BUSINESS BLUEPRINT

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1 OVERVIEW

1.1. Document Scope

Our project configures the SAP Sales and Distributions (SAP SD) module with the topic "Exchange Rate in Billing Documents." The two main processes are the stock sales and return processes.

Objectives: to provide a clear explanation of the role of exchange rates in billing documents and demonstrate the essential importance of accurate exchange rate management in ensuring the accuracy of transactions and financial reporting.

Target audiences: customers, users, analysts, or other stakeholders who require an in-depth understanding of how exchange rates in sales and return processes are handled in SAP SD.

Scope and requirements:

- Research exchange rate behavior: analyze how exchange rates are handled in standard sales processes.
- Set editable fields in the billing document: configure the billing document to allow specific fields related to exchange rates to be editable.
- Ensure consistency when posting journal entries by verifying that the exchange rate used in billing documents is accurately reflected in journal entries.

1.2. Glossary

Term	Definition
SD (Sales and Distribution)	is a document that captures a customer's interest in a company's products or services with the option to buy.
XML (eXtensible Markup Language)	is a markup language for encoding and organizing data in a machine- and human-readable way.
EDI (Electronic Data Interchange)	is the intercompany communication of business documents in a standard format.
FOB (Free-on-board)	is a shipment term in which the seller must clear the goods for export and deliver when the goods pass the ship's rail at the agreed port. This term is only used for water transportation, either sea or inland water.

Term	Definition
CIF (Cost, Insurance, and Freight)	is a shipment term in which the seller clears the goods at the origin, places the cargo on board, and pays for insurance until the port of discharge at the minimum coverage. Even though the seller pays for insurance during the main carriage, the risk is transferred to the buyer at the time the goods are on board. The term is used for ocean and inland waterway transportation only.
EXW (Ex Works)	is a shipment term in which the seller is responsible for placing the goods at the disposal of the buyer at the seller's facilities or any other named place. The named place can be other than the seller's premises. Delivery occurs when goods are placed for the buyer's disposal without necessarily being loaded.
DPU (Delivery at Place)	is a shipment term in which the seller is responsible for moving the goods from the origin until their delivery at the disposal place agreed to be unloaded at the destination. The seller bears the risk until the delivery of the goods to the named place and should get a contract of carriage that matches the contract of sale until the agreed delivery point. This term can be used for any mode of transportation. The seller must be confident to arrange the unloading of goods at the named place.

1.3. Flow chart shapes usage

Department	SAP step	Data
	Manual step	Condition
	Sub process	Document
	Start/ End	Relation line
	Reference	Link to document
	External data	

2 ORGANIZATIONAL STRUCTURE

2.1. Sales Organization

The sales organization is a logistics unit that structures the company according to its sales requirements. It sells and distributes products and services, negotiates terms of sale, and is responsible for sales transactions.

The following Sales Organization table will be created for this project:

Sales Organization	Description
FU24	FPT Software

2.2. Distribution Channel

The distribution channel represents the channel through which materials, products, or services reach customers.

The following Distribution Channel table will be created for this project:

Distribution Channel	Description
FU	SD Wholesale

FPT Software has been divided into 1 channel, SD Wholesale. It is a major channel through which goods are supplied to customers.

2.3. Division

A division is a group that can be defined for a range of products.

The following Division table will be created for this project:

Division	Description
FD	DNCT
FS	HNCT
FH	HCMC

FPT Software has been divided into 3 divisions: DNCT, HNCT, and HCMC.

2.4. Sales Area

A sale area is the combination of Sales Organization, Distribution Channel, and Division.

The following Sales Area tables will be created for this project:

Sales Organization	Description	Distribution Channel	Description	Division	Description
FU24	FPT Software	FU	FPT Software	FD	DNCT
				FH	HCMC
				FS	HNCT

2.5. Sales Office

A sales office is an organizational unit in a geographical area of a sales organization.

The following Sales Office table will be created for this project:

Sales Offices	Description
FU01	Ho Chi Minh S.O
FU02	Ha Noi S.O
FU03	Da Nang S.O

2.6. Plant

A plant is an organizational unit within logistics that subdivides an enterprise from the viewpoints of production, procurement, plant maintenance, and materials planning.

