IMPLEMENTATION GUIDE

USER GUIDE

Acumatica ERP 5.1

Acumatica

Contents

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Acumatica ERP Implementation Guide

This document is designed to assist you in setting up a new company by using Acumatica ERP.

Before implementing Acumatica ERP, you will find it helpful to become familiar with the functionality of the modules to be implemented. Detailed descriptions of each module's forms, as well as its key features and options, can be found in the chapter of the *Acumatica ERP User Guide* related to the particular module.

Setting up a new company can be a challenging task. Different approaches, described below, can be used to tackle this task.

Also, this article includes information about the structure of this guide.

Different Approaches to Setting Up a New Company

The following table presents different approaches to setting up a new company with their respective advantages and drawbacks. Thoroughly analyze each approach and select the one that best suites your requirements.

Approach Type	Description
Ad Hoc Approach	In day-to-day operations, a company may encounter a circumstance that requires changes in system configuration. For example, the company might agree to new credit terms with a customer. These terms would have to be set up in Acumatica ERP, even though the complete system is already configured and running. A similar approach can be used during implementation, whereby you jump into the project with little preparation and implement modules as they seem to be needed. For example, while you're creating a customer master record in Accounts Receivable, you discover that the needed payment terms are not defined yet, so you immediately add their definition in the corresponding system module and then continue implementing Accounts Receivable. This approach involves little or no planning, but the effort "saved" on planning creates numerous problems. Missing or contradicting requirements may be encountered or recognized late in the implementation process, forcing you to redo the settings that have already been done. The project might quickly get out of hand, and implementation may have to be restarted from the beginning. Even if the company is small and you have a good understanding of its requirements, this is not a recommended approach.
Plan-All-Then-Do Approach	An opposite approach would involve first collecting and analyzing all information about the business without touching the system. When analysis is complete and all decisions are made, the system would be implemented in short order and the employees would then start using it. Although thorough and methodical, this approach has its drawbacks. Collecting and analyzing the data is a huge effort, requiring broad and deep knowledge of both Acumatica ERP and the company's business. Before using the product, company employees may not know Acumatica ERP well enough to properly do this. Besides, a company rarely can afford having its employees doing only implementation of a new system; usually they have to continue doing their daily jobs, which takes most of their time. An external consultant knows the system well and may be dedicated to implementation, but the consultant needs the help of company employees to learn about the business. Extending the

Approach Type	Description
	implementation time may lead to dissatisfaction of management, which in turn can raise costs and lower acceptance. Also, the business of smaller companies often changes quickly. The requirements can change before the full data analysis is complete, so that analysis may never end.
Middle-Path Approach	This Implementation Guide takes the middle approach, with data collected and analyzed in smaller "portions," closer to the point where it is needed. For instance, company registration information, the chart of accounts, and the subaccount structure are prepared as part of the General Ledger implementation, but taxes, credit terms, and supplier information are deferred until implementation of Accounts Payable.

The Structure of This Guide

This Implementation Guide contains articles about implementing the modules in Acumatica ERP. Each article is focused on the implementation of a particular module or capability, and most articles consist of four parts:

- **Preparation**: This part describes information to be collected, decisions to be made, and other considerations you should take into account before actually configuring the system. It also lists module prerequisites and dependencies.
- **Configuration**: This part describes the actual setting up of the module.
- **Initialization**: This part describes how to enter initial balances and history of the implemented module.
- **Special Topics**: This part describes optional configuration that is not necessarily part of implementation but should be done, for best results, before daily operations commence.

Note that some settings are defined once during implementation and not changed afterwards. Other settings can be changed or extended after live operation has started. This guide indicates, wherever possible, whether it is one-time setting or a part of ongoing maintenance, as well as which setting is compulsory and which setting is optional. Further, modules are listed in the order in which they are usually implemented. The suggested sequence is only partly mandatory. For example, the structure of segmented keys must be defined before subaccounts can be created, but accounts and subaccount can be created in any order; also, defining the batch numbering sequence is suggested as one of the first steps, but this can be done any time before the actual start of transaction entry.

Certain settings, though listed in an ordered sequence, are independent and can be maintained in parallel by multiple people. Use this opportunity to allocate the work and make implementation faster.

This guide contains the following chapters:

- ***Initial System Configuration***: This section addresses global system settings. Most configuration settings are so closely related to specific modules that they are only briefly mentioned here and discussed in detail in the relevant module. For example, defining segmented keys for subaccounts is done in the Implementing General Ledger section.
- ***Implementing General Ledger***: This chapter covers the implementation of the General Ledger module and related parts of other modules. General Ledger is the central module of accounting and logistics, and many of its settings affect the rest of the modules. Consider these dependencies when deciding on General Ledger configuration.
- ***Implementing Currency Management***: This chapter covers implementation of the Currency Management module, which lets you define multiple currencies. If all your customers and suppliers use the same currency as your company, you can skip this article and you do not need to implement this module.

- ***Implementing Cash Management***: This chapter describes implementation of the Cash Management module, which manages cash and bank accounts, cash transactions (including funds transfer), and bank statement reconciliation. The Cash Management module is integrated with the Accounts Payable and Accounts Receivable modules in the area of payment processing. The Cash Management module depends on the General Ledger module and can be implemented only after the General Ledger module.
- ***Implementing Accounts Payable***: This chapter describes implementation of the Accounts Payable module. The Accounts Payable module provides functionality for efficient management of the company's trade creditors, primarily for purchased goods and services.
- ***Implementing Taxes***: This chapter describes implementation and configuration of the Taxes module, which manages tax settings for sales and purchases, as well as reporting of the respective taxes to authorities.
- ***Implementing Accounts Receivable***: This chapter describes implementation of the Accounts Receivable module. The Accounts Receivable module provides functionality for efficient management of the company's trade debtors, primarily for sold goods and services.
- ***Implementing Inventory***: This chapter describes implementation of the Inventory module. The Inventory module provides functionality for efficient management of company's warehouses and stock.
- ***Implementing Purchase Orders***: This chapter describes implementation of the Purchasing Orders module. The module provides functionality for efficient management of company supply chain and optimization of the cost of acquiring materials or services.
- ***Implementing Sales Orders***: This chapter describes implementation of the Sales Orders module. The Sales Orders module incorporates the functionality required to manage sales-related activities, such as entering quotes, fulfilling sales orders, generating pick lists, creating shipments, and adding additional freight costs.
- ***Configuring Organization Structure***: This chapter describes implementation of organization structure using which your company can automate the processes of assigning work and calculating labor for contracts and customer.
- ***Implementing Projects***: This chapter describes implementation of the Projects module. The module supports and automates process of managing the company projects in areas of collection of project-related transactions as they are processed in various Acumatica ERP modules, allocation of costs, calculation of burdens, overheads, and billable amounts, project billing and reporting.

Initial System Configuration

This document describes the process of initial Acumatica ERP configuration.

Overview

This document is designed to guide you through setting up the initial security, authorization, and site management in Acumatica ERP.

In this section:

- ***Prerequisites and Dependencies***: Describes the modules you must set up and configure before completing the steps described in this section.
- ***Preparation***: Describes what data should be collected, arranged, and analyzed before you take action.
- ***Configuration***: Guides you through the actual configuration of the system.

This document does not include the **Initialization** section because no initialization is required.

Prerequisites and Dependencies

There are no prerequisites for initial system configuration.

Preparation

This section covers the planning and preparation that need to occur before you begin configuring any modules in Acumatica ERP. When you are ready to start initial system configuration, begin collecting and analyzing the necessary information. Complete the following steps before you actually start configuring the system.

As this is the preparation phase of implementation, *enter no data into the system at this time.*

Item	Description
Preliminary Decisions About BIZACCT	In Acumatica ERP, a segmented key is a system entity you use to define the structure of identifiers for objects in the system. During initial system setup, for each segmented key, you define the number, length, and type of each of its segments, as well as the list of values for each segment. Users then create object identifiers that use appropriate values for each segment of the segmented key. For additional information, see *Identifier Segmentation*. Using the *BIZACCT* segmented key, you define the structure of the account identifier to be used for your company and, directly or indirectly, for other business accounts. Because of the broad use of *BIZACCT*, you need to make decisions at this time about the structure of *BIZACCT*: how many characters it will be, how many segments it will have, how long each segment will be, what type each segment will be (one segment can be auto-numbering, for example), and what values each segment can contain. You also need to decide how *BIZACCT* will be used with regard to identifiers for vendors, customers, and employees. See *Business Accounts* for details on the possible approaches, which are listed below: • The *BIZACCT* segmented key can be used directly for vendor, customer, and employee account identifiers, all of which will share the same structure and the same possible segment values. If you

Item	Description
	have chosen this option, create lists of segment values for all possible identifiers. • You can configure specific *VENDOR*, *CUSTOMER* and *EMPLOYEE* keys that inherit the general structure of the *BIZACCT* key but can be discernibly different. If you have chosen this option, decide on the segment values you'll need for the company ID. Thus, before configuring the *BIZACCT* key, you need to plan its structure and possible segment values, taking into account whether and how you want the customer, vendor, and employee identifiers to differ.
Auto-Numbering Sequences	For each document and transaction in Acumatica ERP, the system automatically generates a number that serves as its identifier. Using the Common Settings module, you can use predefined auto-numbering sequences or configure custom sequences to determine those numbers. For additional information, see *Multiple Numbering Sequences*. Numbering sequences are used, for example, for invoices and bills, payments, and batches. If a segmented key is designed to have an auto-numbered segment, the segment draws its numbers from a numbering sequence too. To review the predefined numbering sequences, use the *Numbering Sequences* (CS.20.10.10) form. You can make changes to a predefined sequence, or create a new sequence. For a new sequence, decide on the following: • Whether it will contain sub-sequences with different start dates • Whether it will contain a prefix; if so, all the numbers involved as the sequence's parameters should be specified with a prefix You will set up other auto-numbering sequences when you implement each module that uses them.
Countries and States	Acumatica ERP is installed with a preloaded list of countries and, for certain countries, states or provinces. No action is required at this time, but you may want to review the lists and decide whether to make any additions or changes. You can review the lists on the *Countries/States* (CS.20.40.00) form. If no states or provinces are specified for a country in which your company has operations, research and specify the following: • The state or province's standard (commonly used) abbreviated name as its ID • Its full name • Whether tax registration is required in the state or province You will specify a mask and a regular expression for validation after the Taxes module is implemented.
Develop naming convention	Each user of Acumatica ERP must have a unique user name (also known as *login*). If you use Acumatica ERP strictly within the company's internal network, consider integration with Active Directory and using network logins as Acumatica ERP user names. When Acumatica ERP is integrated with Active Directory, domain users can sign in to Acumatica ERP using their domain logins and passwords, with password and user name policy set at the domain level. In case the integration with Active Directory is postponed for a later period, develop a convention for creating user names in Acumatica ERP for users

Item	Description
	who should access Acumatica ERP during initial stages of implementation. In case no integration is planned, such convention accommodates current employees as well as employees who will join the company in the future and any external users the company may have.

Prepare list of users	Prepare a list of individuals (employees and possibly external staff) who need to access and use the system through its implementation period.
	  During implementation, the company financial and operational information is imported into the system. Enabling user accounts for all possible users before roles are established and other security restrictions are configured poses a certain security risk. Configure integration with AD or create Acumatica ERP user accounts for employees and users not participating in the implementation stage just before live operations begin in Acumatica ERP.
	For each user participating in system implementation, indicate the following:
	• The name of the user.
	• The user name to be used to enter the system.
	• The email address of the user.
	• The initial password.
	• Password options. Decide whether to apply the following regulations for the user:
	  • Allow password recovery if the user provides an answer to a question maintained in his or her profile.
	  • Allow password changes. Standard security demands that users change their passwords regularly.
	  • Permit the user to have a never-expiring password. This option is normally cleared for all users.
	  • Force the user to change the password on the next login. This option is normally selected for new users.
	  • Activate the account.
	• The user's job responsibilities, which should be specific and task-oriented. Instead of just listing "Salesperson," note what the user does, such as creating invoices, generating statements, and collecting payments; sometimes employees with the same job title actually have different responsibilities. Users' responsibilities are used to define security roles.
	• Optionally, IP addresses from which the user may access the system.
	  **Active Directory Integration** When implementing Acumatica ERP, you can set up the integration with Active Directory. If it has not been done during installation, you can configure it at any time later. Integration is configured using the Web.config file. For details on configuring such integration, see *Integration with Active Directory and Azure Active Directory*.
	For more information, see *User Authentication and Authorization*.

Define security roles	Analyze responsibilities of individual users and define each set of closely related duties as a role.

