACCOUNTS RECEIVABLE Account Basis and Tax Basis Increase/Decrease Rules			
Purpose	Account Basis	Tax Basis	+/-
Define base rule for unbilled accounts receivable	B (Base)	B (Base)	+ creates a debit to the Inter-Company Receivable account

Method 2

ACCOUNT DERIVATION TABLE TYPE 1 – ACTUAL REVENUE Account Basis and Tax Basis Increase/Decrease Rules			
Purpose	Account Basis	Tax Basis	+/-
Define base rule for revenue for reimbursed expenses	B (Base)	B (Base)	+ creates a credit to the Reimbursed Expenses account
ACCOUNT DERIVATION TABLE TYPE 3 – UNBILLED ACCOUNTS RECEIVABLE Account Basis and Tax Basis Increase/Decrease Rules			
Define a base rule for unbilled accounts receivable	B (Base)	B (Base)	+ creates a debit to the Inter-Company Receivable account

Define a reallocation rule for cost of goods sold	R (Revenue)		+ creates a debit to the Cost of Goods Sold account
Define a reallocation rule for work in process	R (Revenue)		- creates a credit to the Work in Process account

Invoicing and Revenue Recognition without Reconciliation

A company recognizes revenue for 1,200.00 over a two-month period. The second month, the company processes an invoice for 1,200.00. The original cost per unit is 10.00 for 100 units. The cost of each unit is recorded in the Work in Process account. After revenue is recognized for the units, the cost is moved from the Work in Process Account to the Cost of Goods Sold account. Revenue is recognized for each unit at 12.00 per unit.

The journal entries are:

06/30/98	Work in Process	1,000.00	
	Accounts Payable		(1,000.00)
06/30/98	Unbilled Accounts Receivable	720.00	
	Revenue		(720.00)
06/30/98	Cost of Goods Sold	600.00	
	Work in Process		(600.00)
07/31/98	Work in Process	400.00	
	Accounts Payable		(400.00)
07/31/98	Accounts Receivable	1,200.00	
	Unbilled Account Receivable		(1,200.00)
07/31/98	Unbilled Accounts Receivable	480.00	
	Revenue		(480.00)
07/31/98	Cost of Goods Sold	400.00	
	Work in Process		(400.00)

In June, the Account Derivation Table rules for Table Type 1 – Actual Revenue first direct the 720.00 revenue amount to the Revenue account. The Account Derivation Table rules for Table Type 3 – Unbilled Receivables directs the 720.00 for unbilled receivables to the Unbilled Accounts Receivable account.

In July, the system uses the RC AAI to debit the Accounts Receivable account for the amount of the invoice. Then, the system uses Table Type 3 – Unbilled Receivables to create a 1,200.00 credit.

The system also determines whether the workfile transactions that make up the 1,200.00 invoice require any revenue adjustments. In this example, a 420.00 workfile transaction was not included in the revenue batch prior to creating the invoice. The system creates two additional journal entries for the revenue adjustments applicable to the workfile transaction.

The system uses the Account Derivation Table rules for Table Type 1 – Actual Revenue to adjust the revenue amount by 420.00 and create a credit to the Revenue account. Then the system uses the Account Derivation Table rules for Table Type 3 – Unbilled Receivables to adjust unbilled receivables by 420.00 and create a debit to the Unbilled Accounts Receivable account.



In this example, Unbilled Accounts Receivable reconciled to “zero” because of the timing difference between revenue recognition and invoicing. Typically, a variance would exist in the account each month because the system does not create reconciling entries to reconcile the unbilled balance.

Finally, the system reduces the Work in Process and increases the Cost of Goods Sold by the cost amount each month.

The account postings and balances for June in the general ledger are:

WORK IN PROCESS			
Date	Debit	Credit	Balance
06/30/98	600.00		600.00

ACCOUNTS PAYABLE			
Date	Debit	Credit	Balance
06/30/98		600.00	(600.00)

UNBILLED ACCOUNTS RECEIVABLE			
Date	Debit	Credit	Balance
06/30/98	720.00		720.00

REVENUE			
Date	Debit	Credit	Balance
06/30/98		720.00	(720.00)

WORK IN PROCESS			
Date	Debit	Credit	Balance

06/30/98	600.00		600.00
06/30/98		600.00	0

COST OF GOODS SOLD			
Date	Debit	Credit	Balance
06/30/98	600.00		600.00

The account postings and balances for July in the general ledger are:

WORK IN PROCESS			
Date	Debit	Credit	Balance
07/31/98	400.00		400.00

ACCOUNTS PAYABLE			
Date	Debit	Credit	Balance
06/30/98		600.00	(600.00)
07/31/98		400.00	(1,000.00)

UNBILLED ACCOUNTS RECEIVABLE			
Date	Debit	Credit	Balance
06/30/98	720.00		720.00
07/31/98		1,200.00	(480.00)

ACCOUNTS RECEIVABLE			
Date	Debit	Credit	Balance
06/30/98			
07/31/98	1,200.00		1,200.00

REVENUE			
Date	Debit	Credit	Balance
06/30/98		720.00	(720.00)
07/31/98		480.00	(1,200.00)

UNBILLED ACCOUNTS RECEIVABLE			
Date	Debit	Credit	Balance
06/30/98	720.00		720.00
07/31/98		1,200.00	(480.00)
07/31/98	480.00		0

WORK IN PROCESS			
Date	Debit	Credit	Balance
07/31/98	400.00		400.00
07/31/98		400.00	0

COST OF GOODS SOLD			
Date	Debit	Credit	Balance
06/30/98	600.00		600.00
07/31/98	400.00		1,000.00

Reverse Entry Control

The Reverse Entry Control (REC) field is used to prevent the system from creating a reversing entry for rules on the Account Derivation Table. You can use the Reverse Entry Control field with any entry other than the Base Entry rule for a table.

When the Journal Generation Control is 3, the system uses Table Type 3 – Unbilled Accounts Receivable to create both a journal entry for revenue recognition and invoices. The revenue recognition journal entry debits Unbilled Accounts Receivable. The invoice journal entry credits Unbilled Accounts Receivable.

If a reallocation rule is defined on Table Type 3 – Unbilled Accounts Receivable and is only applicable to revenue recognition, the Reverse Entry Control should be set to prevent the system from using the rule when it creates the invoice journal entries.

The reallocation rule for the Work in Process and Cost of Goods Sold accounts creates journal entries only when the system creates the revenue recognition journals. In this case, the value in the Reverse Entry Control field should be 0 to prevent the system from creating additional journal entries, per Method 2 in the following account derivation rules.

Account Derivation Table Rules

You can use Method 1 or Method 2 to create the Account Derivation Table rules for revenue recognition and invoicing without revenue reconciliation. Set up the rules as follows:

Method 1

ACCOUNT DERIVATION TABLE TYPE 1 – ACTUAL REVENUE Account Basis and Tax Basis Increase/Decrease Rules			
Purpose	Account Basis	Tax Basis	+/-
Define base rule for revenue	B (Base)	B (Base)	+ creates a credit to the Revenue account
Define a reallocation rule for the cost of goods sold	R (Revenue)		- creates a debit to the Cost of Goods Sold account
Define a reallocation rule for the work in process	R (Revenue)		+ creates a credit to the Work in Process account

ACCOUNT DERIVATION TABLE TYPE 3 – UNBILLED ACCOUNTS RECEIVABLE Account Basis and Tax Basis Increase/Decrease Rules			
Purpose	Account Basis	Tax Basis	+/-
Define base rule for unbilled accounts receivable	B (Base)	B (Base)	+ creates a debit to the Inter-Company Receivable account

Method 2

ACCOUNT DERIVATION TABLE TYPE 1 – ACTUAL REVENUE Account Basis and Tax Basis Increase/Decrease Rules			
Define base rule for revenue for reimbursed expenses	B (Base)	B (Base)	+ creates a credit to the Reimbursed Expenses account

ACCOUNT DERIVATION TABLE TYPE 3 – UNBILLED ACCOUNTS RECEIVABLE Account Basis and Tax Basis Increase/Decrease Rules			
Purpose	Account Basis	Tax Basis	+/-
Define a base rule for unbilled accounts receivable	B (Base)	B (Base)	+ creates a debit to the Inter-Company Receivable account
Define a reallocation rule for cost of goods sold	R (Revenue)		+ creates a debit to the Cost of Goods Sold account (REC is 0)
Define a reallocation rule for work in process	R (Revenue)		- creates a credit to the Work in Process account (REC is 0)

Invoicing and Revenue Recognition with Reconciliation

A company recognizes revenue for 1,200.00 over a two-month period. The second month, the company processes an invoice for 1,200.00. The original cost per unit is 10.00 for 100 units. The cost of each unit is recorded in the Work in Process account. After revenue is recognized for the units, the cost is moved from the Work in Process Account to the Cost of Goods Sold account. Revenue is recognized for each unit at 12.00 per unit.

The journal entries for June are:

06/30/98	Work in Process	600.00	
	Accounts Payable		(600.00)
06/30/98	Unbilled Accounts Receivable	720.00	
	Unbilled Revenue		(720.00)

The account postings and balances for June in the general ledger are:

WORK IN PROCESS			
Date	Debit	Credit	Balance
06/30/98	600.00		600.00

ACCOUNTS PAYABLE			
Date	Debit	Credit	Balance
06/30/98		600.00	(600.00)

UNBILLED ACCOUNTS RECEIVABLE			
Date	Debit	Credit	Balance
06/30/98	720.00		720.00

UNBILLED REVENUE			
Date	Debit	Credit	Balance
06/30/98		720.00	(720.00)

In June, the Account Derivation Table rules for Table Type 1 – Actual Revenue first direct the 720.00 revenue amount to the Revenue account. The Account Derivation Table rules for Table Type 3 – Unbilled Receivables direct the 720.00 for unbilled receivables to the Unbilled Accounts Receivable account.

The journal entries for July are:

07/31/98	Work in Process	400.00	
	Accounts Payable		(400.00)
07/31/98	Unbilled Accounts Receivable	480.00	
	Unbilled Revenue		(480.00)
07/31/98	Accounts Receivable	1,200.00	
	Unbilled Account Receivable		(1,200.00)
07/31/98	Unbilled Revenue	1,200.00	
	Unbilled Accounts Receivable		(1,200.00)
07/31/98	Unbilled Accounts Receivable	1,200.00	
	Revenue		(1,200.00)
07/31/98	Cost of Goods Sold	1,000.00	
	Work in Process		(1,000.00)

The account postings and balance for July in the general ledger are:

WORK IN PROCESS			
Date	Debit	Credit	Balance
06/30/98	600.00		600.00
07/31/98	400.00		1,000.00
07/31/98		1,000.00	0

COST OF GOODS SOLD			
Date	Debit	Credit	Balance
06/30/98			
07/31/98	1,000.00		1,000.00

ACCOUNTS PAYABLE			
Date	Debit	Credit	Balance
06/30/98		600.00	(600.00)
07/31/98		400.00	(1,000.00)

UNBILLED REVENUE			
Date	Debit	Credit	Balance
06/30/98		720.00	720.00
07/31/98		480.00	1,200.00
07/31/98	1,200.00		0

UNBILLED ACCOUNTS RECEIVABLE			
Date	Debit	Credit	Balance
06/30/98	720.00		720.00
07/31/98	480.00		1,200.00
07/31/98		1,200.00	0
07/31/98		1,200.00	(1,200.00)
07/31/98	1,200.00		0

ACCOUNTS RECEIVABLE			
Date	Debit	Credit	Balance
06/30/98			
07/31/98	1,200.00		(1,200.00)

REVENUE			
Date	Debit	Credit	Balance
06/30/98			
07/31/98		1,200.00	(1,200.00)

Account Derivation Table Rules

When you set up the Account Derivation Tables rules for revenue recognition and invoicing with reconciliation, you must define all three table types. Set up the rules as follows:

ACCOUNT DERIVATION TABLE TYPE 1 – UNBILLED REVENUE Account Basis and Tax Basis Increase/Decrease Rules			
Purpose	Account Basis	Tax Basis	+/-
Define base rule for unbilled revenue	B (Base)	B (Base)	+ creates a <i>credit</i> to the Unbilled Revenue account using the <i>revenue recognition amount</i> when processing revenue recognition
Define a base rule for unbilled revenue	B (Base)	B (Base)	+ creates a <i>debit</i> to the Unbilled Revenue account using the <i>revenue recognition amount</i> when processing revenue reconciliation during invoicing

ACCOUNT DERIVATION TABLE TYPE 2 – ACTUAL REVENUE Account Basis and Tax Basis Increase/Decrease Rules			
Purpose	Account Basis	Tax Basis	+/-
Define a base rule for revenue amount from the invoice	B (Base)	B (Base)	+ creates a <i>credit</i> to the revenue account using the <i>invoice amount</i> when processing revenue reconciliation during invoicing
Remove cost from Work in Process account	C (Cost)		+ creates a credit to the Work in Process account when processing revenue reconciliation during invoicing
Reallocate cost to Cost of Goods Sold account	C (Cost)		– creates a debit to the Cost of Goods Sold account when processing revenue reconciliation during invoicing



The Reverse Entry Control (REC) field does not apply because the reallocation rules for the Work in Process and Cost of Goods Sold accounts are defined on Table Type 2 – Actual Revenue. Table Type 2 – Actual Revenue is used only during invoice journaling when the system performs the revenue reconciliation.