The following Plant table will be created for this project:

Plant	Description
FU24	FPT University
FU25	FPT Software

2.7. Shipping Point

The shipping point is the top level in the organization for shipping. Delivery is always initiated from exactly one shipping point; thus, all delivery items and groups of deliveries also belong to exactly one.

The following Shipping Point table will be created for this project:

Shipping Point	Description
FU24	FPT Shipping Point

2.8. Storage Location

Storage location is a physical location within a plant where the materials are stored and managed.

The following Storage Location table will be created for this project:

Plant	Storage Location	Description
FU24	FG01	Finish Goods
	RM01	Raw Material
	TG01	Trading Goods
	SF01	Semi-Finished
FU25	FG02	Finish Goods
	RM02	Raw Material
	TG02	Trading Goods
	SF02	Semi-Finished

3   MASTER DATA

3.1. Customer Master Data

Customer master data contains all the information necessary for processing orders, deliveries, invoices, and customer payments, which is the basis for all sales and financial-related transactions. Every customer must have a master record in the system. Customer master data is created by sales area (sales organization, distribution channel, and division). This information is divided into 3 areas: general data, company code, and sales area. Additionally, in customer master data, some fields exist, such as incoterms, tax classification, and partner functions.

3.1.1. Incoterms

Some incoterm types are used to trade with customers in our project, as shown in the table below:

Incoterms	Description
FOB	Free-on-board
CIF	Cost, Insurance, and Freight
DDP	Delivery Duty Paid
EXW	Ex Works
DPU	Delivery at Place

3.1.2. Tax Classification

The tax classification that will be used in this project is shown in the table below:

Tax Category	Tax Classification	Description
UTXJ	0	Exempt
UTXJ	1	Taxable
UTX2	0	Exempt
UTX2	1	Taxable
UTX3	0	Exempt
UTX3	1	Taxable
MWST	0	No tax
MWST	1	Full tax

3.1.3. Partner Functions

Some types of partner functions will be shown in the table below:

Partner Functions	Description
AG	Sold-To Party
WE	Ship-to Party
RE	Bill-to Party
RG	Payer

3.2. Material Master Data

Material master data contains all the information a company needs to manage material, and material master data is stored in functional segments called "Views". It includes some elements such as basic data, sales data, purchasing data, material planning data, storage data, quality data, accounting data, and controlling data. This information is divided into 3 areas: general data, sales data, and storage location. Moreover, there are some fields in Material Master Data such as tax category, tax classification, account assignment group, transportation group, and loading group.

In our project, the demo material we chose is the Off-Road Helmets-OHMT2007.

3.2.1. Tax Category

Some tax categories are shown in the table below:

Tax Category	Tax Classification	Description
UTXJ	0	Exempt
	1	Taxable
UTX2	0	Exempt
	1	Taxable
UTX3	0	Exempt
	1	Taxable
MWST	0	No tax
	1	Full tax

3.2.2. Account Assignment Group

An account assignment group, which our team uses, is shown in the table below:

Account Assignment Group	Description
01	Trading Goods

3.2.3. Transportation Group

A transportation group is shown in the table below:

Transportation Group	Description
0001	On Pallets

3.2.4. Loading Group

A loading group is shown in the table below:

Loading Group	Description
0001	Crane

4　CONFIGURATION PARAMETER

4.1. Pricing Procedure

Pricing procedures determine the price of goods and services. The system calculates the document price by considering the condition types when processing sales documents. Each pricing procedure in SAP consists of its own set of condition types to determine the prices of goods and services for the respective customer categories. The SAP system determines the pricing procedure based on customer master data, sales data, and sales documents. It includes some pricing condition types, as shown in the table below.