Item	Description
	Avoid assigning each user an individual role. This approach robs you of the advantages of role-based security and, if you have more than a handful of users, causes major administrative overhead. A role is normally used by multiple users. If employees of the same department have similar responsibilities, they would have the same security roles (such as "accountant" or "salesperson"). Some users (generally "power" users) might have multiple roles, but avoid defining roles that are too narrow—assigned to one entry form, for example. For each identified role, plan the following: • Role name • Description • List of users • List of Acumatica ERP forms, transactions, and reports users with the role should access (or should be forbidden to access)  This access list should be only as detailed as needed: If a role is to grant access to all functionality of Accounts Payable, you can simply indicate "AP"; this grants access to all forms within the Accounts Payable module. Access inherited from module level can be revoked on a particular form. Users will have access to all forms of the module (due to access inherited from the module level), except any form for which access is revoked explicitly.  If access is revoked at the module level, it is revoked for all the module forms and cannot be overridden at the form level. If you want to grant access to only a few forms in a module, do not grant or revoke access at the module level. Instead, grant access directly to the forms. Access can be controlled not only for forms but also for individual elements and actions on forms. A data entry clerk role may be allowed to create Accounts Receivable invoices but forbidden to change the **Hold** check box on the invoice; users of this role, then, can create invoices, which somebody else has to review and approve for release. Defining such access can quickly become time-consuming. During implementation, define roles only at the module and form levels, and fine-tune the access after start of actual operations. In addition to access to Acumatica ERP functionality, you can also control access to particular entities, such as accounts, customers, and vendors, via *restriction groups*. Maintenance of restriction groups is described in the implementation guides of specific modules, depending on the restricted entities. For more details about roles, access rights, and restriction groups, see *Role-Based Access*, *Levels of Access Rights*, and *Overview of Restriction Groups*.
Develop security and audit policies	Decide upon the following security and audit options, which will affect all users: • Appropriate system-wide password policies. Later, during configuration, you can select or clear each of the following check boxes: • **Force User to Change Password**: Decide whether to select this option. If so, choose the number of days at which the user will be forced to change the password. For better security, users

Item	Description

	should change their passwords regularly. It is recommended that you select this option and provide a reasonable number of days. Do not set a password lifetime that is too short to avoid users get annoyed by frequent changes, but keep in mind that a longer password lifetime increases the chances of the password being compromised.
	• **Minimal Password Length**: Decide whether to select this option and, if so, what number of characters will be specified. Shorter passwords, because they're easier to guess, give lower security. The recommended setting is six characters or longer.
	• **Password Must Meet Complexity Requirements**: Simple passwords are easy to remember and easy to break. For better security, select this option to prevent users from using simple passwords. Complex passwords include at least three of these four features:
	  • Uppercase letters
	  • Lowercase letters
	  • Numbers
	  • Special symbols
	• **Additional Password Validation Mask**: This mask can be applied in addition to other password restrictions. This option is used to exclude characters that may not be supported by involved systems. Note that any regularity in passwords greatly diminishes the security level. Use this option only when it's absolutely necessary. If you decide to use this mask, develop a message text to be displayed to the user when the password violates the validation mask.
	• Password encryption. At configuration time, you will be able to select one of these options:
	  • **Clear**: User passwords are stored as plain text. This makes their recovery easier but weakens security. In general, this option is not recommended.
	  • **Hash**: The system generates a *hash* value of the password (irreversible encryption), and stores it in the database. During the authentication process, the system compares the hash value stored in the database against the hash value of the user's entered password during login. The password itself is not stored and not used. This is the most secure option, but passwords cannot be recovered. If your organization later changes from *hash* to any other option, passwords of all users must be reset.
	  • **Encrypted**: Passwords are encrypted using an encryption key generated during Acumatica ERP installation. The encryption is reversible.
	• Account lockout policies. Determine appropriate settings for each of the following:
	  • **Number of unsuccessful login attempts**: To prevent hacker attack, the system will lock a user account after a wrong

Item	Description
	password is entered this number of times. (A common setting is 3.) Higher values here reduce security; lower values create inconvenience to the user due to possible typos. • **Account lock time**: After the account is locked due to an incorrect password, it can be automatically unlocked after this time interval. Setting a long time renders hacker attacks ineffective but can create extra work for the administrator, who will need to reset passwords. • **Reset lockout counter**: After this time interval, the system "forgets" unsuccessful attempts and the user can try logging in as if a wrong password had never been entered. This option is designed to lessen administrator involvement in password resetting: the user is given a "time-out" to recall the correct password if the allowable number of unsuccessful attempts has not been exceeded. Note that the lockout counter is immediately reset when the user enters the correct password. • Audit policies, which allow you to monitor and investigate suspected security breaks. Decide how long you want to keep security audit logs and which of these security events should be logged: • Successful login attempts • Failed login attempts (this option should always be selected, as it helps you detect possible break-ins to the system) • Logouts • Session expirations • Screen accesses (the log will grow very fast if this option is selected) • Successful sending of email • Failures sending email For more information, see the *Site Preferences* (SM.20.05.05) form reference article.
Decide how you will obtain security certificates	Beyond passwords, Acumatica ERP encrypts other private or sensitive information (such as customers' credit card numbers). Such data is stored in the database encrypted, but the encryption is different from that of passwords and requires a security certificate. Another certificate would be needed if you want to sign PDF documents generated from Acumatica ERP. Such a signature is used to prove that the document is really generated by you and not faked by a malicious person. You can purchase certificates from a recognized certification authority, such as VeriSign. They can also be generated "in-house" using the Windows certificate service. An external certification authority is recommended if the certificate is to be used for external purposes, such as signing PDF documents sent to customers.
Define the file import policy	Define company policy with respect to importing (uploading) files into Acumatica ERP: • Define the maximum file size allowed for import. • List extensions of allowed file types, such as .xls, .doc, .pdf, and .png. • List extensions of any forbidden file types.

Item	Description
	• Optionally, determine icon files to graphically represent the listed file extensions.
Decide system email settings	Reports in Acumatica ERP can be viewed online, exported in Excel or PDF format, and emailed. Emailing reports can be done from a user's personal email address or from a corporate email address. Each user can configure personal email settings in his or her profile. Collect connection configuration for the corporate email server: • Outgoing and incoming mail servers • Email addresses to be used • Login • Password Also, indicate whether the connection to the mail server should be secured by SSL.
Plan task processing	Acumatica ERP can run tasks in real time or in the background. Determine whether you need background task processing and what its parameters should be: • Query time: How often (in minutes) the system should check for outstanding tasks. • Abort time: Maximum run time for background tasks; the system will abort a task that is running longer than this.

Plan other global options	Decide upon other global settings of the system:
	• Map viewer: Choose an Internet map engine to show location of customers and vendors (optional).
	• Export to Microsoft Excel settings: Decide how data exported from reports to Microsoft Excel should be formatted, including the following factors:
	  • Whether hidden fields should be exported.
	  • Whether each cell in the Excel worksheet should have a border, and what its color should be.
	  • What the font, size, style (bold, italic, etc.), font color, and fill color of the report header should be, as well as what these selections should be for the report data rows.
	  • What background color should be used for the header cells, as well as for the data rows.

Configuration

This section walks you step by step through the process of actual initial configuring Acumatica ERP.

No.	Action	Description
1	**Configure BIZACCT**	Once you have made the needed decisions about its structure and use, you must configure the *BIZACCT* segmented key by using the *Segmented Keys* (CS.20.20.00) form. For the *BIZACCT* segmented key, you define:

No.	Action	Description
		• The number of segments the key has • The length of each segment • The type of each segment and whether it is validated • Whether one of the segments is an auto-numbered segment • The list of values for each segment If *BIZACCT* will contain an auto-numbering segment, select the predefined sequence *BACCOUNT* in **Numbering ID** and select the **Auto Number** option in the appropriate row for the segment. If you need to assign a custom sequence, see the *Auto Numbering Sequences* section for more information about configuration of the numbering sequences. Other segmented keys—including *VENDOR*, *CUSTOMER*, and *EMPLOYEE*, if you have decided to use these—can be configured during implementation of the respective modules.

2	**Complete site configuration**	Use the *Site Preferences* (SM.20.05.05) form to implement global security policies and configure the Acumatica ERP site:
		• **General Settings** tab:
		  • The **Default Dashboard Template Account**, an account whose dashboards are used as templates for other account dashboards, should be selected later, after all system users are created.
		  • Select **Map Viewer**.
		  • Select **DB Encryption Certificate** (for data encryption) and **PDF Certificate** (for signing PDF files).
		  • Enable and configure **Task Processing** as you decided in the preparation stage.
		  • Configure **Export to Excel** options you decided on, if needed.
		• **Audit and Security Policies** tab:
		  • Configure **Password Policy**: Specify the maximum password lifetime, minimum password length, password complexity, additional validation mask, and mask violation alert settings you determined in the preparation phase.
		  • Configure **Account Lockout Policy**: Specify the maximum number of unsuccessful attempts, lockout time, and lockout counter reset time settings you determined in the preparation phase.
		  • Select the **Password Encryption** type you determined in the preparation phase.
		  • Configure **Audit** policy: Specify the audited operations and time to keep audit history you determined in the preparation phase.
		• **Upload Settings** tab:
		  • Enter maximum file size allowed for upload.

No.	Action	Description
		• Click **Add New Row** to initialize a new record. • Clear the **Is Forbidden** check box if files of this type may be uploaded. • Select the **Is Forbidden** check box if files of this type may not be uploaded. • Optionally, enter an **Icon URL** to provide a graphical representation of files with the selected extension. • **Email Settings** tab: • Click **New Line** to add an email account. This brings up the **Email Account** dialog box. • Enter connection configuration of the email server to be used when Acumatica ERP reports are emailed from company accounts. • Indicate if the connection to mail server should be secured by SSL. • Click **Test Account** in the toolbar to test the connection to the mail server.
3	**Create security roles**	Use the *User Roles* (SM.20.10.05) form to create the security roles you identified during the preparation phase of implementation. • Click **Insert** on the form toolbar. • Enter **Role Name**. • Enter **Role Description**. • Match the role to one or several Active Directory groups if integration is planned. You will assign roles to users in Step 6, when user records are created.
4	**Configure security roles**	Use the *Access Rights by Role* (SM.20.10.25) form to configure each role's access level and rights: • Select a role. • In the tree in the left pane, select a node one level higher than where you need to grant access. For example: • If you want to grant access to the whole module, select the top-most node **Modules**. (In the next step, you will choose the appropriate module in the right pane.) • If you want to grant access to particular form, such as the *Invoices and Memos* (AR.30.10.00) form of the Accounts Receivable module, select the second-level node **AR**. (In the next step, you will choose the Invoices and Memos form in the right pane.) • In the right pane, select the desired object. • If the object is a module, select one of the following options for its access rights:

No.	Action	Description
		• *Not Set*: The option is set automatically during system implementation. Access to the module is allowed for all roles until for at least for one role, the rights are changed to any other option. After that, for all other roles, access is denied. • *Revoked*: Access to the module is not allowed, but access to some system objects of the module may be allowed: the module and its forms will not be displayed in the Navigation menu, but the forms can be accessed via direct links from other modules' forms and will open as pop-up forms. The module icon will not appear in the list of modules available for the role. • *Granted*: Access to the module is allowed. Access to particular system objects of the module may be set differently. • Choose from the following options to set access to lower-level objects: • *Not Set*: Access rights are not defined, and access is allowed until for any role another option is selected. After that, access is denied. • *Revoked*: Access to the system object (and to the data created using the object) is denied. • *View Only*: View-only access is allowed; the role cannot create, edit, or delete data using the object. • *Edit*: The role can edit the data using the object. • *Insert*: The role can create and edit the data using the object. • *Delete*: The role is granted complete access rights to the object and the data created using the system object.
5	**Maintain user records**	Use the *Users* (SM.20.10.10) form (depending on whether the user to be defined is an employee or someone outside the company) to register all identified users of the system: • In the **User Information** tab, do the following steps: • Enter the appropriate user name, first name, last name, and email address. • Enter the initial user password. Select the option to the right of this box, and the user will have to change this password when logging into the system. • Optionally, type a **Comment** to the user record. • In the **Membership** pane in the lower part of the form, add the roles of the user. • In the **Options** tab, set the account and password options you have decided upon: • **Allow Password Recovery**: Select if the user can get password reset by answering a recovery question.

No.	Action	Description
		• **Allow Password Changes**: Select if the user is allowed to change password. • **Activate Account**: Select for all users taking part in the system implementation; it can be cleared for all other accounts, but such accounts have to be activated after implementation is finished. • **Password Never Expires**: Select if the password must never expire. • **Temporary Lock out Account**: Do not select during implementation. • **Guest Account**: Select only if the user is a guest; this option will be read-only and selected if you use the External Users form. • In the **IP Filter** tab, you might opt to add IP addresses from which the user is allowed to access the system. Do not add anything here if the user has no such restrictions.
6	**Obtain security certificates**	Purchase or generate at least two security certificates: one for data encryption and one for PDF file signing.
7	**Import security certificates**	Use the *Encryption Certificates* (SM.20.05.30) form to import and register obtained certificates in Acumatica ERP. For each certificate: • Enter a brief descriptive name. • Enter the password of the certificate, which is given by a certification authority and is used to validate the owner of the certificate. • Save the registration record. • Click **Files** on the table toolbar, and upload the certificate to the system.

Implementing General Ledger

This document describes the process of implementing the General Ledger module of Acumatica ERP.

Overview

General Ledger is the core of the ERP system. Several settings—such as those related to segment values, segmented keys, and numbering sequences—formally belong to the modules used in *Initial System Configuration*, but they are so closely related to other General Ledger data that they are described in this document.