ACCOUNT DERIVATION TABLE TYPE 3 – UNBILLED ACCOUNTS RECEIVABLE			
Account Basis and Tax Basis Increase/Decrease Rules			
Purpose	Account Basis	Tax Basis	+/-
Define a base rule for unbilled accounts receivable	B (Base)	B (Base)	+ creates a <i>debit</i> to the Unbilled Accounts Receivable account when processing the <i>revenue recognition amount</i> during revenue recognition processing
Define a base rule for unbilled accounts receivable	B (Base)	B (Base)	+ creates a <i>debit</i> to the Unbilled Accounts Receivable account when processing the <i>invoice amount</i> during invoice processing
Define a base rule for unbilled accounts receivable	B (Base)	B (Base)	+ creates a <i>credit</i> to the Unbilled Accounts Receivable account when processing the <i>revenue recognition amount</i> for revenue reconciliation during invoice processing
Define a base rule for unbilled accounts receivable	B (Base)	B (Base)	+ creates a <i>debit</i> to the Unbilled Accounts Receivable account when processing the <i>invoice amount</i> for revenue reconciliation during the invoice processing

Component Reallocations

A component is a markup that can be associated with a workfile transaction's cost, revenue, and invoice amount, or any combination of these three. If a component amount exists, an account derivation rule can reclassify the amount.

Object	Subsidiary	Resulting Account	Subledger
1340 Component Code Condition Code	1349 FRAN THRU	*SRC LT RR % To Include Create Link Equipment Units	1381 90000 1 REC 1
1340 Component Code EDN Condition Code DIVISION	1349 FRAN THRU	*SRC LT RR % To Include Create Link Equipment Units	1381 90000 0 REC 1
1340 Component Code EDN Condition Code DIVISION	1349 FRAN THRU	*HSPE LT RR % To Include Create Link Equipment Units	8115 *BL/WRK 0 REC 1

For example, a company might add 7 cents per hour onto all hourly employees' wages for the cost of benefits. When this amount is included in an invoice, the company wants the revenue amount for the benefits recovery separated from the sales revenue amount. If the current invoice included a 7 dollar billing for 100 hours, the reclassification journal entry would be:

Sales Revenue	7.00	
Benefits Recovery		(7.00)

To create this journal entry, you can use the account derivation rules to create a reallocation rule that reduces the sales revenue by the component amount and increases the benefits recovery. Both reallocation rules include the component name associated with the 7 cents per hour cost of benefits so that the system can determine the recovery amount.

Defining Component Reallocation Rules

You can define component reallocation rules on any of the three types of account derivation tables. To reallocate components, you must determine the following:

- Appropriate journal processing stage for the reallocation
- Base rule associated with the component reallocation
- Object account range for the workfile transaction associated with the component
- Resulting accounts for the reallocation amount
- Amount Basis for the component amount, such as cost, invoice, or revenue
- Component code
- Percentage to reallocate

To define the component reallocation rule, access the appropriate account derivation table and define the base rule. Then, define the appropriate reallocation rule to reduce the component amount from the original resulting account. Last, define the appropriate reallocation rule to increase the component amount for the new resulting account.

See Also

- *Assigning Component Codes to Account Derivation Rules*

Conditional Reallocation Rules

Reallocation rules can be dependent on the results of a conditional test. When you specify a test for a conditional reallocation rule, the system must test each condition before it can execute each account derivation rule. This additional processing increases the time it takes for the system to create the resulting journal entries.

Each conditional test can include one or more types of tests the system must execute for the Condition Code before it applies the reallocation rule. To assign a condition code to a reallocation rule, you must determine the following:

- Appropriate journal processing stage for the conditional reallocation
- Base rule associated with the conditional reallocation rule
- Object account range for the workfile transactions associated with the conditional reallocation rule
- Resulting accounts for the conditional reallocation amount
- Applicable amount basis and tax basis for the conditional reallocation rule
- Condition code tests

The screenshot shows a window titled "[40126] - Account Derivation Table". It has a menu bar with "Functions", "Options", "Tools", and "Help". Below the menu bar are several icons. The main area contains a form with the following fields:

- Key Type: 7
- Table Key: REG
- Effective Dates: 01/01/98 Through 12/31/03
- Table Type: Actual Revenue
- Job Class: Regular Work Rates

Below the form is a table with the following columns: Object, Subsidiary, Resulting Account, and Subledger. The table contains three rows of data:

Object	Subsidiary	Resulting Account	Subledger
1340	1349	*SRC 1381 90000 LT RR % To Include Create Link 1 REC 1 Equipment Units	100.000
1340	1349	*SRC 1381 90000 LT RR % To Include Create Link 0 REC 1 Equipment Units	100.000
1340	1349	*H0PE 0115 *BLANK LT RR % To Include Create Link 0 REC 1 Equipment Units	100.000

At the bottom of the window, there is a status bar with the text: "Opt: 9=Del F5=Update w/Redisplay F9=NS F10=Account Rev F24=More".

See Also

- *Setting Up Condition Codes*

Independent Revenue/Invoice Amount Basis

When the invoice and revenue amounts are marked up independent of each other, the Journal Generation Control for revenue recognition with or without reconciliation affects the variance balance the system maintains in the Unbilled Accounts Receivable and Unbilled Revenue accounts.

The Independent Revenue/Invoice constant determines if the markup amounts calculated for the workfile transactions must use the same rules for the invoice and revenue amounts. If the constant is set to allow different markup rules for the invoice and revenue amounts, processing invoices and revenue recognition without reconciliation creates a permanent variance between unbilled accounts receivable and actual accounts receivable amounts. Invoice and revenue amounts are always different.

If the Independent Revenue/Invoice constant is set to allow different markup rules for the invoice and revenue amounts, processing invoices and revenue recognition with reconciliation forces the unbilled accounts to reconcile, but allows the invoice and revenue amounts to be different.

The following results occur based on the relationships between the system constants and the revenue recognition process:

System Constants		Revenue Recognition Results		
Journal Generation Control	Independent Revenue/Invoice Flag	Revenue Amount	Invoice Amount	Unbilled Accounts Receivable
3	0	Same	Same	No Variance
3	1	Different	Different	Variance
4	0	Same	Same	No Variance
4	1	Different	Different	No Variance



If the Journal Generation Control is:

- 3 – process revenue recognition without reconciliation
- 4 – process revenue recognition with reconciliation

If the Independent Revenue Invoice Control is:

- 0 – the invoice amount always equals the revenue amount
- 1 – the invoice and revenue amounts can differ

See Also

- *Setting Up System Constants*

Appendix E – Retrieval Reference Codes

You set up the retrieval reference codes with the Retrieval Reference window. This window is accessed from the Format Revisions screen. The following table describes the parameters that relate to retrieval codes. Be aware of the following:

- Only the applicable parameters are listed for each retrieval code.
- To display more information about each parameter, use function keys F1 (field help) and F8 (table field descriptions).



The Display Size field is a required field for the setup of all the retrieval reference codes. If a display size is not specified, the related information is not printed on the invoice.

RETRIEVAL CODE and SOURCE TABLE	PARA- METER	EXPLANATION
ADD No source table	1 – 4	A mathematical function performed over retrieved information. For that information, specify the numbers of the retrieval reference codes in the parameter fields. For example, if the calculation relates to retrieval reference code numbers 7 and 10, you would specify &7 in parameter 1 and &10 in parameter 2. You can also specify other numeric values involved in the calculation, such as -1, .10, or 100.
ADDRESS Address by Date (F0116)	1	The data item related to the information you want to retrieve from the F0116 table.
	2	Determines the address number for the information to be printed. For example, you could specify the address number for the company or job customer.
	3	Determines the address number for the alternate address information, such as the alternate billing number or parent number.
	4	The date on which a change of address takes place. It is compared with the effective date for the address number. This parameter applies <i>only</i> if the Addresses by Effective Date field on the Address Book Constants form is set to 1.

RETRIEVAL CODE and SOURCE TABLE	PARA- METER	EXPLANATION
ADDRESS2 Account Master (F0101)	1	The data item related to the information you want to retrieve from the F0101 table.
	2	Determines the address number for the information to be printed. For example, you could specify the address number for the company or job customer.
	3	Determines the address number for the alternate address information, such as the alternate billing number or parent number.
ACCOUNT Address Book Master (F0901)	1	The data item related to the information you want to retrieve from the F0901 table.
	2	Determines whether the account information is related to the original (posting) cost account or the closest previous non-posting account. For example, Professional could be the description for a posting cost account or Labor for a non-posting account.
AMOUNT No source table	1	Determines the type of amount you want printed, such as a cost amount or a unit quantity. An amount can be included on any detail or total format.
	2	This parameter applies to payroll labor and its related burden costs. It determines whether the system prints the total billing amount, only the labor costs, or only the burden costs.
	3	This parameter applies only to a workfile record with associated components. It determines whether the system prints amounts related to the base transactions or to the specified component code.
CC Business Unit (Job) Master (F0006)	1	The data item related to the information you want to retrieve from the F0006 table.
	2	Determines whether the business unit is related to a job, home business unit, or project number.

RETRIEVAL CODE and SOURCE TABLE	PARA- METER	EXPLANATION
CC SUPP 1 Business Unit (Job) Supplemental Data Codes (F00692)	1	The data item related to the information you want to retrieve from the F0692 table.
	2	Determines whether the business unit is related to a job, home business unit, or project number.
	3	The data type for the supplemental data that is defined for the code format (C). This data type is non-narrative. If daily job logs are required on the invoice, for example, you specify DL.
	4	A code related to the data type you specified for parameter 3. Such a code is displayed in the first column on the Supplemental Code Entry form. For example, the first column for daily job logs (data type DL) is Log Type.
CC SUPP 2 Business Unit (Job) Supplemental Data Text (F00693)	1	Determines whether the business unit is related to a job, home business unit, or project number.
	2	The data type for the supplemental data that contains free-form text. In this case, the data type can be defined for either the code format (C) or the narrative format (N). If a legal description is required on the invoice, for example, you specify LG.
	3	This parameter is similar to parameter 4 for the retrieval code CC SUPP 1. Therefore, if the data type in parameter 2 is defined for the code format, you must use parameter 3 to specify a code related to the data type. However, if the data type in parameter 2 is defined for the narrative format, you must leave parameter 3 blank.
CL TEXT Contract Billing Line Text (F52024)	N/A	This retrieval code lets you print on the invoice the text related to contract billing lines. This is typically used at either the transaction or the transaction summary level of the invoice. These two levels relate to the Billing Workfile (F4812) and Invoice Summary Workfile (F4822), respectively. No parameters are applicable to this code.
CONTRACT Contract Billing Master (F5201)	1	The data item related to the information you want to retrieve from the F5201 table.