4.1.1. Pricing Condition Types

Pricing Conditions Types	Description
ZPR7	Base Price 7
K004	Material Group
RA00	% Discount from Net
HD00	Freight
MWST	Output Tax
SKTO	Cash Discount

4.1.2. Pricing Procedure Types

Pricing Procedure	Description
ZRVAA7	Standard

ZRVAA7				
Step	**Counter**	**Condition Type**	**Description**	**Account Key**
11	0	ZPR7	Base Price 7	ERL
105	0	K004	Material Group	ERS
110	2	RA00	% Discount from Net	ERS
810	3	HD00	Freight	ERF
915	0	MWST	Output Tax	MWS
930	0	SKTO	Cash Discount	

4.2. Sales Document Types

Sales document types are templates that define the processing of various sales transactions. They determine the kind of sale, such as standard orders, inquiries, quotations, and returns. Some sales document types are shown in the table below:

Sales Documents Types	Description
ZIN7	Inquiry 7
ZQT7	Quotation 7
ZOR7	Standard Sale Order 7
ZRE7	Returns 7

4.3. Schedule Line Categories

SAP System only copies those items of sales documents that have schedule lines. Schedule lines contain all the delivery-related information, such as delivery dates and quantities, and information about the requirements transfer and inventory management. Some schedule line categories are shown in the table below:

Schedule Line Categories	Description
ZC	MRP Group 7
ZD	Returns Group 7

4.4. Delivery Types

Some delivery types are shown in the table below:

Delivery Types	Description
LF	Outbound Delivery
LR	Returns Delivery

4.5. Billing Types

Some billing types are shown in the table below:

Billing Types	Description
ZF2	Invoice
RE	Credit for Returns

4.6. Item Categories

An organization segregates goods and services into categories: price, standard items, discounts, etc. These categories under which items are placed are called item categories. Some item categories are shown in the table below:

| Item Categories	Description
ZTA7	Standard Item
ZRE7	Standard Item

4.7. Exchange Rate Types

Exchange rate types allow different exchange rates for different purposes for the same pair of currencies, such as one exchange rate for operational transactions and another for planning. Some exchange rate types are shown in the table below:

Exchange Rate Types	Description
ZM1	Standard translation at avg. r in Asean
ZM2	Standard translation at avg. r in USA

5 PROCESS FLOW

5.1. Stock Sales Process

The Stock Sales process starts with an Inquiry followed by a Quotation. These 2 steps are optional and mostly kept outside SAP. The next step is to Create Sales Order upon receiving confirmation from the customer for placing the Sales Order. Once the Material is ready for Delivery, a delivery document is created based on Sales Order. Delivery consists of a few steps, like picking, and the goods officially leaving the warehouse when Post Goods Issue (PGI) is done in the system. The impact of PGI is that it reduces the valuation and quantity of stock. After delivery, an invoice is generated and sent to the customer, detailing the products delivered and the total amount due.