This document includes the following sections:

- ***Prerequisites and Dependencies***: Describes what modules must be set up and configured before you begin implementing this module.
- ***Preparation***: Describes what data should be collected, arranged, and analyzed before you start with actual configuration.
- ***Configuration***: Guides you through the actual configuration of the General Ledger module.
- ***Initialization***: Describes how to bring into the system the opening balances and historical data.
- ***Other Considerations***: Covers other aspects pertaining to the implementation of this module.

This document covers only the implementation process. For detailed descriptions of Common Settings and General Ledger forms and capabilities, see the *Common Settings* and *General Ledger* chapters of the *Acumatica ERP User Guide*.

Prerequisites and Dependencies

There are no prerequisites for General Ledger implementation.

Preparation

This section covers the planning and preparation that need to occur before you begin configuring the General Ledger module. The first task in implementing the General Ledger module is collecting and analyzing the necessary information. Do the following steps, many of which can be done in parallel, before you actually configure General Ledger.

Enter no data into the system at this time.

Item	Description
Determine financial year and periods	Decide what the first financial year should be. Normally, this is the year when the company starts processing its operations in Acumatica ERP. If you need to migrate historical balances or transaction, the first financial year should be the earliest year of the history.  If you plan to start using Acumatica ERP from the first period of new financial year, choose the previous year as the first year. This will allow you to enter initial account balances in the period before the first period of actual transactions. Decide what date the financial year starts, how many periods it should have, and what the start and end dates for each period will be. If you plan to use an adjustment period, note that it must be the last period of the year and its start date must be the same as its end date. For more information, see *Financial Year and Financial Periods*.

Item	Description
Decide whether you need multi-branch support	Should you company have several officers or *Basic Models for Multi-Branch Organization* locations, review statutory reporting requirements and internal reporting needs, and decide whether you need to use multi-branch functionality and choose appropriate model. This decision directly affects structure of ledgers and chart of accounts. For details, see *Multiple Branch Support*.
Decide what ledgers you will need	Figure out what ledgers you will set up. Initial implementation requires at least one ledger of the *Actual* type that uses the company base currency. Additional ledgers can be created after the system is implemented and live operations are started.  Each branch should be linked to *Actual* ledger. It can be one ledger for all branches, or several different actual ledgers for different branches. If ledger is used by several branches, one of the branches can be made a master of the ledger. See *Basic Models for Multi-Branch Organization* for information about branch-ledger dependencies. Additional ledgers can be created after the system is implemented and live operations are started. For details, see *Multiple Ledger Support*.
Determine account classes	Decide which account classes you will use to group similar or related accounts. These classes have no impact on transaction processing, and implementation requires only one account class. You can further classify accounts for the improved reporting. Consider also that accounts in Acumatica ERP are already separated into four general categories: assets, liabilities, income, and expenses. For more information, see the *Account Classes* (GL.20.20.00) article.  If you have difficulties defining the classes, start with the chart of accounts and then decide how you would like to group the accounts in your financial reports.
Plan chart of accounts	Prepare the list of General Ledger accounts and decide upon the chart of account order. In Acumatica ERP, the full account code consists of the natural account and subaccount. The natural account describes the nature of the assets, liabilities, income, or expenses, and the subaccount describes the business structure, such as department, cost center, sales region, or industry. The chart of accounts contains only natural accounts. Although your company already has a chart of accounts, take this opportunity to review its structure; once the system is implemented, it is easy to add accounts but difficult to change their structure. Although you can use account codes of different lengths and even segmented accounts, we recommend that you use accounts that have the same length and only one segment. Any necessary segmentation is best implemented in the subaccount code.  Consider giving accounts of the same nature numbers from the same number range. For example, all bank accounts can start with 10, all short-term assets can start with 11, all long-term assets can start with 12, all sales revenue accounts can start with 30, and so on.  The chart of accounts must include the *Year-to-Date Net Income* and *Retained Earnings* liability accounts. See *YTD Net Income and Retained Earnings Accounts* for information on the definition and use of these accounts in Acumatica ERP.  If you decided to use multi-branch functionality, you may need to plan special accounts for inter-branch balancing. See *Rules for Balancing Inter-Branch Transactions*. For details about the chart of accounts, see *Account Types and Classes*.

Item	Description
Plan subaccounts	The structure of subaccounts should support your reporting needs. Decide how many subaccount segments you will have and whether they should be validated. Prepare list of valid entries for segments that should be validated. • Keep the subaccount code conveniently short. The subaccount must be provided for every transaction, and longer subaccounts take more time. • If your company runs projects but you find full-fledged project accounting too complicated, you can implement simplified project accounting using subaccounts. • Subaccounts can also be used for simple cost center analysis. Once you determine the subaccount structure, prepare the list of subaccounts to create during implementation. For more information, see *Identifier Segmentation* and *Account and Subaccount Identifiers*.
Determine auto-numbering sequences	Plan the numbering sequences, the number range, and the starting number to be used for the following: • Allocations, which are definitions of how the balances of some accounts should be redistributed to other accounts, as with the allocation of general expenses among different departments. • Batches—groups of transactions or documents that are processed and posted together. Decide whether General Ledger should share a batch numbering sequence with other modules (such as Accounts Payable and Accounts Receivable) or separate numbering should be done for batches in each module. • Trial balance imports. Acumatica ERP is installed with the following predefined numbering sequences for objects that require auto-numbering: • *ALLOCATION*: A numbering sequence, ranging from 000,001 to 999,999, for General Ledger allocations • *BATCH*: A shared numbering sequence, ranging from 0,000,000,001 to 9,999,999,999, for batches of all modules If you use the predefined numbering sequence *BATCH* for batches in all modules, batch 010342 could be an Account Payable batch, batch 010343 could be an Account Payable batch, batch 010344 could be an Account Payable batch, and batch 010345 could be a General Ledger batch. Note that, if you use separate numberings for batches of different modules, the same batch number could be found in General Ledger, Account Payable, and Accounts Receivable, each with different transactions. To avoid this, you could use a separate numbering sequence for batches of each module and allocate different number ranges to different modules. For example, General Ledger batches can be numbered from 000001 to 099999, Account Payable batches from 100000 to 199999, and Accounts Receivable batches from 200000 to 299999. Here, the first digit of the batch number would indicate the module of the batch. For additional information, see *Multiple Numbering Sequences*.
Decide upon other options	Review and decide on other General Ledger Preferences options: • When auto-reversing entries should be generated

Item	Description
	• How long transactions should be kept in the database • Whether transactions should be posted immediately after they are released • Whether batch totals should be validated against the sum of transaction detail amounts • Whether new batches should be put on hold • Whether transactions may be posted to closed periods

You can download and print the *General Ledger Preparation Checklist* to assist you in collecting the data for General Ledger implementation.

Configuration

This section walks you through the process of actually configuring the General Ledger module in Acumatica ERP. Due to dependencies among the forms, the sequence of actions during configuration is critical, so you need to complete each step before moving to the next one.

No.	Action	Description
1	**Define autonumbering sequences**	Use the *Numbering Sequences* (CS.20.10.10) form in the Configuration Settings module to define the numbering sequences for General Ledger batches and allocations.
2	**Define segmented keys**	Use the *Segmented Keys* (CS.20.20.00) form in the Configuration Settings module to implement the chosen structure of the subaccount.
3	**Maintain validation table for key segments**	Use the *Segment Values* (CS.20.30.00) form in the Configuration Settings module to enter valid codes for subaccount segments that are validated. Non-validated segments do not require maintenance of segment values.
4	**Define account classes**	Use the *Account Classes* (GL.20.20.00) form to define account classes. You must create at least one class to proceed with the implementation. See also the *How to Create an Account Class* article.
5	**Define chart of accounts**	Use the *Chart of Accounts* (GL.20.25.00) form to maintain your General Ledger accounts. You must create at least two liability accounts, YTD Net Income and Retained Earnings, before you proceed to the next steps of the implementation.  If some bank accounts are denominated in a foreign currency, leave the **Currency** box blank for them at this time. You will need to complete their configuration after these currencies are defined in the *Implementing Currency Management* part of the implementation. See also the *How to Add an Account to the Chart of Accounts* article.
6	**Define subaccounts**	Use the *Subaccounts* (GL.20.30.00) form to define the planned subaccounts. See also the *How to Add a Subaccount* article.
7	**Create ledgers**	Create the main ledger to receive all actual transactions from all modules, by using the *Ledgers* (GL.20.15.00) form. This ledger must be of type *actual* and use base currency. If you identified other ledger, create them as well. If some ledgers will be defined in a foreign reporting currency, use the base currency for them at this time. You will need to complete their configuration after the currencies are defined in the Currency Manager module.

No.	Action	Description
		See also the *To Add a Ledger* article.
8	**Define branches**	Use the *Branches* (CS.10.20.00) form in Organization to define the branches of your company.
9	**Define inter-branch account mapping**	Use the *Inter-branch Account Mapping* (GL.10.10.10) form to define master branches and inter-branch account mapping, as necessary.
10	**Configure General Ledger preferences**	Use the *General Ledger Preferences* (GL.10.20.00) form to enter the following: Default Posting Ledger, YTD Net Income account, Retained Earnings account, and numbering sequences for General Ledger batches, schedules, allocations, and import of trial balance.
11	**Define financial year settings**	Use the *Financial Year* (GL.10.10.00) form to define financial periods of the financial year in your company.
12	**Generate financial periods**	Use the *Financial Periods* (GL.20.10.00) form to generate periods for the following: • The first financial year • The first and second years, if the first financial year is planned only to enter initial account balances • All history years up to and including the first operational year, if the first financial year is planned as the beginning of the account balances history. You can generate financial periods as far into the future as needed, but do this with reservation as this limits and complicates any changes to the financial year settings that might be needed. See also the *How to Generate Periods for a New Financial Year*.

You can download and print the *General Ledger Configuration Checklist* to assist you in configuring the General Ledger module.

Initialization

This section provides information about initializing the General Ledger module, bringing opening balances and historical data into the system.

If your company needs multiple currencies for its operations, implement the Currency Management module (see *Implementing Currency Management*) at this time. Complete the configuration of foreign currency ledgers and accounts before entering historical and initial balances of GL accounts.

Account balances in Acumatica ERP cannot be maintained directly. The only way to bring in the initial account balances is to post batches of General Ledger transactions to the period preceding the start of actual operations. The following table will lead you through the process of bringing the beginning balances of General Ledger accounts into the system. If you also need to account history for the past year, skip this section and read *Initializing General Ledger History* instead, following the steps it outlines.

No.	Action	Description
1	**Create offset account**	Create an account to be used as the offset account for initialization transactions. During processing of the transactions, the account is used to ensure that every initialization batch is balanced. After initialization, it serves as a control of successful processing.

No.	Action	Description
2	**Verify current financial period**	The current financial period should be one period before the start of actual operations: If you plan to start actual operations in Acumatica ERP in period 01-2009, for example, the current period should be 12-2008.
3	**Prepare beginning balances**	Prepare beginning balances for each account and subaccount. If you have bank accounts denominated in a foreign currency, separate them from the rest of the accounts and group them by currency ID.
4	**Maintain exchange rates**	For foreign currency accounts, maintain exchange rates to be used for initialization transactions.
5	**Enter initialization transactions**	Enter journal transaction batches, one transaction line for each account-subaccount combination. The beginning balance is the transaction credit or debit amount. Balances for accounts in different currencies must be entered in separate batches using the *Journal Transactions* (GL.30.10.00) form. If the number of transactions in a batch would be very big, group them into several batches for easier verification. Use the offset account to balance the batches. Period-to-post for all batches should be the current financial period. The transaction date should belong to the current period.  *Do not* enter a beginning balance for the YTD Net Income account. It must be used only to verify the initialization process.
6	**Verify the transactions**	Print the *GL Edit Detailed* (GL.61.05.00) report and verify that transaction entry is correct. Do necessary modifications via the Journal Transactions form.
7	**Release and post the transactions**	Release created batches using the Journal Transactions form. Then post them by using the *Post Transactions* (GL.50.20.00) form.
8	**Verify account balances**	Print the *Trial Balance Summary* (GL.63.20.00) or *Trial Balance Detailed* (GL.63.25.00) report and verify the account balances. The balance of the Year-to-Date Net Income account should be correct although transactions are not posted to it. The balance of the offset account must be zero. If necessary, enter adjustments as an additional batch using the Journal Transactions form, release and post the batch, and then print either Trial Balance report again for verification.
9	**Close financial period/year**	Close the current financial period. If it was the last period of the year, close the financial year.  If you are implementing other modules along with General Ledger, do not close the period now. Do this after the implementation of all modules.
10	**Disable offset account**	Disable the offset account by clearing the **Active** check box for the account on the Chart of Accounts form.

Other Considerations

- **Allocations**: An allocation is a redistribution of balances between the accounts. Allocations are an integral part of project accounting. But regardless of whether you do project accounting, you can run General Ledger allocations.