RETRIEVAL CODE and SOURCE TABLE	PARA- METER	EXPLANATION
<p>CUMULATIVE (This retrieval code applies only to contracts.)</p> <p>Invoice Summary Access (F48520)</p>	1	The data item related to the information you want to retrieve from the F48520 table. Be aware that the F48520 table must be built and maintained, which is controlled by the Invoice Summary Access Control field on the System Constants form.
	2	Determines the summary level of the billed-to-date total amount in relationship to the contract information. For example, it can be summarized by contract billing line.
	3	Determines the summary level of the billed-to-date total amount in relationship to the G/L account number. For example, it can be summarized by business unit and subsidiary.
	4	Determines whether the summary level of the billed-to-date total is by employee and supplier.
	5	This parameter applies only to pay items for time and materials (T and M) with components. It determines whether the system prints amounts related to the base transactions or to the specified component code.
<p>CUSTOMER</p> <p>Customer Master (F0301)</p>	1	The data item related to the information you want to retrieve from the F0301 table.
	2	Determines the address number for the information to be printed. For example, you could specify the address number for the company or job customer.
	3	Determines the address number for the alternate address information, such as the alternate billing number or parent number.
<p>DATE</p> <p>No source table</p>	N/A	This retrieval code lets you print the system date on the invoice. No parameters are applicable to this code.
<p>DIVIDE</p> <p>No source table</p>	1 - 4	A mathematical function performed over retrieved information. For that information, specify the numbers of the retrieval reference codes in the parameter fields. For example, if the calculation relates to retrieval reference code numbers 7 and 10, you would specify &7 in parameter 1 and &10 in parameter 2. You can also specify other numeric values involved in the calculation, such as -1, .10, or 100.

RETRIEVAL CODE and SOURCE TABLE	PARA- METER	EXPLANATION
EQUIPMENT Item Master (F1201)	1	The data item related to the information you want to retrieve from the F1201 table.
	2	Determines whether the information relates to equipment involved in the work (equipment worked) or equipment on which work is performed (equipment worked on). If you operate a crane, for example, the crane is the equipment worked. If you use a timing machine to fix the crane's motor, the crane then becomes the equipment worked on and the timing machine is the equipment worked.
INV TEXT Service Billing Invoice/Batch Text (F4813)	1	Determines the level within a batch from which the free-form text for the invoices is retrieved. The levels are batch, invoice, pay item, and transaction.
MILE/PROG Milestone/Progress Billing (F5216 and F52161)	1	The data item related to the information you want to retrieve from either the F5216 table or F52161 table. NOTE: To display progress billing information from the Table Field Description window, you must enter F2161.
MULTIPLY No source table	1 – 4	A mathematical function performed over retrieved information. For that information, specify the numbers of the retrieval reference codes in the parameter fields. For example, if the calculation relates to retrieval reference code numbers 7 and 10, you would specify &7 in parameter 1 and &10 in parameter 2. You can also specify other numeric values involved in the calculation, such as -1, .10, or 100.
NOTES (This retrieval code applies only to Address Book notes.) Generic Text (F0016)	1	Determines the address number for the information to be printed. For example, you could specify the address number for the company or job customer. Do not specify data items for this parameter because only the text can be retrieved.
	2	Determines the address number for the alternate address information, such as the alternate billing number or parent number.
PAGE No source table	N/A	This retrieval code lets you print the page number on the invoice. No parameters are applicable to this code.

RETRIEVAL CODE and SOURCE TABLE	PARA- METER	EXPLANATION
PAGE OF No source table	N/A	This retrieval code lets you print the page number and the total page count, such as page 3 of 4 pages. No parameters are applicable to this code.
PAY ITEM Contract Billing Line Detail (F5202)	1	The data item related to the information you want to retrieve from the F5202 table.
PAY TYPE Payroll Transaction Constants (F069116)	1	The data item related to the information you want to retrieve from the F069116 table.
PHONE NO Address Book - Contact Phone Number (F0115)	1	The data item related to the information you want to retrieve from the F0115 table.
	2	Determines the address number for the information to be printed. For example, you could specify the address number for the company or job customer.
	3	Determines the address number for the alternate address information, such as the alternate billing number or parent number.
SUBTRACT No source table	1 - 4	A mathematical function performed over retrieved information. For that information, specify the numbers of the retrieval reference codes in the parameter fields. For example, if the calculation relates to retrieval reference code numbers 7 and 10, you would specify &7 in parameter 1 and &10 in parameter 2. You can also specify other numeric values involved in the calculation, such as -1, .10, or 100.
SUMMARY Invoice Summary Workfile (F4822)	1	The data item related to the information you want to retrieve from the F4822 workfile.
SUPPLIER Supplier Master (F0401)	1	The data item related to the information you want to retrieve from the F0401 table.
	2	Determines the address number for the information to be printed. For example, you could specify the address number for the company or job customer.
	3	Determines the address number for the alternate address information, such as the alternate billing number or parent number.

RETRIEVAL CODE and SOURCE TABLE	PARA- METER	EXPLANATION
TERMS Payment Terms (F0014)	1	The data item related to the information you want to retrieve from the F0014 table.
TIME No source table	N/A	This retrieval code lets you print the system time on the invoice. No parameters are applicable to this code.
TOTAL No source table	1	A register number related to a rolling total amount from any format definition connected to the format layout.
	2	Determines whether the register in parameter 1 is reset to zero after it has been totaled. When the register is reset, the subsequent total does not include the prior total.
WHOS WHO Address Book - Who's Who (F0111)	1	The data item related to the information you want to retrieve from the F0111 table.
	2	Determines the address number for the information to be printed. For example, you could specify the address number for the company or job customer.
	3	Determines the address number for the alternate address information, such as the alternate billing number or parent number.
	4	The line number related to the information you want to retrieve. The number, which is automatically assigned by the system, is <i>not</i> displayed on any form, but is kept in the Who's Who Line field of the F0111 table. The primary mailing name is line number 0, and other names related to an address are greater than zero. These numbers begin with 1 and are incremental. CAUTION: If you delete a name on the Who's Who form, the remaining names keep the original line numbers. The line numbers, therefore, would not correlate with the new sequence of names as it appears on the Who's Who form.
WO Work Order Master (F4801)	1	The data item related to the information you want to retrieve from the F4801 table.

Service Billing

RETRIEVAL CODE and SOURCE TABLE	PARA- METER	EXPLANATION
WO TEXT Work Order Instructions (F4802)	1	The record type for work orders related to the text you want to retrieve from the F4802 table.
WORKFILE Billing Workfile (F4812)	1	The data item related to the information you want to retrieve from the F4812 workfile.

Appendix F – Field Derivations for the F4812

The following table shows the source of the information for each field in the Billing Workfile (F4812). For many fields, the source depends on specific conditions and other retrieval information.

Use the following list of table IDs and names to identify the sources specified in the table.

- F0005 User Defined Codes
- F0006 Business Unit Master
- F0014 Payment Terms
- F0101 Address Book Master
- F0411 A/P Account Ledger
- F06116 Employee Transactions Detail
- F0618 Payroll Transaction History
- F0624 Burden Distribution
- F069116 Payroll Transaction Constants
- F0901 Account Master
- F0911 Account Ledger
- F1201 Item Master
- F4111 Item Ledger
- F4311 Purchase Order Detail
- F4801 Work Order Master
- F48091 Billing System Constants
- F48096 Cost Plus Markup Information
- F4812 Billing Workfile
- F48127 Tax Derivation Information
- F5201 Contract Billing Master
- F5202 Contract Billing Line Detail
- F5212 T&M Cross-Reference Accounts

F4812 DATA ITEM	CONDITIONS and RETRIEVAL INFORMATION	DATA ITEM / SOURCE TABLE
WDAA (Amount)	Default.	GLAA / F0911
	GLDCT (Document Type) field in the F0911 record contains T2.	YTGPA (Gross Pay) / F0618 or F06116
	GLDCT field in the F0911 record contains T2. The transaction relates to a burden reconciliation.	J#BDA (Burden Amount) / F06116
	GLDCT field in the F0911 record contains T4.	YTRCPY (Recharge Amount) / F0618 or F06116
	GLDCT field in the F0911 record contains T5.	YTEQGR (Equipment Gross) / F0618 or F06116
WDAA2 (Amount)	This field is currently not active.	
WDACLO (Rate Group)	GLASID (Serial Number) field in the F0911 record is not blank.	FAACLO / F1201
WDADCI (Invoice Markup Amount)	WQGTYP (Generation Type) field in the F48096 record contains 1.	WQAA (Amount) / F48096
WDADCR (Revenue Markup)	WQGTYP (Generation Type) field in the F48096 record contains 2.	WQAA (Amount) / F48096
WDAGS (Suspend Aging)		WDAGS
WDAID (Account ID)	Default.	GLAID / F0911
	The billing transaction is for burden.	GMAID (Short Account ID) for the burden account / F0901
WDAID5 (Account ID)	Contract Billing. G6ACCO (Account Override Flag) field in the F5202 record is blank.	G6MCU, G6OBJ, and G6SUB (Business Unit, Object, and Subsidiary) / F5202
WDAID6 (Account ID)	This field is currently not active.	
WDAN8 (Address Number)	Default.	GLAN8 / F0911
	GLDCT (Document Type) field in the F0911 record contains T2, T4, or T5.	YTAN8 / F0618 or F06116

F4812 DATA ITEM	CONDITIONS and RETRIEVAL INFORMATION	DATA ITEM / SOURCE TABLE
WDAN80 (Customer/Receivable Address Number)	Default. GLMCU (Business Unit) field in the F0911 record.	MCAN80 for the related business unit / F0006
	GLSBL (Subledger) field in the F0911 record is not blank. GLSBLT (Subledger Type) field in the F0911 record contains W. WZCNBS (Customer Number Basis) field in the F48091 record contains 1.	WAAN8 (Address Number) for the related subledger / F4801
	Contract Billing.	G4AN80 / F5201
WDAREX (Accounts Receivable)		WDAREX / F4812
WDBCI (Billing Control ID)		Automatically assigned with the Next Numbers facility (system 48. index 02)
WDBDPN (Burden Pending)		Automatically assigned
WDBLKK (Block of Composite Key)		Automatically assigned
WDBRT (Revenue Rate)	WQGTYP (Generation Type) field in the F48096 record contains 2.	WQBRT (Billing Rate) / F48096
WDBRTI (Invoice Rate)	WQGTYP field in the F48096 record contains 1.	WQBRT / F48096
WDBTOL (Total Billed Amount)		Automatically calculated
WDCAP (Cap or Override Rate)	WQGTYP (Generation Type) field in the F48096 record contains 2.	WQCAP / F48096
WDCAPI (Cap or Override Rate)	WQGTYP field in the F48096 record contains 1.	WQCAP / F48096
WDCBLC (Coding Block Change)		Automatically assigned
WDCCOD (Component Code)		AFCCOD / F4860
WDCCR (Component Cost Rate Table)	WQCCR field in the F48096 record is not blank.	WQCCR / F48096