5.1.1. Stock Sales Flow Chart
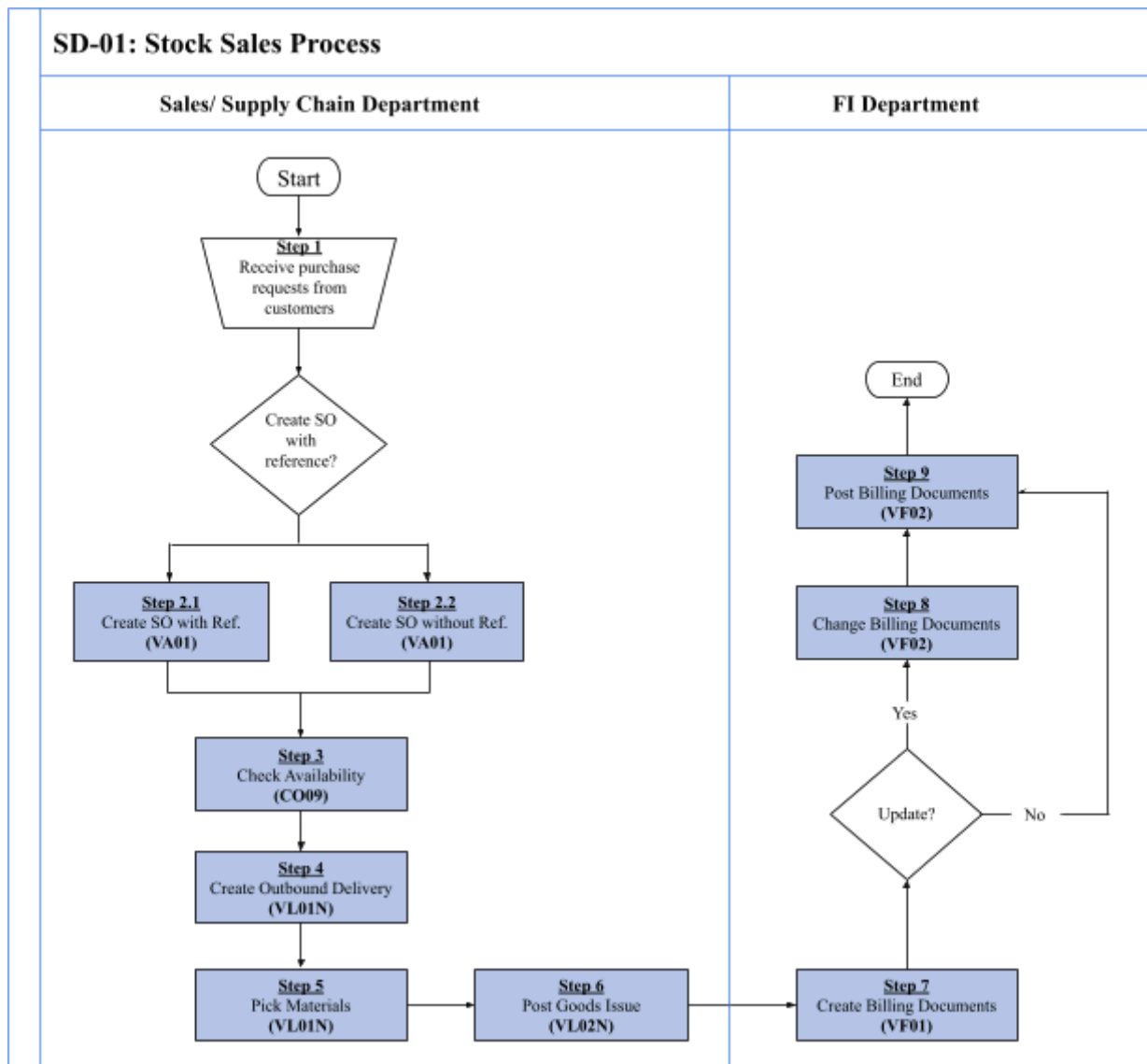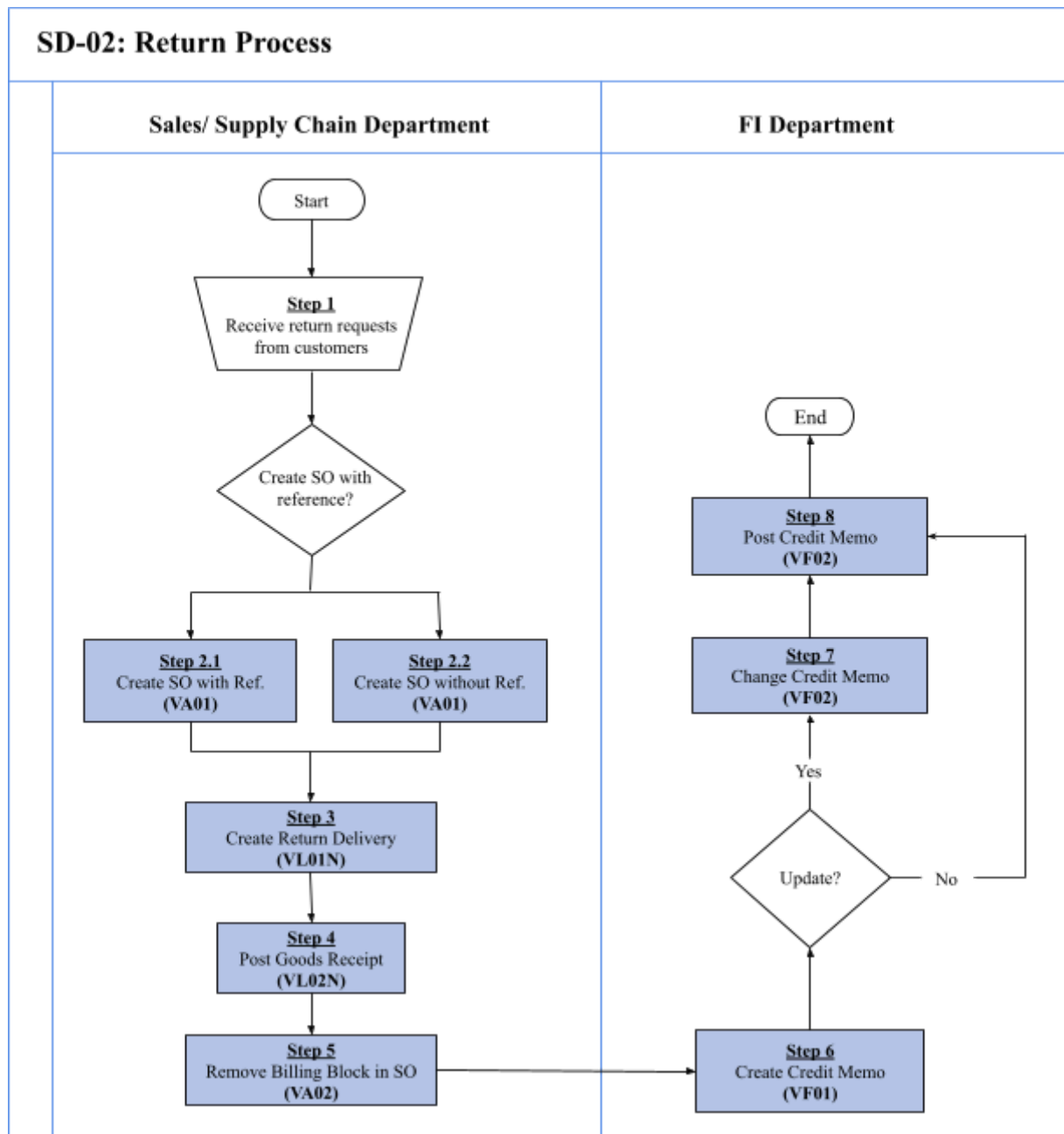
5.1.2. Stock Sales Process Description