  Allocations are normally performed once a month, during financial month closing. They are not needed during implementation and in the first days of live operations. Thus, in order to ease

module implementation, it is generally recommended that you delay allocation definition to a later time. However, if time and resources allow and you already have allocations running in the previous accounting system, allocation definition can be part of the General Ledger implementation process. For more details, see *Allocation Rules*.

- **Scheduled Tasks**: Scheduled tasks allow you to automate the generation of recurring transactions.

  Examples of scheduled tasks are billing for rented equipment, payment for a loan, and depreciation of a fixed asset. These transactions usually belong to specific modules; billing for the rent is done in Accounts Payable, for example. But if the respective module is not available, the regular transactions can be generated directly in General Ledger.

- **Budget**: Acumatica ERP offers very flexible and extensive budget support, whether you need a simple one-level budget or multi-level budget hierarchies with aggregation, revisions, scenarios, and access restrictions. See the *Overview of Budgets* article for information about budgeting within Acumatica ERP.

- **Account Access**: By using Acumatica ERP restriction groups, you can to improve system security and accounting reliability. The *Account and Subaccount Security* article provides additional information on implementing this functionality.

Initializing General Ledger History

No.	Action	Description
1	**Create offset account**	Create an account to be used as the offset account for initialization transactions. During processing of the transactions, the account is used to ensure that every initialization batch is balanced. After initialization, it serves as a control of successful processing.
2	**Verify current financial period**	The current financial period should be the first period of General Ledger account history.
3	**Prepare beginning balances**	Prepare beginning balances for each account and subaccount. If you have bank accounts denominated in a foreign currency, separate them from the rest of accounts and group them by currency ID. • Use year-to-date (YTD) balances for the first period of the General Ledger account history. • Use period-to-date (PTD) balances for the second and all subsequent periods of the history, up to the last one. • If you have only YTD balances, calculate the PTD balance as the difference between the YTD balance of the current period and the YTD balance of the previous period. For example, the PTD balance for period 05-2003 is equal to the YTD balance for period 05-2003 less the balance for period 04-2003.
4	**Maintain exchange rates**	For foreign currency accounts, maintain exchange rates for each currency for each period of the history.
5	**Enter the initialization transactions for the first period**	Enter journal transaction batches for the first period of the account history, one transaction line for each account-subaccount combination. The beginning balance is the transaction credit or debit amount. Balances for accounts in different currencies must be entered in separate batches using the *Journal Transactions* (GL.30.10.00) form. If the number of transactions in a batch would be very big, group them into several batches for easier verification. Use the offset account to balance the batches. Period-to-post for all batches should be the current financial period. The transaction date should belong to the current period.

No.	Action	Description
		 *Do not* enter a beginning balance for the YTD Net Income account. It must be used only to verify the initialization process.
6	**Verify the transactions**	Print the *GL Edit Detailed* (GL.61.05.00) report and verify that transaction entry is correct. Do necessary modifications via the Journal Transactions form.
7	**Release and post the transaction**	Release created batches by using the Journal Transactions form. Then post them using the *Post Transactions* (GL.50.20.00) form.
8	**Verify account balances**	Print the *Trial Balance Summary* (GL.63.20.00) or *Trial Balance Detailed* (GL.63.25.00) report and verify the account balances. The balance of the Year-to-Date Net Income account should be correct although transactions are not posted to it. The balance of the offset account must be zero. If necessary, enter adjustments as an additional batch using the Journal Transactions form, release and post the batch, and then print either Trial Balance report again for verification.
9	**Close financial period/year**	Close the current financial period. If it was the last period of the year, close the financial year.
10	**Create balances for subsequent periods**	Repeat Steps 5 through 9 for each period of account history, starting from the second period to the last period.
11	**Disable offset account**	Disable the offset account by clearing the **Active** check box for the account in the *Chart of Accounts* (GL.20.25.00) form.

Implementing Currency Management

This document will guide you through the implementation of the Currency Management module in Acumatica ERP. *Implement this module only if your organization needs to use multiple currencies in the system.*

Overview

Enabling multiple currencies allows you to invoice your customers and receive suppliers' bills in a foreign currency and maintain bank accounts denominated in a foreign currency. Implementing this module also lets you consolidate accounts of branches operating in different currencies, for corporate reporting.

This document consists of four sections:

- ***Prerequisites and Dependencies***: Describes what modules must be set up and configured before you begin implementing this module.
- ***Preparation***: Describes what data should be collected, arranged, and analyzed before you take action.
- ***Configuration***: Guides you through actually setting up multiple currencies in Acumatica ERP.
- ***Initialization***: Covers the data that should be provided in advance before the actual start of operations.
- ***Other Considerations***: Covers other aspects pertaining to the implementation of this module.

If you are new to multi-currency operations, see *Cash Management* and *Currency Management* to learn more about the terminology, concepts, and common processes.

Prerequisites and Dependencies

The General Ledger and Currency Management modules are highly interdependent. General Ledger must be set up and the chart of accounts must be created before you enable multiple currencies. Conversely, General Ledger configuration cannot be completed until currencies for denominated bank accounts are created.

Preparation

This section covers the planning and preparation that need to occur before you begin configuring the Currency Management module in Acumatica ERP. Once you have determined that the timing for implementing this module is appropriate, begin collecting and analyzing the necessary information. Do the following steps before you actually configure the Currency Management module.

Enter no data into the system at this time.

Item	Description
Currencies	Prepare the list of required currencies. For each currency, decide upon its identifier, description, symbol, and decimal precision (the number of digits following the decimal point that are used in operations with the currency).  It is recommended that you follow established norms when assigning IDs to the currencies; refer to the ISO 4217 code list. Also, for each currency, define twelve account-subaccount pairs for the following: • Realized gain

Item	Description
	• Realized loss • Unrealized gain • Unrealized loss • Unrealized gain and loss provisioning for Accounts Payable • Unrealized gain and loss provisioning for Accounts Receivable • Revaluation gain • Revaluation loss • Translation gain • Translation loss • Rounding gain • Rounding loss The most common setting is to have all accounts (one for each different type of exchange gain or loss) shared among all currencies.  Normally, the base currency (the reporting currency of your company) does not need any account settings. However, accounts and subaccounts will be needed even for the base currency if the Cash Management module is used.
Rate types	Prepare a list of the required exchange rate types. It should include rates used in daily operations and rates needed for revaluation and translation. Choose which of these rates should be defaults for General Ledger journal transactions, General Ledger revaluation, and Cash Management transactions. If the Cash Management module will not be implemented, the Currency Management transaction rate can be the same as the journal transaction default rate. For more information, see *Multiple Currency Rates*.
Allowed rate variance	Decide whether you need validation of a manually entered exchange rate for a transaction, or a rate maintained in the rate table, and what should be the maximum allowed variance.
Batch auto-numbering	Define the numbering sequence for unrealized gain/loss batches generated for Accounts Payable/Accounts Receivable revaluation; you can reuse an existing numbering sequence. For example, unrealized gain/loss batches can share a numbering sequence with General Ledger batches. For more information, see *Multiple Numbering Sequences*.
Batch auto-posting	Decide whether Currency Management batches should be posted automatically during the revaluation process.
Denominated accounts	Identify the General Ledger accounts to be denominated in a foreign currency. Balances of denominated accounts are maintained in both the base currency and in the currency of denomination. Normally, they should be only bank accounts.

You can download and print the *Currency Management Preparation Checklist* to assist you in collecting the data for Currency Management implementation.

Configuration

This section walks you through the process of actually configuring multiple-currency operations in Acumatica ERP.

No.	Item	Description
1	**Create Exchange Gain and Loss Accounts**	Verify that the determined exchange gain and loss accounts are defined in the *Chart of Accounts* (GL.20.25.00) form in the General Ledger module. If not, create them. See also *How to Add an Account to the Chart of Accounts*.
2	**Create Exchange Gain and Loss Subaccounts**	Verify that the determined exchange gain and loss subaccounts are defined in the *Subaccounts* (GL.20.30.00) form in General Ledger. If not, create them. See also *How to Add a Subaccount*.
3	**Create rate types**	Use the *Currency Rate Types* (CM.20.10.00) form to create all identified rate types.

4	**Configure Currency Management Preferences**	By using the *Currency Management Preferences* (CM.10.10.00) form:
		• Select the **Activate Multi-Currency** check box.
		• Enter the determined **Rate Variance Allowed**.
		• Select the **Warn About Rate Variance** check box if a warning should be displayed when variance is exceeded.
		• Select the **Automatically Post to GL on Release** check box if Currency Management batches should be posted automatically.
		• Enter the applicable **Default Rate Types**.
		• In the various account and subaccount boxes in the three tabs, enter the default accounts to be used on the Currencies form when a new currency is defined.
		• Optionally, enter accounts and subaccounts most common for all currencies:
		  • **Realized Gain Account** and **Subaccount**
		  • **Realized Loss Account** and **Subaccount**
		  • **Unrealized Gain Account** and **Subaccount**
		  • **Unrealized Loss Account** and **Subaccount**
		  • **Revaluation Gain Account** and **Subaccount**
		  • **Revaluation Loss Account** and **Subaccount**
		  • **Translation Gain Account** and **Subaccount**
		  • **Translation Loss Account** and **Subaccount**
		  • **Rounding Gain Account** and **Subaccount**
		  • **Rounding Loss Account** and **Subaccount**
		• Save

5	**Create currencies**	On the *Currencies* (CM.20.20.00) form, create all identified foreign currencies. For each currency, enter: • **Currency ID** • **Decimal Precision** • **Currency Symbol** • **Description**

No.	Item	Description
		• **Realized Gain Account** and **Subaccount** • **Realized Loss Account** and **Subaccount** • **Unrealized Gain Account** and **Subaccount** • **Unrealized Loss Account** and **Subaccount** • **AP Provisioning Account** and **Subaccount** • **AR Provisioning Account** and **Subaccount** • **Revaluation Gain Account** and **Subaccount** • **Revaluation Loss Account** and **Subaccount** • **Translation Gain Account** and **Subaccount** • **Translation Loss Account** and **Subaccount** • **Rounding Gain Account** and **Subaccount** • **Rounding Loss Account** and **Subaccount**  Only foreign currencies are created using this form. Base currency is defined on the *Branches* (CS.10.20.00) form.
6	**Configure denominated accounts**	Verify whether the accounts to be denominated in foreign currencies exist in the *Chart of Accounts* (GL.20.25.00) form in the General Ledger module. If not, create them and select a currency for each denominated General Ledger account. See also *How to Add an Account to the Chart of Accounts*.

You can download and print the *Currency Management Configuration Checklist* to assist you in configuring the Currency Management module.

Initialization

This section provides information about bringing appropriate data into the system.

Once the Currency Management module is set up, it is ready for use. Most exchange rates are maintained daily as a part of regular operations. The only data that may be provided in advance, before actual the start of operations, is historical exchange rates.

Other Considerations

Translation: Translation is required only for consolidation of financial reports of subsidiaries operating in different currencies. Subsidiaries translate their financial statements in the reporting currency and send consolidating data to headquarters. Alternatively, subsidiaries can send their financial statements to headquarters "as is," and headquarters translates them into the reporting currency before consolidation.

See *Overview of Translations* for details on how to configure translation definitions in Acumatica ERP.

Implementing Cash Management

This document fully describes the process of implementing the Cash Management module in Acumatica ERP.

Overview

This document will guide you through implementation of the Cash Management module, which provides functionality that helps you manage cash flows and forecast your cash position at any time and in multiple currencies.

This document covers the following stages of module implementation:

- ***Prerequisites and Dependencies***: Describes what modules must be set up and configured before you begin implementing this module.
- ***Preparation***: Describes what data should be collected, arranged, and analyzed before you take action.
- ***Configuration***: Guides you through the actual configuration of the Cash Management module.
- ***Initialization***: Describes data that should be provided before the start of operations.
- ***Other Considerations***: Covers other aspects pertaining to the implementation of this module.

For more details about Cash Management forms and capabilities, see *Cash Management*.

Prerequisites and Dependencies

The General Ledger module must be configured before implementation of the Cash Management module. If your company uses multiple currencies in its operations, the Currency Management module must be implemented before Cash Management as well.

Preparation

This section covers that planning and preparation that need to occur before you begin configuring the Cash Management module. Once you have determined that the timing for implementing this module is appropriate, begin collecting and analyzing the necessary information. Do the following steps before you actually configure the Cash Management module.

Enter no data into the system at this time.

Action	Description
Decide what numbering sequences you will use	Configuring the Cash Management module requires numbering sequences for the following items: • Cash Management transactions • Cash Management transfers • Batches generated for Cash Management transactions and transfers • Payment batches • Bank statements An existing numbering sequence can be shared. For example, Cash Management batches can share a numbering sequence with General Ledger batches. For details on auto-numbering sequences, see *Multiple Numbering Sequences*.