F4812 DATA ITEM	CONDITIONS and RETRIEVAL INFORMATION	DATA ITEM / SOURCE TABLE
WDCIDS (Foreign Invoice Discount)	This field is currently not active.	
WDCINR (Component Invoice Rate Table)	WQCINR field in the F48096 record is not blank.	WQCINR / F48096
WDCITA (Foreign Invoice Taxable Amount)	This field is currently not active.	
WDCITL (Foreign Invoice Amount)	This field is currently not active.	
WDCITX (Foreign Invoice Tax)	This field is currently not active.	
WDCLNK (Component Link)		Automatically assigned
WDCO (Company)		GLCO / F0911
WDCOCH (Contract Change Order Number)	Contract Billing.	G5COCH / F5212
WDCRCD (Currency Code)	GLCO (Company) field in the F0911 record.	CCCRCO related to the company / F0010
WDCRCE (Currency Code)	This field is currently not active.	
WDCRCF (Currency Code)	This field is currently not active.	
WDCRR (Exchange Rate)		Automatically assigned
WDCRRD (Exchange Rate - Divisor)	This field is currently not active.	
WDCRRM (Mode F)		Automatically assigned
WDCRVR (Component Revenue Rate)	WQGTYP (Generation Type) field in the F48096 record contains 2.	WQCRVR / F48096
WDCTRY (Century)		GLCTRY / F0911
WDDAGO (Age Override Date - B)		WDDAGO
WDDC (Description - Compr)	YTAN8 (Address Number) field in either the F0618 or F06116 record.	ABDC / F0101

F4812 DATA ITEM	CONDITIONS and RETRIEVAL INFORMATION	DATA ITEM / SOURCE TABLE
WDDCP (Discount Percent)	WDAN80 (Customer/Receivable Address Number) field in the F4812 record. ABATR (Receivable Y/N) field in the F0101 contains Y.	PMDCP / F0014
WDDCT (Document Type)		GLDCT / F0911
WDDCTI (Document Type)	Contract Billing.	Processing option for the Invoice Generation program (P52800)
	Service Billing.	Processing option for the Invoice Generation program (P48121)
WDDCTO (Order Type)	Contract Billing.	G5DCTO / F5212
WDDEJ (Date Entered)		Automatically assigned
WDDGJ (G/L Date)	This field is currently not active.	
WDDGL (G/L Date)		GLDGJ (G/L Date) / F0911
WDDI (Invoice Date)	GLICUT (Batch Type) field in the F0911 record contains V or W.	RPDGJ (G/L Date) / F0411
WDDOC (Document Number)		GLDOC / F0911
WDDOCM (Payment/Item Number)	This field is currently not active.	
WDDOCO (Order Number)	Contract Billing.	G5DOCO / F5212
WDDOCZ (Order Number)		Automatically assigned with the Next Numbers facility (system 03. index 01)

F4812 DATA ITEM	CONDITIONS and RETRIEVAL INFORMATION	DATA ITEM / SOURCE TABLE
WDDSVJ (Service/Tax Date)	Default. GLICUT (Batch Type) field in the F0911 record contains V or O. GLD0C, GLDCT, and GLKCO (Document Number, Type, and Company) fields in the F0911 record.	GLDSVJ / F0911
	GLICUT field contains V.	RPDSVJ / F0411
	GLDSVJ and RPDSVJ fields are blank. The F4111LC file exists.	ILTRDJ (Order Date) / F4111
WDDWNL (Download Flag)		Automatically assigned
WDEBAS (Date - Effectivity Basis)	WZEBAS field in the F48091 record contains 1.	GLDGL (G/L Date) / F0911
	WZEBAS field contains 2.	GLDSVJ (Service/Tax Date) / F0911
WDELGC (Eligibility Code)	Default. GLMCU, GLOBJ, and GLSUB (Business Unit, Object Account, and Subsidiary) fields in the F0911 record.	GMBILL (Billable – Y/N) / F0901
	Burden. J#MCU, J#OBJ, and J#SUB (Business Unit, Object Account, and Subsidiary) fields in the F0624 record.	GMBILL / F0901
	WZPRRR (Journal Generation Control) field in the F48091 record contains 3 or 4. GMBILL field in the F0901 record contains 1, 2, 3, or 4.	GMBILL / F0901
	WZPRRR field contains 3 or 4.	GMBILL / F0901
	WZPRRR field in the F48091 record does not contain 3 or 4.	WZPRRR / F48091

F4812 DATA ITEM	CONDITIONS and RETRIEVAL INFORMATION	DATA ITEM / SOURCE TABLE
WDEQCG (Equipment Worked)	GLDCT (Document Type) field in the F0911 record contains TE.	GLASID (Serial Number) / F0911
	GLDCT field contains T5.	YTEQCG / F0618 or F06116
	GLDCT field does not contain TE, T2, T4, or T5.	Blank
WDEQWO (Equipment Worked On)	GLDCT field contains TE.	Blank
	GLDCT field contains T5.	YTEQWO / F0618 or F06116
	GLDCT field does not contain TE, T2, T4, or T5.	GLASID (Serial Number) / F0911
WDERC (Equipment Rate Code)	GLDCT field contains TE.	GLALTY (ID Type) / F0911
	GLDCT field contains T5.	YTERC / F0618 or F06116
	GLDCT field does not contain TE, T2, T4, or T5.	Blank
WDEXA (Explanation - Name A)	Default.	GLEXA / F0911
	GLDCT field contains T2, T4, or T5. YTAN8 (Address Number) field in either the F0618 or F06116 record.	ABALPH (Alpha Name) / F0101

F4812 DATA ITEM	CONDITIONS and RETRIEVAL INFORMATION	DATA ITEM / SOURCE TABLE
WDEXR (Explanation - Remark)	WQEXR field in the F48096 record is blank. GLDCT field does not contain T2, T4, or T5.	GLEXR / F0911
	WQEXR field in the F48096 record is blank. GLDCT field contains T2, T4, or T5.	YTEXR / F0618 or F06116
	WQEXR field in the F48096 record is not blank.	WQEXR / F48096
	<p>Burden. Of the following conditions, the one that the system finds first determines the source:</p> <p>A) J#FRTY (Fringe Type) field in the F0624 record contains FB.</p> <p>B) J#PTAX (Tax Type) field in the F0624 record is not blank.</p> <p>C) J#PDBA (PDBA Code) field in the F0624 record is greater than zero. YCDL01 field in the F069116 record is not blank. YCDL01 field in the F069116 record is blank.</p>	<p>DRDL01 (Description) related to the fringe type / F0005</p> <p>DRDL01 related to the tax type / F0005</p> <p>YCDL01 / F069116</p> <p>YCEXA (Explanation - Name A) / F069116</p>
WDEXR1 (Tax Explanation Code)	Contract Billing.	G4EXR1 / F5201
	Service Billing.	WOEXR1 / F48127
WDFRTN (Foreign Retainage)	This field is currently not active.	
WDFTOL (Foreign Total Billed)	This field is currently not active.	
WDFY (Fiscal Year)		GLFY / F0911
WDGLC (G/L Offset)	This field is currently not active.	
WDHLD (Hold Code)		WDHLD

F4812 DATA ITEM	CONDITIONS and RETRIEVAL INFORMATION	DATA ITEM / SOURCE TABLE
WDHMCU (Home Business Unit)	Default.	GLHMCU / F0911
	GLHMCU is blank. GLDCT (Document Type) field in the F0911 record does not contain T2, T4, or T5. GLMCU field is blank. GLASID (Serial Number) field in the F0911 record.	FAMCU (Business Unit) related to the serial number / F1201
	GLHMCU is blank. GLICUT (Batch Type) field in the F0911 record contains N. GLDOC, GLDCT, GLKCO, and GLDGL (Document Number, Type, Company, and G/L Date) fields in the F0911 record.	ILMCU / F4111
	GLHMCU is blank. GLICUT field contains either V or W. GLDOC, GLDCT, and GLKCO fields.	RPMCU / F0411
	GLHMCU is blank. GLICUT field contains 0. GLPO, GLPDCT, GLKCO, GLPSFX, and GLLNID (P.O. Number, Document Type, Company, Suffix, and Line Number) fields in the F0911 record.	PDMCU / F4311
	GLHMCU is blank. GLICUT field contains G. GLMCU in the F0911 record.	MCMCUS (Project Number) / F0006
	GLDCT contains T2, T4, or T5.	YTHMCU / F0618 or F06116
WDICU (Batch Number)		Automatically assigned with the Next Numbers facility (system 00. index 01)
WDICUA (Active Batch Number)		Automatically assigned with the Next Numbers facility (system 00. index 01)
WDICUJ (Revenue Batch Number)		Automatically assigned with the Next Numbers facility (system 00. index 01)

F4812 DATA ITEM	CONDITIONS and RETRIEVAL INFORMATION	DATA ITEM / SOURCE TABLE
WDIDSC (Invoice Discount Ama)		Automatically assigned
WDIJST (Invoice Journal Status)		Automatically assigned
WDITAM (Invoice Tax)		Automatically calculated
WDITOL (Total Invoiced Amount)		Automatically calculated
WDITXA (Invoice Taxable Amount)		Automatically calculated
WDIVD (Invoice Date)		Automatically assigned
WDJBCD (Job Type)	GLDCT (Document Type) field in the F0911 record does not contain T2, T4, or T5.	GLJBCD / F0911
	GLDCT field contains T2, T4, or T5.	YTJBCD / F0618 or F06116
WDJBST (Job Step)	GLDCT field does not contain T2, T4, or T5.	GLJBST / F0911
	GLDCT field contains T2, T4, or T5.	YTJBST / F0618 or F06116
WDJELN (Journal Entry Line Number)		GLJELN / F0911
WDJMCU (Host Business Unit)	Default.	MCMCUS (Project Number) / F0006
	Contract Billing. GLDCT (Document Type) field in the F0911 record contains T2, T4, or T5. G4JMCU field in the F5201 record for the contract is not blank.	G4JMCU / F5201
	A contract does not exist.	MCMCUS / F0006
WDJOBN (Workstation ID)		Job name from the program status data structure
WDJRSP (Journal Status Code)		Automatically assigned
WDJRST (Journal Status Code)		Automatically assigned

F4812 DATA ITEM	CONDITIONS and RETRIEVAL INFORMATION	DATA ITEM / SOURCE TABLE
WDJTAX (Journaled Tax)	WDEXR1 (Tax Explanation Code) field in the F4812 record contains C, E, or V.	
	WDEXR1 field does not contain C, E, or V.	
WDJTXF (Journaled Tax)	This field is currently not active.	
WDKCO (Document Company)		GLKCO / F0911
WDKCOI (Document Company)	Contract Billing.	G5KCOO / F5212
WDKCOO (Order Number Document Company)	Contract Billing.	G5KCOO / F5212
	Service Billing.	GLCO / F0911
WDLBAS (Date - Labor Effectivity Basis)	WZLBAS field in the F48091 record contains 1. GLDCT (Document Type) field in the F0911 record contains T2, T4, or T5.	YTDGL (G/L Date) / F0618 or F06116
	WZLBAS field contains either 2 or 3. GLDCT field contains T2, T4, or T5.	YTDWK (Work Date) / F0618 or F06116
	WZLBAS field contains 4. GLDCT field contains T2, T4, or T5.	YTPPED (Pay Period Ending Date) / F0618 or F06116
WDLNID (Line Number)	Contract Billing.	G5LNID / F5212
WDLSPM (Parent Completed)	This field is currently not active.	
WDLSSQ (Last Sequence)		Automatically assigned
WDLT (Ledger Type)		GLLT / F0911
WDMCU (Business Unit)	Default.	GLMCU / F0911
	Burden.	J#MCU / F0624
WDOBJ (Object Account)	Default.	GLOBJ / F0911
	Burden.	J#OBJ / F0624
WDODCT (Original Document Type)		GLODCT / F0911