Step	Step Name	Detailed Description	Role
1	Receive purchase requests from customers	Sales Accountants receive purchase requests for products or services from customers.	Sales
2.1	Create SO with Reference	Sales Accountant creates SO in SAP regarding another document (if any).	Sales
2.2	Create SO without Reference	Sales Accountant creates SO in SAP without reference to any related document.	Sales
3	Check Availability	Verifying the availability of products or services based on inventory levels and production capacity.	Sales
4	Create Outbound Delivery	Creating a delivery document to ship the goods to the customer.	Sales
5	Pick Materials	Physically selecting the products from the warehouse based on the delivery document.	Sales
6	Post Goods Issue	Recording the removal of goods from inventory.	Sales
7	Create Billing Documents	Creating a bill for the customer after delivering goods or services successfully to customers.	FI
8	Change Billing Documents	Change the exchange rate or billing date in the created Billing Document.	FI
9	Post Billing Documents	Post an invoice in the system to recognize sales or service revenue.	FI

5.2. Return Process

The Return Process begins when a customer submits a request to return goods. After evaluating the request, the business decides whether to accept or reject it. If accepted, a sales order return is created in the system to track the return. A delivery document is then generated to manage the physical return of the items, followed by the posting of a goods receipt to update inventory with the

returned products. Finally, a credit is created to adjust the customer's account, either issuing a refund or credit for the returned items. This process ensures proper coordination between sales, logistics, and finance departments for efficient handling of returns.

5.2.1. Return Flow Chart

5.2.2. Return Process Description

Step	Step Name	Detailed Description	Role
1	Receive return requests from customers	The customer submits a request to return a product or service.	Sales
2.1	Create SO with reference	Sales Accountant creates SO in SAP regarding another document (if any).	Sales
2.2	Create SO without reference	Sales Accountant creates SO in SAP without reference to any related document.	Sales
3	Create Return Delivery	Create a delivery document to receive returned goods to the warehouse.	Sales
4	Post Goods Receipt	Sales Accountant creates and posts goods receipts for returned goods.	Sales
5	Remove Billing Block in SO	Sales Accountant removes billing block in SO at item level.	Sales
6	Create Credit Memo	Create a credit memo for the customer who returns goods.	FI
7	Change Credit Memo	Change the exchange rate or billing date in the created credit memo.	FI
8	Post Credit Memo	The FI department posts credit memos to adjust billing and customer accounts.	FI