Action	Description
Choose cash-in-transit account and subaccount	Decide what General Ledger account and subaccount will be used to hold cash-in-transit amounts. Mixing of currencies is not allowed in a single General Ledger batch. That's why when money is transferred between two accounts denominated in different currencies, two General Ledger batches are generated: • The first batch credits the source cash account and debits the cash-in-transit account. • The second batch credits the cash-in-transit account and debits the source cash account. Any "balance" left in the cash-in-transit account due to currency conversions is written off as a realized gain or loss of the currency of the destination account.
Determine default rate type	Decide what currency exchange rate type should be the default rate type to convert Cash Management transactions to the base currency. This should be the most frequently used rate type.
Select processing options	Define Cash Management policies for transaction entry and processing: • Should transaction totals be validated on data entry or only during the release of the transactions? • Should transactions be automatically held on entry, or should it be possible to immediately release them? • Should Accounts Payable payments be released only in Accounts Payable, or can they also be released in Cash Management? • Should Accounts Receivable payments be released only in Accounts Receivable, or can also they be released in Cash Management? • Should the Cash Management batches be posted in General Ledger immediately upon release?
Plan cash balance calculations	Define how Cash Management should calculate the cash account balance—that is, whether it should include the following: • Unreleased but not cleared receipts • Unreleased but cleared receipts • Released but not cleared receipts • Unreleased, not cleared disbursements • Unreleased but cleared disbursements • Released but not cleared disbursements Released and cleared transactions are always included in cash account balance calculation.
Design entry types	Design entry types to be used for Accounts Payable and Accounts Receivable payments, as well as for Cash Management transactions. For each entry type, determine the following: • Entry type identifier (up to 10 characters) • Description (up to 30 characters)

Action	Description
	• Whether it is a receipt or disbursement • In which module it can be used: Cash Management, Accounts Payable, or Accounts Receivable • Default business account (Customer ID for Accounts Receivable transactions or Vendor ID for Accounts Payable transactions) • Default offset account and subaccount (optional; for Cash Management entry types only) Select entry type to be used for unrecognized receipts and disbursements. For more information, see *Entry Types*.

List payment methods and their details	Payment methods are used mainly in Accounts Payable and allow defining additional custom information about payment processing. For example, for wire transfer it can include the SWIFT code and the name and address of the intermediate bank. For each payment method, decide upon the following:
	• Payment method identifier (up to 10 characters).
	• Description (up to 30 characters).
	• Any custom elements to hold additional payment information:
	  • Element name
	  • Validation, which can be a simple input mask or a special "regular expression"
	• Whether checks should be printed for this payment method
	For details, see *Managing Payment Methods*.

List cash accounts and their details	Payment methods are used mainly in Accounts Receivable. They restrict cash accounts that can be used for particular customers. Additional payment method information can be a payment instruction to be printed on customers' invoices. For each payment method, define the following:
List payment methods and their details	Payment methods are used mainly in Accounts Receivable. They restrict cash accounts that can be used for particular customers. Additional payment method information can be a payment instruction to be printed on customers' invoices. For each payment method, define the following: • Payment method identifier (up to 10 characters) • Description (up to 30 characters) • Payment instrument: *cash/check*, *credit card*, or *direct deposit* • List of allowed cash accounts for this payment method and which of them is the default cash account If payment method will be used in Accounts Receivable, define: • Whether processing for the payment method should be done via a processing center - Integrated Processing option (see *Automatic Payment Collection*). • List of processing centres if Integrated Processing is enabled. • Whether the payment method requires a card number or other unique identifier for each instance of the method. For example, methods like cash

Action	Description

	or check do not require any identifiers, while a credit card method requires card numbers.
	• Whether a payment should be voided on a clearing account rather than the bank account, after respective deposit containing the payment, is released (see *Overview of Deposits*).
	• Whether customer remittance information is required for this payment method.
	• Optionally, custom elements to hold additional payment information:
	  • Element name
	  • Validation, which can be a simple input mask or a special "regular expression"
	• See *Payment Methods* and *Managing Payment Methods*.
	If a payment method will be used in Accounts Payable, define:
	• Whether check should be printed, what report format should be used for this and number of detail lines in check stub.
	• Whether check remittance report should be printed, and what report format should be used for this.
	• Whether payment method involves creating batch payments to multiple vendors.
	• Optionally, custom elements to hold additional payment information:
	  • Element name
	  • Validation, which can be a simple input mask or a special "regular expression"
	• See *Payment Methods* and *Managing Payment Methods*.
	If payment method requires remittance information:
	• Element name
	• Validation, which can be a simple input mask or a special "regular expression"
	For more information, see *Payment Methods*.

List cash accounts and their details	Prepare a list of the company's cash accounts. Usually, they are bank accounts. Cash-on-hand and credit card accounts can also be maintained as cash accounts in Acumatica ERP. For each cash account, decide the following:
	• General Ledger account and subaccount:
	  • Different cash accounts must use different General Ledger accounts.
	  • Use the same General Ledger subaccount for all cash accounts.
	  • It will not be possible to use other subaccounts with the selected General Ledger accounts in *any* Cash Management transaction.
	• Description (up to 30 characters).
	• Default rate type.

Action	Description

	• Whether the cash account should be reconciled. Normally, all cash accounts except cash on hand should be reconciled against the bank statement. Decide what numbering sequence should be used for reconciliation transactions and add it to the list of numbering sequences, prepared in the first step. For more information, see *Reconciliation Statements*.
	• Bank ID (optional). Through this ID, the cash account can be linked to an Accounts Payable vendor.
	• List of valid entry types for the cash account.
	• The cash account's default payment method.
	• List of valid payment method. For each payment method:
	  • Decide whether the next available number should be prompted for new payment (usually, it should for Accounts Payable checks and should not for other types).
	  • Indicate the last number used. This is very important for checks but not required for other payment methods.
	  • If you designed additional elements for the payment method, provide values for them. (For example, the same Wire Transfer payment method would have different SWIFT codes for different cash accounts.)

You can download and print the *Cash Management Preparation Checklist* to assist you in collecting the data for Cash Management implementation.

Configuration

This section walks you through the process of actually configuring the Cash Management module in Acumatica ERP.

No.	Action	Description
1	**Create General Ledger accounts**	Verify whether the determined cash accounts and in-transit account are defined on the *Chart of Accounts* (GL.20.25.00) form in the General Ledger module. If not, create them. See also *How to Add an Account to the Chart of Accounts*.
2	**Create General Ledger subaccounts**	Verify whether the determined cash subaccounts and in-transit subaccount are defined on the *Subaccounts* (GL.20.30.00) form in the General Ledger module. If not, create them. See also *How to Add a Subaccount*.
3	**Define autonumbering sequences**	Use the *Numbering Sequences* (CS.20.10.10) form in the Common Settings module to create and configure the numbering sequences for the following: • Cash Management transactions • Cash Management transfers • Batches generated for Cash Management transactions and transfers • Reconciliation statements

No.	Action	Description
4	**Create rate types**	Verify whether the determined default rate types are defined on the *Currency Rate Types* (CM.20.10.00) form in the Currency Management module. If not, create them.

5	**Complete Cash Management setup**	Use the *Cash Management Preferences* (CA.10.10.00) form to configure Cash Management settings:
		• Select numbering sequences for Cash Management batches, transactions, transfers, payment batches and bank statements
		• Select cash-in-transit account and subaccount
		• Select default currency exchange rate type
		• Set data entry and processing options:
		  • Validate control totals on data entry
		  • Hold transaction on entry
		  • Release Accounts Payable documents from Cash Management
		  • Release Accounts Receivable documents from Cash Management
		  • Post to General Ledger on release
		• Set cash account balance calculation options
		• Configure Bank Statements matching settings

6	**Create payment methods**	Use the *Payment Methods* (CA.20.40.00) form to create the payment methods you identified in the preparation phase.
7	**Create entry types**	Use the *Entry Types* (CA.20.30.00) form to create the entry types you identified.

8	**Create cash accounts**	Use the *Cash Accounts* (CA.20.20.00) form to create cash accounts for the company:
		• Select General Ledger account and subaccount.
		• Enter cash account description.
		• Select default currency exchange rate type.
		• Indicate whether the account will be reconciled against the bank statement.
		• Add identified valid entry types for the cash account.
		• Add identified valid payment methods for the cash account. For each added payment method:
		  • Indicate whether the next available number should be prompted for a new payment.
		  • Enter the last number used.
		• Indicate the default payment method for the cash account.
		• Configure each added payment method by entering values for custom Payment Details elements.

You can download and print the *Cash Management Configuration Checklist* to assist you in configuring the Cash Management module.

Initialization

This section provides information about providing any necessary data before live operations begin in Acumatica ERP.

Any transactions (including beginning balances) for cash accounts are entered in the General Ledger , Accounts Payable, and Accounts Receivable modules and automatically shown in Cash Management. There is no need to enter any special transactions to initialize Cash Management.

If Cash Management is implemented together with General Ledger, Accounts Payable, and Accounts Receivable before the start of actual operations in Acumatica ERP, consider doing reconciliation for all cash accounts and mark the initialization transactions as cleared. This will "cut off" the initialization period from actual operations in the Cash Management module.

Other Considerations

This section provides information about providing any necessary data before live operations begin in Acumatica ERP.

Configure approval of cash transactions in your system. Use the **Require Approval** check box to specify whether approval is used in your system. If the check box is selected, the assignment maps will be used to assign cash transactions to specific employees for approval. If several maps are listed below, each transaction must be approved by the respective number of employees. For details, see *Cash Transaction Approval*.

Assignment Map is the assignment map to be used to assign one or several employees who will approve specific cash transactions. Select from the list of maps created with the help of the *Assignment and Approval Maps* (EP.20.50.00) form. If more than one map is listed, approval from all assigned employees is required.

Implementing Accounts Payable

This document describes the process of implementing the Accounts Payable module in Acumatica ERP.

Overview

The Accounts Payable module provides the necessary functionality to manage your company's liabilities to vendors for the goods and services they supply to our company. The timing of this module's implementation is a bit tricky: Proper maintenance of vendor records in the Accounts Payable module requires tax information; however, the Taxes module can be set up only after vendor records for tax agencies have been created in Accounts Payable. Thus, you will perform Accounts Payable implementation in two parts: minimal configuration that includes the creation of vendor records for tax agencies, and final configuration that includes the creation of other vendors. In between these parts, you implement the Taxes module.

This chapter is divided into four sections:

- ***Prerequisites and Dependencies***: Describes what modules must be set up and configured before you begin implementing this module.
- ***Preparation***: Describes what data you should collect, arrange, and analyze.
- ***Configuration***: Guides you through the actual configuration of the Accounts Payable module.
- ***Initialization***: Describes how you can bring relevant data into the system.
- ***Other Considerations***: Covers other aspects pertaining to the implementation of this module.

This chapter is meant only to guide you through Accounts Payable implementation. For a detailed description of Accounts Payable forms and capabilities, see the *Accounts Payable* chapter of the *Acumatica ERP User Guide*.

Prerequisites and Dependencies

You should implement the Accounts Payable module after you complete initial configuring of the system and implement the General Ledger and Cash Management modules.

Preparation

This section covers the planning and preparation that need to occur before you begin configuring the Accounts Payable module. When you are ready to implement this module, begin collecting and analyzing the necessary information. Do the following steps (although not necessarily in the listed order; many steps can be done in parallel) before you actually configure the Accounts Payable module. Because this is the preparation phase of implementation, *enter no data into the system at this time*.

Action	Description
Develop the vendor identification convention	Plan the structure of the vendor ID that each vendor will be assigned, if you did not make these decisions during the *Initial System Configuration* phase. During initial configuring of the system, you decided whether vendor IDs would be based directly on the *BIZACCT* segmented key, or would use the *VENDOR* segmented key, which inherits the structure (the number and type of segments) of *BIZACCT* but can differ in the sequence used for auto-numbering (if applicable) and the list of segment values for validated segments. See *Business Accounts* for more information about these options. The current planning steps are based on this decision: • If you decided to use the *BIZACCT* segmented key directly, you have already done this planning and configuration; at this time, check the

Action	Description
	Segment Values (CS.20.30.00) form and make sure that for *BIZACCT* segments to be validated, all needed values have been added for the vendor ID. List any values you wish to add for meaningful vendor identifiers. • If you decided to use the *VENDOR* segmented key to design the vendor ID, prepare a list of valid entries for segments that should be validated. For additional information, see *Identifier Segmentation*.