F4812 DATA ITEM	CONDITIONS and RETRIEVAL INFORMATION	DATA ITEM / SOURCE TABLE
WDODOC (Original Document Number)		GLODOC / F0911
WDOGNO (Original Line Number)		GLLNID (Line Number) / F0911
WDOKCO (Original Order Document)		GLOKCO / F0911
WDOPIB (Contract Billing Line)	Contract Billing.	G5OPIM / F5212
WDOPSQ (Operations Sequence)		GLOPSQ / F0911
WDOSEFX (Original Pay Item)		GLOSEFX / F0911
WDPCFG (Burden Flag)	Default.	Blank
	Burden records exist in F0624 table.	Automatically assigned 1
WDPCIM (Percentage)	Generation type is 1.	WQPERT (Percentage) / F48096
WDPCKO (Document Company)		GLPKCO (Purchase Order Document Company) / F0911
WDPCNT (Parent Contract Number)		G4PCTN / F5201
WDPCNTT (Parent Contract Type)		G4PCTT / F5201
WDPDBA (PDBA Code)	Default.	Blank
	GLDCT (Document Type) field in the F0911 record contains T2, T4, or T5.	YTPDBA / F0618 or F06116
	Burden.	J#PDBA / F0624
WDPDCT (Purchase Order Document)		GLPDCT / F0911
WDPERT (Percentage)	Generation type is 2.	WQPERT (Percentage) / F48096
WDPID (Program ID)		Program name from the program status data structure
WDPKCO (Purchase Order Document Company)		GLPKCO / F0911

F4812 DATA ITEM	CONDITIONS and RETRIEVAL INFORMATION	DATA ITEM / SOURCE TABLE
WDPMSQ (Payment Sequence Number)	This field is currently not active.	
WDPN (G/L Period Number)		GLPN / F0911
WDPO (P.O. Number)		GLPO / F0911
WDPRET (Percent Retainage)	This field is currently not active.	
WDPRIC (Unit Price)		Automatically calculated
WDPRSQ (Parent Sequence Number)		Automatically assigned
WDPRTF (Printed Flag)		Automatically assigned
WDPTRR (Transaction Number)	GLDCT (Document Type) field in the F0911 record contains T2, T4, or T5.	YTPRTR / F0618 or F06116
WDPSFX (Purchase Oder Suffix)		GLPSFX / F0911
WDPTAX (Tax Type)	Default.	Blank
	Burden.	J#PTAX / F0624
WDPTFG (Pass-Through Invoicing)	This field is currently not active.	
WDRDJ (Release Date)		WDRDJ
WDRGLC (Retention G/L Offset)	This field is currently not active.	
WDRP11 (Category Code 011)	WDHMCU (Home Business Unit) field in the F4812 record.	MCRP11 / F0006
WDRP12 (Category Code 012)	WDHMCU (Home Business Unit) field in the F4812 record.	MCRP12 / F0006
WDRING (Retainage)		Automatically calculated
WDRTPS (Retainage - Prior -)		Automatically calculated

F4812 DATA ITEM	CONDITIONS and RETRIEVAL INFORMATION	DATA ITEM / SOURCE TABLE
WDR001 (Bill Item Code)	Default.	GMR001 for the account number in the source transaction / F0901
	Burden.	GMR001 for the burden account number / F0901
WDR002 (Category Code 002)	Default.	GMR002 for the account number in the source transaction / F0901
	Burden.	GMR002 for the burden account number / F0901
WDR003 (Location)	Default.	GMR003 for the account number in the source transaction / F0901
	Burden.	GMR003 for the burden account number / F0901
WDSBAR (Reason Code)		WDSBAR
WDSBL (Subledger)		GLSBL / F0911
WDSBLT (Subledger Type)		GLSBLT / F0911
WDSBL5 (Subledger)	This field is currently not active.	
WDSBL6 (Subledger)	This field is currently not active.	
WDSBSK (Summarization Key)		Automatically assigned
WDSBSQ (Sequence Number)		Automatically assigned
WDSBT5 (Subledger Type)	This field is currently not active.	
WDSBT6 (Subledger Type)	This field is currently not active.	
WDSCSQ (Secondary Sequence Number)		Automatically assigned
WDSFX (Pay Item)		Automatically assigned
WDSLNK (Split Link)		Automatically assigned

F4812 DATA ITEM	CONDITIONS and RETRIEVAL INFORMATION	DATA ITEM / SOURCE TABLE
WDSUB (Subsidiary)	Default.	GLSUB / F0911
	Burden.	J#SUB / F0624
WDTBDT (Table Basis Date)	WZEBAS (Date - Effectivity Basis) field in the F48091 record contains 1.	GLDGL (G/L Date) / F0911
	WZEBAS field contains 2.	GLDSVJ (Service/Tax Date) / F0911

F4812 DATA ITEM	CONDITIONS and RETRIEVAL INFORMATION	DATA ITEM / SOURCE TABLE
WDTCLS (Classification)	Components (provisional burdens)	Value is 0.
	GLDCT (Document Type) field in the F0911 record contains either T2 or T4.	Value is 1.
	Burden	Value is 2.
	GLDCT field contains TE.	Value is 3.
	GLDCT field does not contain T2, T4, or T5.	
	A) Related records exist in both F0911 and F1201 tables. Both records have the same serial number (GLASID and FAASID, respectively).	Value is 3.
	B) GLICUT (Batch Type) field in the F0911 record contains N.	Value is 4.
	GLD0C, GLDCT, GLKCO, and GLDGL (Document Number, Type, Company, and G/L Date) fields in the F0911 record.	Value is 5.
C) GLICUT field contains either V or W. GLD0C, GLDCT, and GLKCO fields in the F0911 record.	Value is 6.	
D) GLICUT field contains G. A related record exists in F0006 table.		
None of the previous conditions are satisfied, and the GLPO (P.O. Number) field in the F0911 record is not blank.	Value is 5.	

F4812 DATA ITEM	CONDITIONS and RETRIEVAL INFORMATION	DATA ITEM / SOURCE TABLE
WDTOG (Taxable or Gross)	Contract Billing. F4812 record contains tax rate/area and explanation codes.	Value is 1.
	Service Billing. F48127 record contains tax rate/area and explanation codes.	Value is 1.
	Neither of the previous conditions exist.	Blank
WDTX (Purchasing Taxable -)	Contract Billing. F4812 record contains tax rate/area and explanation codes.	Value is Y.
	Service Billing. F48127 record contains tax rate/area and explanation codes.	Value is Y.
	Neither of the previous conditions exist.	Value is N.
WDTXA1 (Tax Rate/ Areas)	Contract Billing.	G4TXA1 / F5201
	Service Billing.	WOTXA1 / F48127
WDTYKY (Key Type)	This field is currently not active.	
WDU (Units)	Default.	GLU / F0911
	GLDCT (Document Type) field in the F0911 record contains either T2 or T4.	YTPHRW (Hours Worked) / F0618 or F06116
	GLDCT field contains T5.	YTEQHR (Equipment Hours) / F0618 or F06116
WDUM (Unit of Measure)	Default.	GLUM / F0911
	GLDCT field contains T2, T4, or T5.	Automatically assigned HR
WDUPMJ (Date Updated)		Automatically assigned

F4812 DATA ITEM	CONDITIONS and RETRIEVAL INFORMATION	DATA ITEM / SOURCE TABLE
WDUPMT (Time Last Updated)		Automatically assigned
WDUSER (User ID)		Automatically assigned
WDVINV (Invoice Number)		GLVINV / F0911
WDVOID (Void - V)		Automatically assigned
WDWR01 (Phase)		GLWR01 / F0911
WDWR07 (Service Type)	GLSBL (Subledger) field in the F0911 record is blank. GLSBLT (Subledger type) field contains W.	WAWR07 / F4801

Appendix G – Revenue Recognition

You can use revenue recognition to create G/L journal entries for income without generating invoices. For example, use revenue recognition to track the phases of an intercompany project so you can reallocate internal costs.

About Revenue Recognition

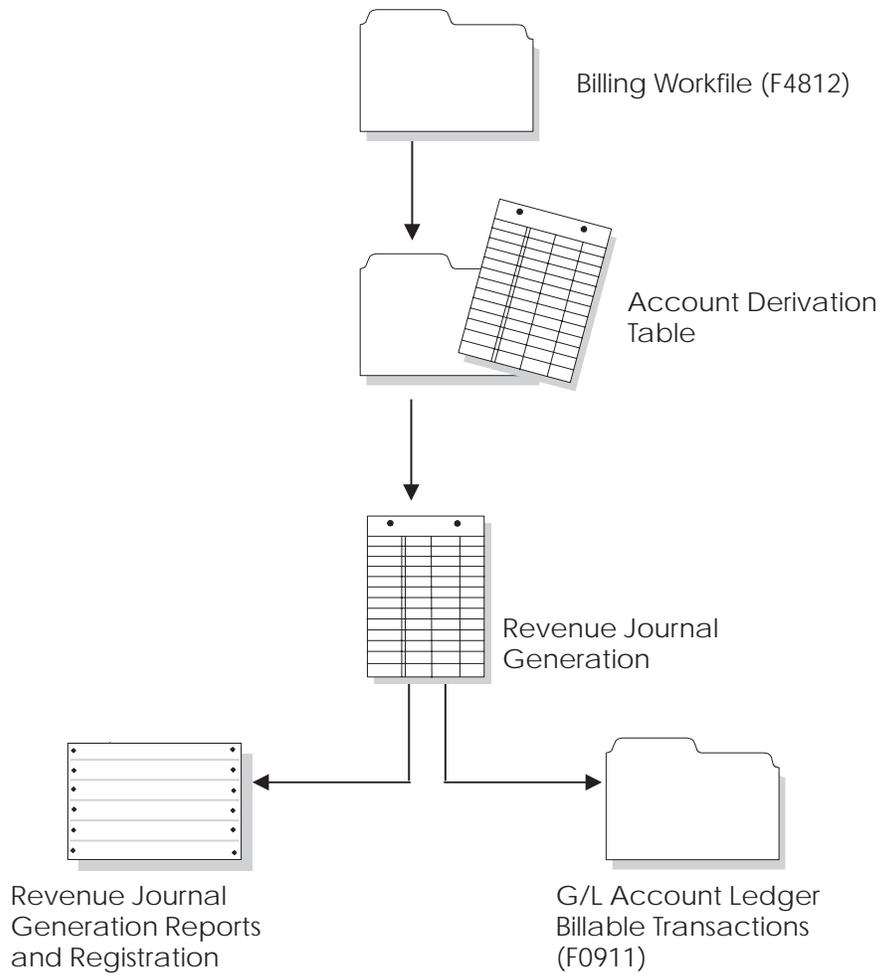
Generally, you use revenue recognition when:

- Work is finished and you have earned the income, but you do not need to bill a customer
- You want income statements and balance sheets to reflect the amounts earned for a realistic picture of the company's financial status
- You need to reallocate internal costs

A company might use revenue recognition to track the charges for its departments and record them in the general ledger using an interdepartment receivables account. Although the company does not actually bill them, the charges represent assets and income for one department and liabilities and expenses for another department.

For example, Western Office uses 3 hours of computer time at Central Office at a rate of 50 dollars per hour. Central Office charges 150 dollars to Western Office for the use of the computer. Western Office incurs an expense of 150 dollars because it owes Central Office for the computer time. Central Office recognizes 150 dollars of income and records a receivable for the portion it charges to Western Office.

The following graphic illustrates the flow of the revenue recognition process.



Processing Revenue Recognition

When you process revenue recognition, you:

- Accumulate costs
- Review the workfile
- Revise workfile transactions
- Work with the workfile history
- Work with G/L entries

Accumulating Costs

The first step in the revenue recognition process is to accumulate billable costs. Billable costs are represented by source transactions that the system stores in the Account Ledger table (F0901). These transactions are the basis for the revenue recognition process.

Source transactions originate from multiple sources, such as the Accounts Payable, Equipment/Plant Management, and Payroll systems. You run the Generation program to accumulate the cost information from these sources.

To maintain the integrity of the original source transactions, the billing system creates copies of source transactions. The copied transactions are referred to as workfile transactions and are stored in the Billing Workfile (F4812).

Workfile transactions include costs with any applicable markup, taxable amounts and other key billing information. You base the rest of the revenue recognition process on the information stored in workfile transactions.

Reviewing the Workfile

You can review the related workfile transactions to verify that the information the system retrieved from the source transactions is correct. Source transactions come from the Account Ledger table (F0911). The system might also require other information from the originating systems to process some source transactions.

When you review workfile transactions, you should look for potential errors, such as:

- Payroll transactions charged to the incorrect work order or job
- Incorrect markup amounts (if changes are made to your markup tables since the creation of your workfile transactions)

Revising Workfile Transactions

Workfile transactions are the basis for the revenue recognition process. You should make any necessary additions and revisions to the transactions before you continue. For example, you can:

- Add any G/L transactions that were omitted from the workfile without running the Generation program again.
- Change the markup for a transaction.
- Add transactions directly to the workfile without entering them into the G/L first, such as transactions for expense reports that have not yet been processed in the Accounts Payable system

- Assign a hold status to a transaction with a release date to prevent a transaction from being included on an invoice until that date.
- Split a transaction into two new transactions. You can then revise the processing status for the new transactions.

You can also move a transaction from the active workfile to the workfile history table so that it is not included in a revenue batch.

Working with the Workfile History

For every revision of a transaction that you create as you process workfile transactions, the system stores a copy of the previous transaction. You can review this audit trail to see all the changes you have made to a transaction. For example, if you change a markup and include a reason for the change, you can access the workfile history to review the markup change reason.

As you review the workfile history, you can reactivate eligible transactions. When you reactive a transaction, you move it from history back to the active workfile. For example, if you move a transaction to history in error, the transaction is eligible to be moved back to the workfile. After you move the transaction back to the workfile, you can include the transaction in the revenue recognition process.

To maintain the integrity of the workfile, the system determines whether a transaction is eligible for reactivation based on the Billing Control ID Number and a combination of other factors.

The following transactions are not eligible for reactivation:

- Transactions copied to history during the split process
- Transactions copied to history during the modification process

Working with G/L Entries

To calculate the unbilled revenue for the current period, you must create journal entries. The amounts related to these entries appear on your income statements and balance sheets when you complete the revenue recognition process. You can use the recognized revenue amounts for projections and to review the profitability or liability of specific departments in your company.

J.D. Edwards strongly recommends that you create and carefully review preliminary G/L entries before you create the final entries that post to the general ledger. If you post out-of-balance records to the general ledger, you must manually correct these balances.

Setting Up the System for Revenue Recognition

To set up your system to process revenue recognition, you must:

- Set the journal generation control in system constants to revenue recognition only
- Define markup rules
- Define account derivation rules for revenue recognition

When you set up your system to process revenue recognition only, the forms and functionality of the system apply only to the revenue recognition process. For example, the Workfile Revisions form displays revenue amounts only, because invoice amounts do not apply.

See Also

- *Setting Up System Constants (P48091)*

About Journal Reclassification

Depending on how you set the system constants and the processing options for the Revisions form, you can reclassify, or change the account information for, an original journal entry.

When you set up your system constants to allow journal reclassification, the system creates the correcting entries in the Account Ledger table (F0911) during journal creation.

For example, an employee might charge time to two different work orders during a pay period. When entering time for the pay period, the employee makes an error. After the accounting department processes payroll transactions, you review the costs and discover the employee's data entry error.

You correct the error by changing the work order numbers on the transactions in the Billing Workfile. With journal reclassification, when you runs Journal Generation program, the system creates correcting journal entries along with the preliminary G/L entries. The system creates general ledger entries and adjusting entries in the Payroll Transaction History table (F0618) for the journal reclassification entries related to the payroll transactions.

You can identify the correcting journal entries by their document type. The system also uses the same pay type (PDBA code) of the workfile transaction for journal reclassification, such as 101 for regular pay, unless you use the PDBA code override in the system constants.

Appendix H — Functional Servers

Several J.D. Edwards programs access functional servers. The purpose of functional servers is to provide a central location for standard business rules about entering documents, such as vouchers, invoices, and journal entries. These business rules establish the following:

- Data dictionary default values
- Field edits and valid values
- Error processing
- Relationships between fields or applications

The advantages of a functional server are:

- It reduces maintenance of entry programs because edit rules reside in one central location.
- You can standardize documents across all applications because you create them using the same business rules.
- Generally, the user interface (appearance and interaction) of a form is now separate from how a program works.

The steps for setting up business rules for an entry program are:

1. Create a DREAM Writer version for a specific functional server program (for example, XT0411Z1 for voucher entry).
2. Set the processing options within the version according to your company requirements.
3. Specify the version you want the entry program to use in the processing options for that entry program.

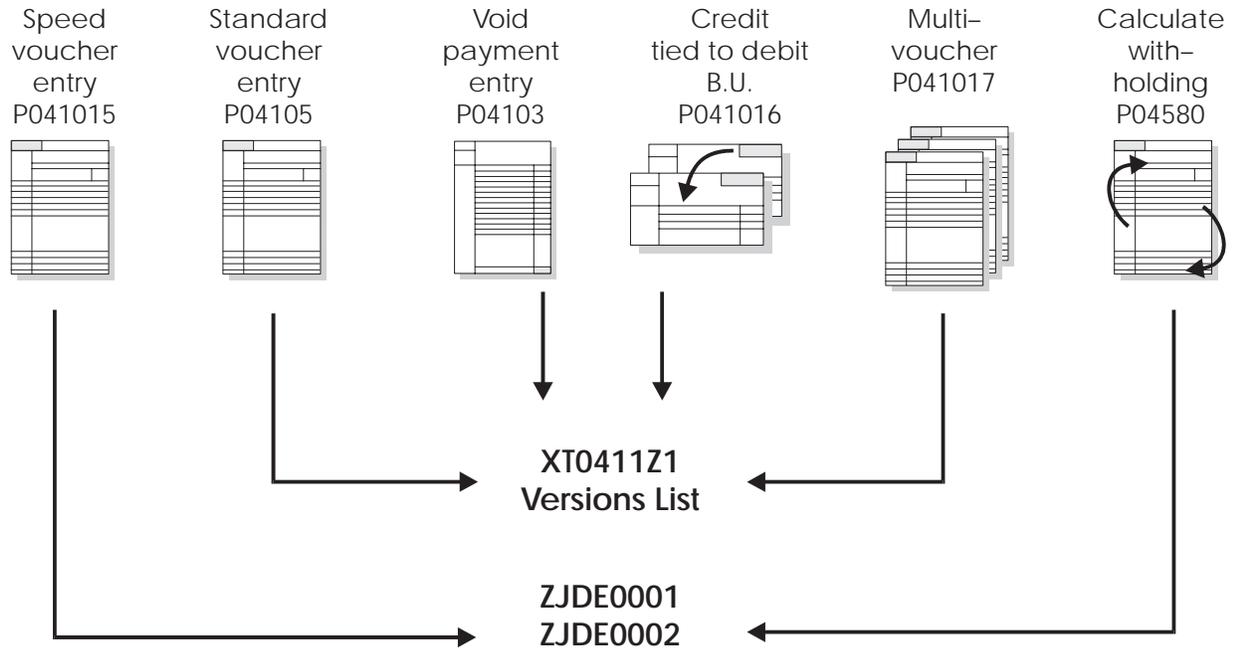
You can have all your entry programs use the same DREAM Writer version (and thus, use the same rules) or you can set up different DREAM Writer versions. J.D. Edwards provides DREAM Writer version ZJDE0001 as the default functional server version for your entry programs.



Only the person responsible for system-wide setup should make changes to the functional server version. For more information about how to set up DREAM Writer versions, see the *Technical Foundation Guide*.

Example: Voucher Processing Functional Server

The following graphic shows the programs that use the voucher processing functional server. J.D. Edwards provides two demo versions of the functional server, ZJDE0001 and ZJDE0002.



Glossary

Glossary

This glossary defines terms in the context of your use of J.D. Edwards systems and the accompanying combo guide.

1099 form. An income tax reporting form required by the U.S. government for many types of payments made to persons and non-corporate entities.

AA ledger. The ledger type used for transactions in domestic amounts (actual amounts).

AAI. Automatic accounting instruction. A code that points to an account in the chart of accounts. AAIs define rules for programs that automatically generate journal entries. This includes interfaces between Accounts Payable, Accounts Receivable, and Financial Reporting and the General Accounting system. Each system that interfaces with the General Accounting system has AAIs. For example, AAIs can direct the Post to General Ledger program to post a debit to a certain expense account and an automatic credit to a certain accounts payable account.

A/P Ledger method. One of the two methods J.D. Edwards provides to process 1099 tax reporting forms. Using this method, you produce 1099s from data stored in the A/P Ledger table (F0411). Also called the *expedient method* and the *fast path method*.

AZ ledger. The ledger type used for cash basis accounting.

access. A way to get to information or functions provided by the system through menus, forms, and reports.

account status. The state or condition of a customer's accounts receivable transaction account.

accounting period. One of the divisions of a fiscal year. A fiscal year can contain 12 to 14 accounting periods, or more rarely, 52 periods. There can also be an additional period for year-end adjustments, and another additional period for audit adjustments.

adjustment. A payment and receipt application method used to modify an amount such as a minor write-off or outstanding freight charges and disputed taxes.

alphabetic character. A letter or other symbol from the keyboard (such as *, &, and #) that represents data. Contrast with *numeric character*.

alphanumeric character. A combination of letters, numbers, and other symbols (such as *, &, and #) that represents data.

approver number. The user ID of the person who approves vouchers for payment.

“as of” report. A report used to view the A/R Ledger and A/P Ledger tables in summary or detail for a specific point in time.

audit adjustments. The adjustments you make to G/L accounts following an audit. You generally enter these adjustments annually, following the close of the fiscal year.

audit trail. The detailed, verifiable history of a processed transaction. The history consists of the original documents, transaction entries, and posting of records, and usually concludes with a report.

backup copy. A copy of original data preserved on a magnetic tape or diskette as protection against destruction or loss.

balance forward. A receipt application method in which the receipt is applied to the oldest invoices in chronological order according to the net due date.

Bank Automated Clearing System. (BACS). An electronic process used in the United Kingdom.

bank tape (lock box) processing. The receipt of payments directly from a customer's bank via customer tapes for automatic receipt application.

batch. A group of like records or transactions that the computer treats as a single unit during processing. For identification purposes, the system usually assigns each batch a unique identifier, known as a "batch number."

batch control. The verification of the number of transactions and the total amount in each batch entered into the system.

batch header. The information the computer uses as identification and control for a group of transactions or records in a batch.

batch input. A group of transactions loaded from an external source.

batch input table. An external table that holds data being loaded into the system.

batch job. A task or group of tasks you submit for processing that the system treats as a single unit during processing, for example, printing reports and purging tables. The computer performs these tasks with little or no user interaction.

batch processing. A method by which the computer selects jobs from the job queue, processes them, and writes output to the out queue. Contrast with *interactive processing*.

batch receipts entry. An alternative method (such as an optical reader or magnetic scanner) to load receipts into the J.D. Edwards Accounts Receivable system.

batch status. A code that indicates the posting status of a batch. For example, A indicates approved for posting, P indicates posting in-process, and D indicates posted.

batch type. A code that designates which J.D. Edwards system the associated transactions pertain to, thus controlling what records are selected for processing. For example, in the Post General Journal process, only unposted transaction batches with a batch type of G for General Accounting are selected for posting.