Collect vendor information	For each vendor (including tax agencies), compile the following data:
	• Vendor ID to be used (which should comply with the applicable segmented key, *BIZACCT* or *VENDOR*)
	• Registered (main) address and contact details
	• Default credit terms
	• Whether the vendor is subject to 1099 reporting (USA only)
	• Whether this vendor is a tax agency; if it is, note the following:
	  • The frequency of tax reporting to the agency
	  • The account and subaccount to accumulate tax amounts paid to the agency
	  • The account and subaccount to accumulate tax amounts to be claimed from the agency
	  • The account and subaccount to accumulate tax-related expenses
	• Parent company's ID, if the vendor is part of another company
	• Currency ID and rate type, if the vendor operates mostly in a single foreign currency; indicate if the currency can be overridden in the documents
	• Vendor's shipment address and contact info, if they differ from the main address and contact information
	• Vendor's tax registration ID and the taxes payable to the vendor (or for the vendor's supplies)
	• Vendor's payment address and contact info, if they differ from the main address and contact information
	• Default cash account and payment method to be used for the vendor; indicate whether multiple documents should be paid separately and whether payment lead time should be considered when payments are made
	• Addresses and contacts of other vendor locations, if any
	• Accounts to be updated by the vendor's documents:
	  • Accounts Payable liability account and subaccount
	  • Expense account and subaccount for cost of purchases
	  • Freight account and subaccount (for recording freight charges and related expenses)
	  • Cash discount account and subaccount
	  • Prepayment account and subaccount (optional)

Action	Description
Design vendor classes	Analyze the vendor information you have collected, and plan the vendor classes to be defined. These classes provide default settings for new vendor records, to simplify data entry, and allow vendor grouping in reports. Develop an ID and description for each class, and decide which of the criteria for grouping customers this class will include: • Same credit terms, cash account, and payment method • Same taxes • Same General Ledger accounts and subaccounts • Same country • Same currency • Tax agencies • 1099 vendors Next, review the prepared vendor data and indicate a class for each vendor. Highlight any vendor settings that differ from the class settings. Finally, select the default vendor class; normally, this would be the class with the most vendors. For more information, see *Vendor Defaults and Overrides*.
Determine auto-numbering sequences	Plan the numbering sequence, the number range, and the starting number to be used for each of the following: • Batches: Batches are groups of transactions or documents that are processed and posted together. Decide whether Accounts Payable should share a batch numbering sequence with other modules (such as General Ledger and Accounts Receivable) or have its own numbering. • Accounts Payable bills: Each Accounts Payable bill, or vendor's invoice, has an external reference number assigned by the vendor, and external numbers may be duplicated for different vendors. Auto-numbering is used for internal identifiers, guaranteeing a unique number for each document. • Accounts Payable adjustments: Accounts Payable adjustments, which are vendors' credit or debit notes, can share a numbering sequence with Accounts Payable bills. • Accounts Payable payments: As with bills, the numbering of Accounts Payable payments ensures a unique internal identifier for each payment. • Auto-numbered segment: The vendor ID may include an auto-numbered segment. If the ID is based on the *BIZACCT* segmented key, this sequence was defined and specified during initial system configuring; if the ID is based on the *VENDOR* segmented key, you will define the sequence during Accounts Payable implementation and plan it at this time. Also, Accounts Payable and General Ledger tasks share an auto-numbering sequence set up during General Ledger implementation.  Acumatica ERP is installed with several predefined numbering sequences that can be used for the Accounts Payable module. You can modify these sequences if needed or create new sequences. For additional information, see *Multiple Numbering Sequences*.
Decide on aging categories	Plan three aging periods (each defined by the number of days outstanding or past due), such as 30 days, 60 days, and 90 days. Acumatica ERP lets you view

Action	Description
	outstanding Accounts Payable documents and payments by aging categories, for better cash flow predictions.
Determine Accounts Payable processing policies	Decide the following: • Whether Accounts Payable transactions should be automatically posted when they're released • Whether Accounts Payable transactions should be consolidated (summarized by account) when they're posted to the General Ledger • How long Accounts Payable transactions must be kept in the database before they can be deleted • Whether new Accounts Payable documents should be put on hold by default • Whether the system should validate Accounts Payable document totals during data entry (such validation is always performed when the document is released) • Whether Accounts Payable bills should be automatically pre-approved for payment • Whether an external vendor reference number is required for Accounts Payable bills
Determine 1099 reporting settings	For details, see *Support for U.S. 1099-MISC Form*.
Verify General Ledger accounts	Verify that all needed General Ledger accounts have been created using the *Chart of Accounts* (GL.20.25.00) form. (Creation of these accounts should have occurred during implementation of the General Ledger module, if implementation has taken place in the recommended order.) If this has not occurred, prepare a list of missing General Ledger accounts and see the *Implementing General Ledger* chapter of this guide.
Verify General Ledger subaccounts	Verify that all needed General Ledger subaccounts have been created using the *Subaccounts* (GL.20.30.00) form. (This step, too, should have occurred during General Ledger implementation, if implementation has taken place in the recommended order.) If this has not occurred, prepare a list of missing General Ledger subaccounts and see the *Implementing General Ledger* chapter of this guide.
Verify currencies	Verify that all needed currencies have been created using the *Currencies* (CM.20.20.00) form. (This step should have occurred during implementation of the Currency Management module, if implementation has taken place in the recommended order.) If this has not occurred, prepare a list of missing currencies and see the *Implementing Currency Management* chapter of this guide.
Verify currency rate types	Verify that all needed currency rate types have been created using the *Currency Rate Types* (CM.20.10.00) form. (Creation of these rate types, too, should have occurred during implementation of the Currency Management module, if implementation has taken place in the recommended order.) If this has not occurred, prepare a list of missing rate types and refer to the *Implementing Currency Management* chapter of this guide.
Verify payment methods	Verify that all needed payment methods have been created using the *Payment Methods* (CA.20.40.00) form. (This step should have occurred during implementation of the Cash Management module, if implementation has taken

Action	Description
	place in the recommended order.) If this has not occurred, prepare a list of missing payment methods and see the *Implementing Cash Management* chapter of this guide.
Verify cash accounts	Verify that all needed cash accounts have been created using the *Cash Accounts* (CA.20.20.00) form. (Creation of these cash accounts also should have occurred during implementation of the Cash Management module, if implementation has taken place in the recommended order.) If this has not occurred, prepare a list of missing cash accounts and see the *Implementing Cash Management* chapter of this guide.

Collect Information about Credit Terms in Use

Before configuring credit terms in Accounts Payable, you need to gather information about credit terms used by vendors as indicated in the table below.

Action	Description
Plan the identifier and description	The credit terms identifier is an alphanumeric string up to 6 characters, and the description can be up to 30 characters.
Choose the due date calculation method	Select one of these methods for calculating due dates: • A fixed number of days, such as 30 or 90 days from the date of the vendor invoice (bill). • A particular day of the next month. If you've chosen this method and specified *15*, for example, a payment for bill issued in May is due on June 15. • The end of the current month, which would mean, for instance, that a bill issued in May is due on May 31. • The end of the next month, meaning that, for example, a bill issued in May is due on June 30. • A specific day of the current month. If you choose this option and 15, for example, a bill issued between May 1 and May 15 is due on May 15, while a bill issued between May 16 and May 31 is due on June 15. • A custom method, which lets you specify two fixed days in a month and a time interval for each. For example, you could specify a due day of the 25th, for any document issued in the first part of the month (the 1st to the 15th), and a second due date, such as the 10th, for any document issued in the second part of the month (the 16th to the 31st). With these settings, bills issued from May 1 to May 15 are due on May 25, and bills issued from May 16 to May 31 are due on June 10.
Determine the cash discount percent and type	First, decide the cash discount percent. (If no discount is given for cash payments, indicate 0.) Then, choose one of the following types to reflect the date until which the cash discount will be available: • A fixed number of days (select the number) after the bill's due date • A specific day of next month (choose the day) • The end of the current month • The end of the next month

Action	Description
	• A specific day of current month (select the day)
If applicable, decide installment method	If the terms include payment by multiple installments, choose the installment method, which can be one of the following: • The document total (with taxes) is divided into equal parts. • The amount of the document before taxes is divided into equal parts, and the tax amount is added. • The installment payments are based on your desired percentages; plan the custom schedule, with installment dates and percents of the total bill amount (including tax), if you choose this option.
Specify number of installments	Unless you plan to split the installments by percentages (the last installment method mentioned above), indicate in how many installments the bill amount is to be divided.
Specify frequency of installments	Unless you plan to split installments by percentages, choose a frequency of weekly, monthly, or bimonthly. The first installment is payable on the due date as defined above, and subsequent installments are scheduled according to the indicated period.

Configure Credit Terms

Once you've gathered all needed information about each set of credit terms, configure each set in the system using the *Credit Terms* (CS.20.65.00) form. The steps to configure a set of credit terms are outlined below.

No.	Element	Description
Fill in the elements in the **Terms** tab.		
1	**Terms ID**	Enter the credit terms identifier.
2	**Description**	Enter a short description of the credit terms.
3	**Visibility**	Select whether the credit terms apply only to vendors, or to both vendors and customers.
4	**Due Date Type**	Select the due date calculation option you selected when collecting information about this set of credit terms: • *Fixed Number of Days* • *Day of Next Month* • *End of Month* • *End of Next Month* • *Day of the Month* • *Custom*
5	**Due Day 1**	Select a day only if you have one of the following settings as the **Due Date Type**: • *Fixed number of days*: Enter the number of days between the bill date and the due date. • *Day of Next Month* or *Day of the Month*: Enter the day of the next or current month to be the bill due date.

No.	Element	Description
		• *Custom*: Enter the day of the month to be the first due date. The bill is due on this day if its date falls between the values in **Day From 1** and **Day To 1**.
6	**Day From 1** and **Day To 1**	Fill in these boxes, enabled only if you have selected *Custom* as the **Due Date Type**, to define the bill date range for the first due date. The bill is due on **Due Day 1** if its date falls between these days.
7	**Due Day 2**	If you have selected the *Custom* due date type, enter the second due date of the type. The bill is due on this day if its date falls between **Day From 2** and **Day To 2**.
8	**Day From 2Day To 2**	Complete these boxes, enabled if you have *Custom* as the **Due Date Type**, to define the bill date range for the second due date. The bill is due on **Due Day 2** if its date falls between these days.
9	**Discount Type**	To specify a cash discount for these credit terms, first go to the **Installments** tab and select the *Single* installment type. Then select the appropriate option for the cash discount date calculation: • *Fixed Number of Days* • *Day of Next Month* • *End of Month* • *End of Next Month* • *Day of the Month* With certain **Due Date Type** settings, this option is set by the system and not modifiable.
10	**Discount Day**	Select a day if you have one of the following settings as the **Discount Type**: • *Fixed Number of Days*: Enter the number of days between the bill date and discount date. • *Day of the Month* or *Day of Next Month*: Enter day of the month to be the bill discount date.
Fill in applicable elements on the **Installments** tab.		
11	**Installment Type**	Select whether the bill payment should be made in installments: • *Single*: The bill is to be paid in full by the due date and there are no installments. Make this selection if you're specifying a cash discount. • *Multiple*: The bill is to be paid by multiple payments, according to other settings.
12	**Installment Method**	Select how the total bill amount will be divided among installments: • *Equal Parts*: The complete bill amount, including tax, is divided equally among installments. • *Full Tax in First Installment*: The pre-tax document amount is divided equally among installments, and the full tax amount is added to the first installment.

No.	Element	Description
		• *Split by Percent in Table*: The complete bill amount, including tax, is divided into installments according to a manually maintained installment schedule.
13	**Installment Frequency**	Choose the interval between successive installments: • *Weekly*: The subsequent installment is due one week after the previous installment. • *Monthly*: Subsequent installments are due one month after the previous installment. • *Bimonthly*: Subsequent installments are due two months after the previous installment.  The first installment is always due on the due date as defined in the **Terms** tab. This option does not apply to the *Split by Percent in Table* installment method.
14	**Number of Installments**	Enter the number of installments the bill is to be paid by. This option does not apply to the *Split by Percent in Table* installment method.
15	**Installment Schedule**	For the *Split by Percent in Table* installment method only, enter the following for each installment: • The number of **Days** from the bill date the installment is to be due on • The **Percent** of the total bill amount, including tax, to be payable by the installment All installments should add up to 100%.

You can download and print the *Accounts Payable Preparation Checklist* to assist you in collecting the data for Accounts Payable implementation.

Configuration

This section walks you through the process of actually configuring the Accounts Payable module in Acumatica ERP. As mentioned earlier, Accounts Payable configuration should be executed in two stages, separated by implementation of the Taxes module. So the order of implementation steps is as follows:

- Basic Accounts Payable configuration and creation of tax agencies' vendor records
- Taxes module implementation
- Final Accounts Payable configuration and implementation

No.	Action	Description
1	**Define auto-numbering sequences**	Use the *Numbering Sequences* (CS.20.10.10) form to create numbering sequences for the following: • Accounts Payable batches • Accounts Payable bills • Accounts Payable adjustment • Accounts Payable payments

No.	Action	Description
		• A segment of the *VENDOR* segmented key (if the vendor ID is based on the *VENDOR* segmented key, and if an auto-numbering segment will be used but is not already defined)
2	**Define structure of vendor identifier**	If this step has not already occurred, use the *Segmented Keys* (CS.20.20.00) form to implement the chosen structure of the vendor ID by configuring the segmented key *VENDOR*. (If the vendor ID is based on the segmented key *BIZACCT*, its structure was defined during initial stage of system configuring.)
3	**Maintain validation table for key segments**	If this step has not already occurred, use the *Segment Values* (CS.20.30.00) form to maintain valid entries for segments of the segmented key the vendor ID is based on (*BIZACCT* or *VENDOR*). This task is required only for validated segments. Non-validated and auto-numbered segments do not require maintenance of segment values.
4	**Create General Ledger accounts**	Create any missing General Ledger accounts on the *Chart of Accounts* (GL.20.25.00) form. See also *How to Add an Account to the Chart of Accounts*.
5	**Create General Ledger subaccounts**	If necessary, create missing General Ledger subaccounts by using the *Subaccounts* (GL.20.30.00) form. See also *How to Add a Subaccount*.
6	**Create currencies**	Create any missing currencies by using the *Currencies* (CM.20.20.00) form.
7	**Create rate types**	If necessary, create missing currency rate types on the *Currency Rate Types* (CM.20.10.00) form.
8	**Create payment methods**	Create any missing payment methods by using the *Payment Methods* (CA.20.40.00) form.
9	**Create cash accounts**	If necessary, create missing cash accounts by using the *Cash Accounts* (CA.20.20.00) form.
10	**Create credit terms**	Create missing credit terms on the *Credit Terms* (CS.20.65.00) form.
11	**Create vendor classes**	Use the *Vendor Classes* (AP.20.10.00) form to create the vendor classes you have planned. At least one class (the default vendor class) should be created. Leave **Tax Zone ID** blank at this time.
12	**Configure Accounts Payable preferences**	Use the *Accounts Payable Preferences* (AP.10.10.00) form to define key settings of the Accounts Payable module: • Enter the settings you decided upon (during the Preparation phase) under the **General Settings** tab. • Enter desired settings under the **1099 Settings** tab.
13	**Create tax agencies**	Use the *Vendors* (AP.30.30.00) form to define vendor records *for tax agencies only*. Click **Insert** on the form toolbar to initialize each new record, and enter the following information: • Vendor ID and name. • **General Info** tab: • Type in tax agency address and contact data.