Boolean logic operand. In J.D. Edwards DREAM Writer, the parameter of the Relationship field. The Boolean logic operand tells the system to perform a comparison between certain records or parameters. Available operands are:

EQ	= Equal To
LT	= Less Than
LE	= Less Than or Equal To
GT	= Greater Than
GE	= Greater Than or Equal To
NE	= Not Equal To
NL	= Not Less Than
NG	= Not Greater Than

broadcast message. An electronic mail message that you can send to a number of recipients.

business unit. A division of your business organization that requires a balance sheet or P&L. Also called a *cost center*.

calculation method. When you restate currency, you can choose among three calculation methods: (1) period calculations, used for P&L accounts, (2) balance calculations, used for balance accounts, and (3) historical rate, used for fixed assets.

cash basis accounting. A method of accounting that recognizes revenue and expenses when monies are received and paid.

category code. In user defined codes, a temporary title for an undefined category. For example, if you are adding a code that designates different sales regions, you could change *category code 4* to *Sales Region*, and define E (East), W (West), N (North), and S (South) as the valid codes. Category codes were formerly known as *reporting codes*.

character. Any letter, number, or other symbol that a computer can read, write, and store.

chargeback. A receipt application method used to generate an invoice for a disputed amount or for the difference of an unpaid receipt.

check. See *payment*.

command. A character, word, phrase, or combination of keys you use to tell the computer to perform a defined activity.

consolidations. A method of grouping or combining information for several companies or business units. Used for reports or inquiries.

consolidation reporting. The process of combining financial statements for companies or business units so that the different entities can be represented by a single balance sheet or income statement. If the different entities operate in different currencies, consolidation reporting may be complicated by the need for currency restatement. See also *currency restatement*.

constants. Parameters or codes that rarely change. The computer uses constants to standardize information processing by an associated system. Some examples of constants are allowing or disallowing out-of-balance postings and having the system perform currency conversions on all

amounts. After you set constants such as these, the system follows these rules until you change the constants.

contra/clearing account. A G/L account used by the system to offset (balance) journal entries. For example, you can use a contra/clearing account to balance the entries created by allocations.

cost allocations. A procedure used to allocate or distribute expenses, budgets, adjustments, and so on among business units, based on actual numbers.

cost center. See *business unit*.

credit message. A code used to display information about a customer's account status, such as "Over Credit Limit."

credit note reimbursement. A system generated form to reclassify a credit memo or unapplied cash record from the Accounts Receivable system to an open voucher in the Accounts Payable system.

cursor. The blinking underscore or rectangle on your form that indicates where the next keystroke will appear.

currency code. A code used to assign a currency to a customer, supplier, bank account, company, or ledger type.

currency restatement. The process of converting amounts from one currency into another currency, generally for reporting purposes. It can be used, for example, when many currencies must be restated into a single currency for consolidated reporting.

cursor sensitive help. J.D. Edwards online help function, which allows you to view a description of a field, an explanation of its purpose, and, when applicable, a list of the valid codes you can enter. To access this information, move the cursor to the field and press F1.

customer. An individual or organization that purchases goods and services.

customer ledger. The record of transactions between your company and a particular customer.

customer payment. See *receipt*.

data. Numbers, letters, or symbols representing facts, definitions, conditions, and situations, that a computer can read, write, and store.

database. A continuously updated collection of all information a system uses and stores. Databases make it possible to create, store, index, and cross-reference information online.

data dictionary. A database table consisting of the definitions, structures, and guidelines for the usage of fields, messages, and help text. The data dictionary table does not contain the actual data itself. Also known as a *glossary*.

data types. Supplemental information, attached to a company or business unit. Narrative type contains free-form text. Code type contains dates, amounts, and so on.

date pattern. A period of time set for each period in standard and 52-period accounting.

debit statement. A list of debit balances.

default. A code, number, or parameter the system supplies when you do not enter one. For example, if an input field's default is N and you do not enter something in that field, the system supplies an N.

descriptive title. See *user defined code*.

detail. The individual pieces of information and data that make up a record or transaction. Contrast with *summary*.

display. To cause the computer to show information on a form.

display field. A field of information on a form that contains a system-provided code or parameter that you cannot change. Contrast with *input field*.

display sequence. A number that the system uses to reorder a group of records on the form.

document number. A number that identifies the original document, such as voucher, invoice, unapplied receipt, journal entry, and so on.

draft. A promise to pay a debt. Drafts are legal payment instruments in certain European countries.

DREAM Writer. Data Record Extraction And Management Writer. A flexible data manipulator and cataloging tool. You use this tool to select and sequence the data that is to appear on a programmed report.

DSO. Days Sales Outstanding.

edit. (1) To make changes to a table by adding, changing, or removing information. (2) The program function of highlighting fields into which you have entered inadequate or incorrect data.

effective date. The date upon which an address, item, transaction, or table becomes effective. Examples include the date a change in address becomes effective or the date a tax rate becomes effective. In the Address Book system, effective dates allow you to track past and future addresses for suppliers and customers.

Electronic Data Interchange . (EDI). A method of transferring business documents, such as purchase orders, invoices, and shipping notices, between computers of independent organizations electronically.

Electronic Funds Transfer. (EFT). A method of transferring funds from one company's bank account to that of another company.

execute. See *run*.

exit. (1) To interrupt or leave a computer program by pressing a specific key or a sequence of keys. (2) An option or function key displayed on a form that allows you to access another form.

expedient method. See *A/P Ledger method*.

facility. A collection of computer language statements or programs that provides a specialized function throughout a system or throughout all integrated systems. Examples include DREAM Writer and FASTR.

fast path method. See *A/P Ledger method*.

FASTR. Financial Analysis Spreadsheet Tool and Report Writer. A report writer that allows you to design your own report specifications using the general ledger database.

field. (1) An area on a form that represents a particular type of information, such as name, document type, or amount. Fields that you can enter data into are designated with underscores. See *input field* and *display field*. (2) A defined area within a record that contains a specific piece of information. For example, a supplier record consists of the fields Supplier Name, Address, and Telephone Number. The Supplier Name field contains just the name of the supplier.

52 period accounting. A method of accounting that uses each week as a separate accounting period.

finance charge. An amount charged to a customer based on a percentage assessed on an unpaid invoice exceeding the grace period.

financial reporting date. The user defined date used by the system when you run financial reports.

fiscal year. A company's tax reporting year. Retained earnings are generally calculated at the end of a fiscal year. It is often different than a calendar year. For example, a fiscal year may be the period October 1 through September 30.

flash message. A code that you define to describe the credit status of a customer. Examples include over credit limit, COD only, bad credit risk, and requires a purchase order.

fold area. An area of a form, accessed by pressing F4, that displays additional information associated with the records or data items displayed on the form.

form. A specific set of fields and information. Also known as a *screen*.

function. A separate feature within a facility that allows you to perform a specific task, for example, the field help function.

function key. A key you press to perform a system operation or action. For example, you press F4 to have the system display the fold area of a form.

functional server. A central system location for standard business rules about entering documents such as vouchers, invoices, and journal entries. Functional servers ensure uniform processing according to guidelines you establish.

general ledger receipt. (G type) A receipt that is directly applied to a G/L account without being applied to a specific invoice. These are typically non-A/R receipts. For example, an insurance reimbursement.

glossary. See *data dictionary*.

G/L method. One of the two methods J.D. Edwards provides to process 1099 tax reporting forms. Using this method, you produce 1099s from data stored in the Account Ledger table (F0911). Also called the *tough/right method*.

G/L offset. An account used by the post program to create automatic offset entries.

G/L posted code. A system code that indicates the status of individual documents. For example, P indicates that a voucher or an invoice has been posted.

Goods Services and Taxes. (GST). A tax assessed in Canada.

hard copy. A presentation of computer information printed on paper. Synonymous with *printout*.

hash total. A sum produced by numbers with different meanings. For example, adding amounts in different currencies.

header. Information at the beginning of a table. This information is used to identify or provide control information for the group of records that follows.

help instructions. Online documentation or explanations of fields that you access by pressing the Help key or by pressing F1 with your cursor in a particular field.

helps. See *help instructions*.

hidden selections. Menu selections you cannot see until you enter HS in a menu's Selection field. Although you cannot see these selections, they are available from any menu. They include such items as Display Submitted Jobs (33), Display User Job Queue (42), and Display User Print Queue (43). The Hidden Selections window displays three categories of selections: user tools, operator tools, and programmer tools.

indexed allocations. A procedure used to allocate or distribute expenses, budgets, adjustments, and so on, among business units, based on a fixed percentage.

input. Information you enter in the input fields on a form or that the computer enters from other programs, then edits and stores in tables.

input field. An area on a form, where you type data, values, or characters. A field represents a specific type of information, such as name, document type, or amount. Contrast with *display field*.

install system code. The code that identifies a J.D. Edwards system. Examples are 01 for the Address Book system, 04 for the Accounts Payable system, and 09 for the General Accounting system.

integrity test. A process used to supplement a company's internal balancing procedures by locating and reporting balancing problems and data inconsistencies.

interactive processing. A job the computer performs in response to commands you enter from a terminal. During interactive processing, you are in direct communication with the computer, and it might prompt you for additional information during the processing of your request. See *online*. Contrast with *batch processing*.

interest invoice. An invoice calculated on paid invoices whose payment was received after the specified due dates.

interest rate computation code. A code used to define the rates and effective dates used for calculating interest charges.

interface. A link between two or more J.D. Edwards systems that allows the systems to send information to and receive information from one another.

invalid account. A G/L account that has not been set up in the Account Master table (F0901).

invoice match. A receipt application method where the receipt is applied to specific invoices. A discount can be allowed or disallowed using invoice match.

jargon. A J.D. Edwards term for system-specific help text. You base your help text on a specific reporting code you designate in the Data Dictionary Glossary. You can display this text as part of online help.

job. A single identifiable set of processing actions you tell the computer to perform. You start jobs by choosing menu selections, entering commands, or pressing designated function keys. An example of a computer job is payment printing in the Accounts Payable system.

job queue. A form that lists the batch jobs you and others have told the computer to process. When the computer completes a job, the system removes the job's identifier from the list.

justify. To shift information you enter in an input field to the right or left side of the field. Many of the facilities within J.D. Edwards systems justify information. The system does this only after you press Enter.

key field. A field common to each record in a table. The system uses the key field designated by the program to organize and retrieve information from the table.

language preference. An address book code used to specify a language to use when displaying information.

leading zeros. A series of zeros that certain facilities in J.D. Edwards systems place in front of a value you enter. This normally occurs when you enter a value that is smaller than the specified length of the field. For example, if you enter 4567 in a field that accommodates eight numbers, the facility places four zeros in front of the four numbers you enter. The result appears as 00004567.

ledger type. A ledger used by the system for a particular purpose. For example, all transactions are recorded in the AA (actual amounts) ledger type in their domestic currency. The same transactions may also be stored in the CA (foreign currency) ledger type. Also known as a *ledger*.

level of detail. (1) The degree of difficulty of a menu in J.D. Edwards software. The levels of detail for menus are as follows:

- A=Major Product Directories
- B=Product Groups
- 1=Basic Operations
- 2=Intermediate Operations
- 3=Advanced Operations
- 4=Computer Operations
- 5=Programmers
- 6=Advanced Programmers

Also known as *menu levels*. (2) The degree to which account information in the General Accounting system is summarized. The highest level of detail is 1 (least detailed) and the lowest level of detail is 9 (most detailed).

logged vouchers. See *voucher logging*.

mail distribution list. A list of people to whom you send electronic mail messages. This list enables you to quickly send notices, instructions, or requests to a predefined group of people.

master table. A computer table that a system uses to store data and information which is permanent and necessary to the system's operation. Master tables might contain data or information such as paid tax amounts and supplier names and addresses.

matching document. A document associated with an original document to complete or change a transaction. For example, a receipt is the matching document of an invoice.

menu. A form that displays numbered selections. Each of these selections represents a program. To access a selection from a menu, type the selection number and then press Enter.

menu levels. See *level of detail*.

menu masking. A security feature of J.D. Edwards systems that lets you prevent individual users from accessing specified menus or menu selections. The system does not display the menus or menu selections to unauthorized users.

menu message. Text that appears on a form after you make a menu selection. It displays a warning, caution, or information about the requested selection.

mode. A code that specifies whether amounts are in the domestic currency of the company the invoices or vouchers are associated with or in the foreign currency of the transaction.

monetary account. (1) In common usage, any funds account. (2) In J.D. Edwards more specific usage, a bank account limited to transactions in a single currency.

multiple AAI revisions. The process of revising several automatic accounting instructions at one time.

next number facility. A J.D. Edwards software facility you use to control the automatic numbering of such items as new G/L accounts, vouchers, and addresses. It lets you specify your desired numbering system and provides a method to increment numbers to reduce transposition and typing errors.

next status. The next step in the payment process for payment control groups. The next status can be either WRT (write) or UPD (update).

NSF receipt. Non-sufficient funds. A way to designate that a customer's bank account does not have sufficient funds available to pay the receipt. Designating a receipt as NSF reverses (deletes) the receipt and reopens the amount of the associated invoice.

numeric character. Represents data using the numbers 0 through 9. Contrast with *alphabetic character* and *alphanumeric character*.

offline. Computer functions that are not under the continuous control of the system. For example, if you run a certain job on a personal computer and then transfer the results to a host computer, that job is considered an offline function. Contrast with *online*.

online. Computer functions over which the system has continuous control. Each time you work with a J.D. Edwards system-provided form, you are online with the system. Contrast with *offline*. See *interactive processing*.

online information. Information the system retrieves, usually at your request, and immediately displays on the form. This information includes items such as database information, documentation, and messages.

operand. See *Boolean logic operand*.

option. A numbered selection from a J.D. Edwards form that performs a particular function or task. To select an option, you enter its number in the Option field next to the item you want the function performed on. When available, for example, option 4 allows you to return to a prior form with a value from the current form.

original document. The document that initiates a transaction in the system.

output. Information the computer transfers from internal storage to an external device, such as a printer or a computer form.

output queue. A form that lists the spooled tables (reports) you have told the computer to write to an output device, such as a printer. After the computer writes a table, the system removes that table's identifier from the online list.

override. The process of entering a code or parameter other than the one provided by the system. Many J.D. Edwards systems offer forms that provide default field values when they appear. By typing a new value over the default code, you can *override* the default. See *default*.

P&L. Profit and loss statement.

parameter. A number, code, or character string you specify in association with a command or program. The computer uses parameters as additional input or to control the actions of the command or program.

parent/child relationship. A hierarchical relationship among your addresses (suppliers, customers, or prospects). One address is the parent and one or more subordinate addresses are children for that parent. This relationship is helpful, for example, when you want to send billing for field offices (subsidiary companies) to the corporate headquarters.

password. A unique group of characters that you enter when you sign on to the system that the computer uses to identify you as a valid user.

pay item. A line item in a voucher or an invoice.

pay status. The current condition of the payment or receipt, such as paid or payment-in-process.

payment. The system creates payments when you use the Create Payment Groups program. It is important to understand that payments can exist before you write them.

payment group. A system-generated group of payments with similar information (such as bank account). The system processes all payments in a payment group at the same time.

payment instrument. The method of payment, such as check, draft, EFT, and so on.

payment stub. The printed record of a payment.

payment terms. The amount of time allowed to pay a voucher or an invoice, with or without a discount.

posted code. A code that indicates whether a transaction or batch has been posted.

pre-note code. A code that indicates whether a supplier is set up or in the process of being set up for electronic funds transfer (EFT).

printout. A presentation of computer information printed on paper. Synonymous with *hard copy*.

print queue. An online list (form) of written tables that you have told the computer to print. Once the computer prints the table, the system removes the table's identifier from the online list. See *output queue*.

processing options. A feature of the J.D. Edwards DREAM Writer that allows you to supply parameters to direct the functions of a program. For example, processing options allow you to specify defaults for certain form displays, control the format in which information gets printed on reports, change the way a form displays information, and enter "as of" dates.

program. A collection of computer statements that tells the computer to perform a specific task or group of tasks.

program specific help text. Glossary text that describes the function of a field within the context of the program.

prompt. (1) A reminder or request for information displayed by the system. When a prompt appears, you must respond in order to proceed. (2) A list of codes or parameters or a request for information provided by the system as a reminder of the type of information you should enter or action you should take.

pseudo company. A fictitious company used in consolidations.

PST. Provincial sales tax. A tax assessed by individual provinces in Canada.

purge. The process of removing records or data from a system table.

rate type. For currency exchange transactions, the rate type distinguishes different types of exchange rates. For example, you may use both period average and period-end rates, distinguishing them by rate type.

realized gain/loss. Currency gains and losses are incurred due to fluctuating currency exchange rates. A gain/loss is realized when you pay the invoice or voucher. See also *unrealized gain/loss*.

receipt. The payment your company receives from a customer.

record. A collection of related, consecutive fields of data the system treats as a single unit of information. For example, a supplier record consists of information such as the supplier's name, address, and telephone number.

recurring frequency. The cycle in which a recurring voucher or invoice becomes due for payment, for example, monthly or quarterly.

recurring invoice. An invoice that becomes due for payment on a regular cycle, such as a lease payment.

recurring voucher. A voucher that comes due for payment on a regular cycle, such as a lease payment.

recycle. A process used to create the next cycle (for example, next month's) of recurring invoices or vouchers.

refresh. A process used to update a customer's credit and collection information, such as Credit Analysis Refresh.

reporting code. See *category code*.

reset. The process of changing a payment from a completed status to a next status of WRT (write). This allows you to correct or reprint payments.

reverse. A method used to automatically create an opposite entry at the time the original transaction is posted to the general ledger.

reverse image. Form text that displays in the opposite color combination of characters and background from what the form typically displays (for example, black on green instead of green on black).

routing/transit number. A number that uniquely identifies U.S. banks. This number is assigned by the Federal Reserve Board and consists of two parts: a routing number and a transit number.

run. To cause the computer to perform a routine, process a batch of transactions, or carry out computer program instructions.

scroll. To use the roll keys to move form information up or down a form at a time. When you press the Rollup key, for instance, the system replaces the currently displayed text with the next form of text if more text is available.

selection. Found on J.D. Edwards menus, selections represent functions that you can access from a given menu. To make a selection, you type its associated number in the Selection field and press Enter.

self-reconciling item. An item that does not require reconciliation.

sequence review ID. Defines the order in which payments print in a payment group. Each sequence review ID has its own data sequence and a code that indicates whether the system sorts each data item in ascending or descending order.

single AAI revision. The process of revising one automatic accounting instruction at a time.

soft coding. A J.D. Edwards term that describes an entire group of features that allows you to customize and adapt J.D. Edwards software to your business environment. These features lessen the need for you to use computer programmers when your data processing needs change.

software. The operating system and application programs that tell the computer how and what tasks to perform.

special character. Representation of data in symbols that are neither letters nor numbers. Some examples are *, &, and #.

special period/year. The date used to determine the *source* balances for an allocation.

speed code. A user defined code that represents a G/L account number. Speed codes can be used to simplify data entry by making G/L accounts easier to remember

spool. The function by which the system puts generated output into a storage area to await printing and processing.

spooled table. A holding table for output data waiting to be printed or input data waiting to be processed.

spread. A payables and receipt application method used to distribute and apply an unapplied voucher, receipt, debit memo, or credit memo to open vouchers or invoices.

Standard Industry Classification (SIC). A code the U.S. government developed to classify U.S. companies as to their economic activity. Examples include agricultural services (0100), wholesale trade (5000), and services (7000).

stop date. The date an allocation becomes inactive.

structure type. A code that identifies a type of organization structure with its own hierarchy in the Address Book system.

subtable. An area on the form where the system displays detailed information related to the header information at the top of the form. Subtables might contain more information than the form can display in the subtable area. If so, use the roll keys to display the next form of information. See *scroll*.

submit. See *run*.

supplemental data. Additional information about a business unit not contained in the master tables.

supplier. An individual or organization that provides goods and services. Also called a *vendor*.

supplier ledger. The record of transactions between your company and a particular supplier.

supplier payment. The payment your company makes to a supplier.

summary. The presentation of data or information in a cumulative or totaled manner in which most of the details have been removed. Many of the J.D. Edwards systems offer forms and reports that are summaries of the information stored in certain tables.

system. A collection of computer programs that allows you to perform specific business tasks. Some examples of applications are Accounts Payable, Inventory, and Order Processing. Synonymous with *application*.

table. A collection of related data records organized for a specific use and electronically stored by the computer.

three-tier processing. The task of entering, approving, and posting batches of transactions.

third party software. Programs provided to J.D. Edwards clients by companies other than J.D. Edwards.

TI code. A code that identifies the type of receipt application, which directly affects the way the receipt is processed.

time log. An electronic mail method for tracking employees' time in the office. The time log lists when employees sign in, sign out, and employee remarks about their whereabouts and activities.

tolerance range. The amount by which taxes entered manually can vary from the system-calculated tax.

tough/right method. See *G/L method*.

transaction code. A code that distinguishes the type of transaction on a bank statement.

transit account. A G/L account used to hold funds until they can be allocated to the correct account.

translation adjustment account. An optional G/L account used in currency restatement to record the total adjustments at a company level.

unapplied receipt. A receipt that is applied to a customer's account balance instead of being matched to an invoice or group of invoices.

undo. To remove the payments from the payment run so that they no longer appear on any A/P payment review form. The system clears them from the worktable and moves vouchers from a pay status of # (payment in-process) to pay status A (approved).

unrealized gain/loss. Currency gains and losses are incurred due to fluctuating currency exchange rates. A gain/loss is unrealized until you pay the invoice or voucher. See also *realized gain/loss*.

update. For example, to add new payments and void payments to the A/P Ledger (F0411), Accounts Payable Matching Document (F0413), and Accounts Payable Matching Document Detail (F0414) tables. The system updates these tables during payment processing and prints the payment register.

user defined code. The individual codes you create and define within a user defined code type. Code types are used by programs to edit data and allow only defined codes. These codes might consist of a single character or a set of characters that represents a word, phrase, or definition. These characters can be alphabetic, alphanumeric, or numeric. For example, in the user defined code type list ST (Search Type), a few codes are C for Customers, E for Employees, and V for Suppliers.

user defined code (type). The identifier for a list of codes with a meaning you define for the system (for example, ST for the Search Type codes list in Address Book). J.D. Edwards systems provide a number of these lists and allow you to create and define lists of your own.

user identification (user ID). The unique name you enter when you sign on to a J.D. Edwards system to identify yourself to the system. This ID can be up to 10 characters long and can consist of alphabetic, alphanumeric, and numeric characters.

valid codes. The allowed codes, amounts, or types of data that you can enter in a specific input field. The system checks, or edits, user defined code fields for accuracy against the list of valid codes.

variable numerator allocations. A procedure used to allocate or distribute expenses, budgets, adjustments, and so on, among business units, based on a variable.

VAT. Value-added tax. A recoverable tax assessed in some countries.

vendor. See *supplier*.

video. The display of information on your monitor form. Normally referred to as the *form*.

vocabulary overrides. A J.D. Edwards facility that lets you to override field, row, or column title text on a form-by-form or report-by-report basis.

void. A method used to create a reversing entry of the original transaction. Voiding a transaction leaves an audit trail.

voucher logging. The process of entering vouchers without distributing amounts to specific G/L accounts. The system initially distributes the total amount of each voucher to a G/L suspense account, where it is held until you redistribute it to the correct G/L account or accounts.

voucher match. A payment application method where the payment is applied to specific vouchers.

who's who. A term that J.D. Edwards uses to identify contacts at a particular company. Examples include billing, collections, and sales personnel.

window. A software feature that allows a part of your form to function as if it were a form in itself. Windows serve a dedicated purpose within a facility, such as searching for a specific valid code for a field.

word search stop word. A common word that the query search in the Address Book system ignores. Examples include street or avenue.

worked. A code used to indicate whether a customer's account has been reviewed and updated. For example, you "work" an account by changing a customer's credit limit or customers who are eligible for a credit review.

write-off. A receipt application method where the receipt is applied to the invoice and the difference is written off. You can "write-off" both overpayments and underpayments.

write payment. A step in processing payments. Writing payments includes printing checks, drafts, and creating a bank tape table.

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