No.	Action	Description
		• Note that the default vendor class you set up is filled in, as are the elements you defined for it; you can override any settings as needed. • Be sure the **1099 Vendor** check box is cleared. • Select the **Vendor Is Tax Agency** check box. • Select credit terms according to agency regulations. • The currency should be your company's base currency. • Select the **Allow Currency Override** check box if the agency allows payment in a foreign currency. • Leave the currency rate type blank. • Select the **Allow Rate Override** check box. • **Purchase Settings** tab: Keep tax zone and registration ID blank. • **Payment Settings** tab: • Fill in the agency remittance address and contact data, or select **Same as Main**. • Fill in the default cash account for tax payments, the payment method, and the payment lead time. • Select the **Pay Separately** option if the agency requires separate checks. • **Locations** tab: Skip this tab. • **Contacts** tab: Skip this tab. • **GL Accounts** tab: Fill in the applicable accounts for the agency. • **Tax Agency** tab (which appears when you select the **Vendor Is Tax Agency** check box under the **General Info** tab): • Select the prescribed reporting period. • Select the default account and subaccount for output (sales) taxes. • Select the default account and subaccount for input (purchase) taxes. • Select the default account and subaccount for tax-related expenses.
14	See the *Implementing Taxes* chapter of this guide now. Return to Step 15 of Accounts Payable implementation after you have finished implementing the Taxes module.	

No.	Action	Description
15	**Update vendor classes**	On the *Vendor Classes* (AP.20.10.00) form, enter the appropriate tax zone ID for each vendor class.

16	**Create vendor records**	Use the *Vendors* (AP.30.30.00) form to define vendors (except tax agencies, which are already created). Select **Insert** on the Form toolbar to initialize each new record, and enter the following information:
		• Vendor ID and name.
		• **General Info** tab:
		  • Type in vendor address and contact data.
		  • Note that the default vendor class you set up is filled in; select another class if desired. Any of the settings defined by the class can be overridden.
		  • Select the **1099 Vendor** check box if appropriate.
		  • Be sure the **Vendor Is Tax Agency** check box is cleared.
		  • If necessary, change settings copied from the selected class: credit terms, currency, currency rate type, and currency override policy.
		• **Purchase Settings** tab:
		  • Fill in shipping address and contact data.
		  • Select appropriate tax zone and tax registration ID.
		• **Payment Settings** tab:
		  • Fill in the remittance address and contact data, or select **Same as Main**.
		  • Fill in the default cash account for tax payments, the payment method, and the payment lead time.
		  • Select the **Pay Separately** option if the vendor requires separate checks.
		• **Locations** tab: Define other locations for the vendor, if necessary.
		• **Contacts** tab: Define contacts for the vendor, if necessary.
		• **GL Accounts** tab:
		  • Accounts Payable liability account and subaccount
		  • Discount account and subaccount
		  • Expense account and subaccount
		  • Prepayment account and subaccount

You can download and print the *Accounts Payable Configuration Checklist* to assist you in configuring the Accounts Payable module.

Initialization

This section provides information about initializing the Accounts Payable module.

Entering initial balances for vendors presents some challenges, the first involving Accounts Payable document balances: Outstanding Accounts Payable documents must be entered with correct balances and dates. It is very common for several bills to be settled by a single payment, and for several payments to be applied to a single bill. These kinds of payment-bill relations can result in a long chain of sequentially linked bills and payments. To keep the implementation effort within reasonable limits, we recommend that you migrate only outstanding Accounts Payable documents with their balances as of the date of migration.

The second challenge involves keeping General Ledger balances accurate: Posting of the migrated Accounts Payable documents generates General Ledger transactions. During General Ledger implementation, however, each account was updated with the correct balance. Posting transactions from Accounts Payable would create incorrect General Ledger balances for certain accounts.

The following procedure of initializing the Accounts Payable module is designed to overcome these problems:

- When you enter outstanding Accounts Payable documents, accept the default Accounts Payable account and expense account (on the detail line).
- Enter documents with the original document date, credit terms, and exchange rate (if the document is in a foreign currency).
- Enter documents with the net balance as of the migration date (not with the original document amount).
- Enter documents as non-taxable.
- Enter all documents for the same past period.
- Print the *Transactions for Period* (GL.63.30.00) report, filtered for Accounts Payable transactions.
- On the *Journal Transactions* (GL.30.10.00) form, enter reversals of the Accounts Payable transactions for the same financial period as the migrated documents. Use the account total amounts from the General Ledger Transactions for Period report, changing debit to credit and credit to debit.
- After Accounts Payable migration is complete, all General Ledger accounts should have the same balances as before Accounts Payable migration.

You can download and print the *Accounts Payable Initialization Checklist* to assist you in entering initial balances of the Accounts Payable module using this described approach.

Other Considerations

Although you need not limit vendor access, if you do not restrict access, every user who is granted rights to create or process Accounts Payable transactions can create a bill or payment for any vendor. With Acumatica ERP, you control access to particular vendor groups using *restriction groups*. In this context, a restriction group is a group designed to restrict its users' access to only objects (in this case, vendors) that are members of the same group. A restriction group can be defined as *inverse*, which means that the objects in the group instead cannot be used with one another.

Use the following steps to implement vendor access restrictions by using restriction groups:

1. Collect access requirements:
    - List all users (such as those in accounting and purchasing) who have to enter and process vendor documents.
    - For each listed user, indicate vendors to whom the user must have access; after configuration, the user will have no access to unlisted vendors.
    - If the user should access a large number of vendors and cannot access only a small number, list only the no-access vendors and mark the list as *Inverse*; after configuration of the restriction group, the user will have access to all unlisted vendors.

- Remember that once you set up these restriction groups, users not included in the access lists will have *no* access to any vendor. Although they may have access to Accounts Payable forms, they will not be able to select vendors using those forms.

2. Analyze the collected access lists and combine users with identical access requirements into groups. Assign a unique name to each group.
3. Use the *Restriction Groups* (SM.20.10.30) form to create up the restriction groups you have designed.
4. Use the *Restriction Groups by Vendor* (AP.10.20.10) form to configure the restriction groups: For a normal (non-inverse) restriction group, each user in the group has access to any vendor of the group, and users not selected may not have access to those vendors. For an inverse restriction group, each user of the group has access to any vendor except those selected in the group.

A user can be included in multiple restriction groups. For example, if a purchasing employee is included in a *North America* group and a *South America* group, the user would have access rights to all suppliers of North and South America.

Implementing Taxes

This document briefly describes the process of implementing the Taxes module in Acumatica ERP.

Overview

The Taxes module stores and manages your definitions of taxes, tax categories, and tax zones that are used across the system for automatic tax calculation for every document and transaction.

In this section:

- ***Terminology***: Presents and explains terminology that is key to the Taxes module functionality.
- ***Preparation***: Describes data you should collect and decisions you should make before you take action.
- ***Prerequisites and Dependencies***: Describes what modules must be set up and configured before you begin implementing this module.
- ***Configuration***: Guides you through the actual configuration of the Taxes module.
- ***Initialization***: Describes whether additional data should be provided before the start of operations.

This document is meant only to guide you through the Taxes implementation process. For more information about Taxes forms and capabilities, see *Taxes* in *Acumatica ERP User Guide*.

Terminology

This section explains terms that are essential for understanding of the Taxes module functionality.

Item	Description

Report Lines	Tax reporting forms contain boxes that have to be filled with taxable or tax amounts for the reporting period; some of the boxes show the sum or difference of other boxes. Each box is referred to in Acumatica ERP as a *report line*, which you configure for reporting requirements using the following parameters:
	• **Update With** indicates the type of amount, *Tax* or *Taxable*, reported in the report line.
	• **Update Rule** indicates how sales and purchases update the amount in the report line. The update rule can be one of the following options:
	  • + *Output* – *Input*: Sales (tax amounts or sales taxable amounts) are added to the box amount and purchases (tax amounts or taxable amounts of purchases) are deducted from the box amount.
	  • + *Input* – *Output*: Purchases are added to the box amount and sales are deducted from the box amount.
	The **Update Rule** setting does not imply that each line is updated (increased or decreased) by each sales and purchase transaction. Instead, tax or taxable amounts flow into the report line through reporting groups (described below); each reporting group is linked to some report lines, so that some lines accumulate only sales taxes, other lines accumulate only purchase taxes, and still other lines accumulate both sales and purchase taxes. See below for an example of report lines related to GST-type tax for IRAS (Inland Revenue Authority of Singapore):

Item	Description
	• **Report Line 1**: Value of standard-rated taxable sales. The line type (specified as **Update With**) is *Taxable*, the update rule is + *Output* – *Input*, and the line should be updated by the *output* group of standard-rated taxes. • **Report Line 2**: Value of zero-rated taxable sales. The line type is *Taxable*, the update rule is + *Output* – *Input*, and the line should be updated by the *output* group of zero-rated taxes. • **Report Line 3**: Value of tax-exempt sales. The line type is *Taxable*, the update rule is + *Output* – *Input*, and the line should be linked to the *output* group of special tax that has zero rate and indicates tax-exempt supplies. • **Report Line 4**: Sum of all sales. The line type is *Taxable*, the update rule is + *Output* – *Input*, and the line should be updated by the *output* groups mentioned in report lines 1, 2, and 3. • **Report Line 5**: Value of standard- and zero-rated taxable purchases. The line type is *Taxable*, the update rule is + *Input* – *Output*, and the line should be linked to the *input* group of taxes applicable to purchases. • **Report Line 6**: Total tax collected (output tax) from customers. The line type is *Tax*, the update rule is + *Output* – *Input*, and the line should be updated by the *output* groups of all standard-rate taxes. • **Report Line 7**: Total tax (input tax) paid to vendors. The line type is *Tax*, the update rule is + *Input* – *Output*, and the line should be updated by the *input* group of standard-rate taxes applicable to purchases. • **Report Line 8**: Difference between taxes collected from customers and taxes paid on purchases. The line type is *Tax*, the update rule is + *Output* – *Input*, and the line should be updated by the *output* group of standard-rate taxes mentioned in the definition of report line 1, as well as by the *input* groups of taxes mentioned in the definition of report line 5. The definition of report lines is linked to the tax agency.
Reporting Groups	A *reporting group* serves as a hub between taxes and report lines: It accumulates data from several taxes that share reporting requirements, and passes the data to the appropriate report lines. Reporting groups also separate sales and purchase data flows. Reporting groups are specific to the tax agency and depend on the type of tax: • VAT (or GST) taxes are collected from customers and then paid to the tax agency. They are also calculated on purchases; if they were paid to vendors, the tax amounts are claimable from the tax agency. Thus, VAT and GST taxes require two groups: an output group for sales and an input group for purchases. • Sales taxes are collected from customers and then paid to the tax agency. Taxes paid to vendors are not claimable and are not reported. Sales taxes require only one output group for sales. • Use taxes are paid to the tax agency on purchases from vendors if the company is not subject to vendor's sales taxes. Vendors do not collect the use tax, unlike VAT or GST. Use taxes require one input group for purchases. Reporting groups are linked to report lines. In the above example:

Item	Description
	• There are three output reporting groups (based on the different sales types: standard-rated, zero-rated, and tax-exempted) and one input reporting group. • The output reporting group for standard-rated sales should be linked to report lines 1, 4, 6, and 8. • The output reporting group for zero-rated sales should be linked to report lines 2 and 4. • The output reporting group for tax-exempt sales should be linked to report lines 3 and 4. • The input reporting group for purchases should be linked to report lines 5, 7, and 8.
Tax Types	Acumatica ERP supports all common tax types: • **VAT** or **GST**: Many resellers and manufacturers perform both sales and purchases. A company, when acting as a vendor of goods or services, collects taxes from customers as part of the total invoice amounts, and then reports and pays the collected tax amounts to a tax agency. When acting as a customer (but not a final consumer), the company pays taxes to its vendors and has the right to claim these amounts from the tax agency. Thus, each company reports both collected and paid taxes, and pays to the tax agency only the net difference. • **Sales**: A company collects sales taxes from customers as part of the total invoice amount and pays the taxes to the tax agency; the company does not claim the tax amounts it pays to vendors. • **Use**: A vendor bills the company only for goods and services; the company reports the purchases and pays taxes directly to the tax agency. • **Withholding**: A vendor bills the company for services; when making a payment to the vendor, the company withholds taxes from the total invoice amount and pays only the balance. Then the company reports and pays these taxes to the tax agency.
Tax Calculation	In Acumatica ERP, you can specify the method of *tax calculation*. Each tax's definition also includes a number of parameters used to calculate the taxable amount and tax amount. The options described below define how the taxable amount and tax amount are calculated. • *Extract From Item Amount*: With this option, the prices of goods and services already incorporate the tax amount; both the tax and taxable amounts are extracted from the price. For example, if the price is $100 and the tax is 10%, the taxable amount is $90.91, the tax amount is $9.09, and the billable amount is $100. • *Calc. on Item Amount*: With this option, tax is calculated on a per-item basis, the tax amount is calculated for each invoice line separately, and then all line taxes are added for the document. For instance, if an invoice has two lines of $49.50 each and the tax is 3%, then the tax for each line is $1.49 ($49.50 x 0.03, rounded to whole cents) and the total invoice tax is $2.98. • *Calc. on Document Amount*: With this option, the tax is calculated on a per-document basis, which means for the total invoice amount. If, as with the previous example, the invoice has two lines of $49.50 each and the tax is

Item	Description
	3%, then the invoice pre-tax total is $99.00 and the tax is $2.97 ($99.00 x 0.03, rounded to whole cents). Due to rounding of the tax amount at a different stage of calculation compared to the *Calc. on Item Amount* option, the tax amount is slightly different. • *Calc. On Item + Tax Amount*: This option is a second-level tax, which is based on goods plus the first-level tax amount. For example, if the item's price is $100, the first-level tax A is 10%, and the second-level tax B is 5%, then the tax amount for tax A is $10 and the tax amount for tax B is $5.50, computed as ($100 + $10) x 0.05. The total billable amount, then, is $115.50. This second-level tax is calculated on *item* amounts and the amounts of the first-level taxes. • *Calc. on Document + Tax Amount*: This option also defines a second-level tax, which is based on goods plus the first-level tax amount. This second-level tax is calculated on the *document* amount and the amount of the first-level tax. Here, too, due to rounding of the tax amount at a different stage of calculation, the tax amount on the same items may be somewhat different. If several taxes apply to one document or document line, first-level taxes are calculated only on goods, while second-level taxes are calculated on goods and other taxes. If second-level taxes should not be calculated on the specified first-level taxes, the **Exclude from Tax-on-Tax Calculation** option should be selected. You can also control whether cash discounts available due to credit terms affect the taxable amounts. The following options are available: • *Reduces Taxable Amount*: The discount amount is deducted from the document amount before tax calculation. In this case, the taxable amount is decreased by the discount amount, so the tax amount will be less. For example, assume the price is $100, the discount is 20%, and the tax rate is 10%. The discount amount is $20, the taxable amount is $80, the tax amount is $8, and the billable amount is $88. • *Does Not Affect Taxable Amount*: The discount amount is deducted from the document amount, but this doesn't affect the taxable amount. Here, the base for tax calculation is the same as the base for discount calculation. As in the previous example, consider a price of $100, a discount of 20%, and a tax of 10%. The taxable amount is $100, the tax amount is $10, and the billable amount is $90.
Tax Categories	In Acumatica ERP, a *tax category* is a group of goods and services that are subject to the same taxes. Tax category can also be defined as a group of taxes charged for supply of the same goods and services. A tax category should include all taxes charged for supply of the particular goods and services, regardless of the place where sales happen. An invoice, however, does not include all taxes from the tax category of the billed goods and services: The taxes are "filtered" by the tax zone (described below) of the customer. So the invoice includes only taxes that are in both the tax category of the supplied goods or services and the tax category of the customer. For example, the sale of books is taxable in the states of Arkansas and Delaware, and the tax category would include the sales taxes of both states. A customer from Delaware will be paying only Delaware tax and a customer from Arkansas will be paying only Arkansas tax, because they are located in different tax zones. Tax categories may be defined as either of the following:

Item	Description
	• *Inclusive*: Products included in the tax category are subject to all taxes included in the tax category. • *Exclusive*: Products included in the tax category are subject to all taxes *except* taxes listed in the tax category. (That is, the products are subject to all taxes associated with the tax zone except those listed in the tax category.) To implement an exclusive category in Acumatica ERP, you will later select **Exclude Listed Taxes** for the category.
Tax Zones	A tax zone is a territory or administrative region where the same taxes are enforced. Taxation regions can be of different sizes: In the United States, federal taxes are applied everywhere in the country, state taxes are charged only within a particular state, and county taxes are valid only in a specific county. The tax zone should be defined as the smallest common region of all taxes in force in a particular place. Local tax specific to a particular tax zone would be included only in that tax zone. Tax applicable to a wider region would be included in multiple tax zones: For example, U.S. federal tax would be included in all tax zones for the country. A tax zone should include all taxes of the respective region, regardless of supplied goods and services. An invoice includes only taxes that are both in the tax category of the supplied goods or services and in the tax zone of the customer.

Prerequisites and Dependencies

The *Initial System Configuration* must be completed, as well as the General Ledger module must be configured before you implement the Taxes module. Configuration of taxes is linked to tax agencies, which are defined as vendors in Accounts Payable. This makes partial implementation of the Accounts Payable module (including the definition of vendor records for tax agencies) also mandatory for Taxes implementation. See the *Implementing Accounts Payable* chapter of this guide to learn more about these interdependencies.

Preparation

This section covers the preparation that needs to occur before you begin configuring the Taxes module. Once you have determined that the timing for implementing this module is appropriate, begin collecting and analyzing the necessary information. Do the following steps before you actually configure the Taxes module.

Because this is the preparation phase of implementation, enter no data into the system at this time.

Action	Description
Verify vendor records for tax agencies	Verify that all tax agencies your company reports to have vendor records, which should have been defined using the *Vendors* (AP.30.30.00) form of the Accounts Payable module. Be sure that each is configured as a tax agency by selecting the **Vendor Is Tax Agency** option under the **General Info** section. For details, see *Tax Agency Account Setup*.
Determine reporting settings	For your company's tax report to each tax agency, define the report lines. For each report line, indicate the following: • Whether it is a tax or taxable amount • Which update rule will be used:

Action	Description
	• + *Output* – *Input* if the sales amount or tax is to be reported as positive in the box (the purchase amount or tax will be reported as negative) • + *Input* – *Output* if the purchase amount or tax is to be reported as positive in the box (the sales amount or tax will be reported as negative) • How you will briefly describe the report line (the description should be as close as possible to that of the box on the tax form) • Whether the tax report replicates the report line for each applicable tax zone • Whether this report line is the one chosen to receive tax adjustment (this is not tax on sales or purchases but an adjustment to the prepared tax report) • Whether the report line applies to only one tax zone  If this is a "single-zone" report line, you will need to return to the line definition after designing the tax zone and write the tax zone ID for these lines. For details about reporting settings, see *Tax Report Configuration*.
Plan reporting groups	For each tax agency, define reporting groups, indicating: • Group type, which should be output (sales) or input (purchases) • Brief description • Report lines to display reporting group amounts For information about reporting groups, again see *Tax Report Configuration*.
Prepare tax definitions	Prepare the definition for each tax you charge to your customers or pay to your vendors.  A tax agency might use one tax name, such as *sales tax*, to describe different tax rates for different products and services. When this is the case, you need to create multiple taxes, one for each different tax rate. For each tax, assign a tax ID (up to 10 alphanumeric characters) and a brief description. Indicate the following: • Tax agency collecting the tax. • Tax type: VAT, sales, use, or withholding. (For GST taxes, select VAT.) • For VAT, decide on VAT-specific options: Reverse VAT, Pending VAT, Statistical VAT, Exempt from VAT. • Whether tax is used only for *Tax Bills and Adjustments* (TX.30.30.00). • Tax rate and effective start date. • Minimum and maximum taxable amounts, if applicable. • Basis of tax calculation: • Item-level or document-level. • Goods only (first-level tax) or goods + tax (second-level).

Action	Description

	• For first-level tax, whether it should be excluded from second-level tax calculation.
	• GL accounts and subaccounts:
	  • Liability account and subaccount for tax on sales. This account accumulates taxes collected from sales and *payable* to the tax agency.
	  • Assets account and subaccount for tax on purchases. This account accumulates taxes paid in purchases and *claimable* from tax agency.
	  • Expense account and subaccount for use tax.
	• On-invoice discount handling: Whether taxable amount is reduced by the discount.
	• Applicable reporting groups:
	  • Sales tax should have only one output group.
	  • Use tax should have only one input group.
	  • Other taxes should have one output group and one input group.
	For more information, see *Tax Calculation*.

Decide on tax categories	Analyze tax definitions and plan tax categories as groups of products and services with identical taxation. For each category, indicate the following: • Category ID • Brief description • Whether category is inclusive or exclusive • Taxes of the category For details, see *Tax Categories*.

Plan tax zones	Analyze tax definitions and determine which tax zones you'll need to define. For each zone, indicate the following:
	• For each zone, indicate the following:
	  • Zone ID
	  • Brief description
	  • Taxes of the zone
	• Identify tax zones of your company branches.
	• If you previously identified single-zone report lines, return to the line definitions and write their tax zone IDs.
	If you previously identified single-zone report lines, return to the line definitions and write their tax zone IDs. For details on tax zones, see *Tax Zones*.

You can download and print *Taxes Preparation Checklist* to assist you in preparing for Taxes implementation.

Configuration

This section walks you through the process of actually configuring the Taxes module within Acumatica ERP.

No.	Action	Description
1	**Review vendor records defined for tax agencies**	Use the *Vendors* (AP.30.30.00) form in the Accounts Payable module to review and update, if necessary, vendor records for tax agencies.
2	**Configure reporting settings**	For each tax agency, use the *Reporting Settings* (TX.20.51.00) form to create the following entities: • Report lines • Reporting groups
3	**Configure reporting groups**	Use the *Reporting Groups* (TX.20.52.00) form to link report lines to reporting groups. For each reporting group of each tax agency, perform these steps: • Select tax agency. • Select reporting group. • Add report lines. • Click **Save**.

4	**Create tax definitions**	Use the *Taxes* (TX.20.50.00) form to define each required tax:
		• Enter tax ID and description.
		• Select tax type. Select appropriate VAT options.
		• Select tax agency.
		• Select calculation type:
		  • *Extract From Item Amount* (inclusive tax, always item-level).
		  • *Calc. On Item Amount* (item-level, first-level tax).
		  • *Calc. On Item + Tax Amount* (item-level, second-level tax).
		  • *Calc. On Document Amount* (document-level, first-level tax).
		  • *Calc. On Document + Tax Amount* (document-level, second-level tax).
		• Select **Exclude from Tax-on-Tax Calculation** if the first-level tax should not contribute to the taxable base of second-level taxes.
		• Choose the appropriate **Cash Discount** option.
		• Under the **Tax Schedule** tab, add applicable reporting groups, indicating the following for each:
		  • Start date.
		  • Tax rate.
		  • Minimum and maximum taxable amount, if applicable.
		• On the **Accounts** tab, enter the General Ledger accounts and subaccounts for the tax.

No.	Action	Description
		• Click **Save**. You will link taxes to tax categories and tax zones in the next two steps.
5	**Create tax categories**	Use the *Tax Categories* (TX.20.55.00) form to create the planned categories. For each: • Enter category ID and description. • Select the **Exclude Listed Taxes** check box if the category is exclusive. • In the **Taxes Included** area, add taxes to the category. • Click **Save**.
6	**Configure tax zones**	Use the *Tax Zones* (TX.20.60.00) form to create the zones you identified. For each zone, do the following: • Enter a tax zone ID and description. • In the **Taxes Included** area, add taxes to the zone. • Click **Save**.
7	**Update single-zone report lines**	For each single-zone report line, use the *Reporting Settings* (TX.20.51.00) form: • Select the **Tax Agency**. • Select the **Tax Zone ID** for the single-zone report line. • Click **Save**.
8	**Configure tax zones for company locations**	Using the *Branches* (CS.10.20.00) form, assign tax zones for the company branches.

You can download and print the *Taxes Configuration Checklist* to assist you in configuring the Taxes module.

Initialization

Once the Taxes module is set up, it is ready for use and you need to provide no additional data before the start of operations. All applicable data will flow into the Taxes module from the Accounts Receivable and Accounts Payable modules when tax-related documents are generated.

Implementing Accounts Receivable

This document describes the process of implementing the Accounts Receivable module in Acumatica ERP.

Overview

The Accounts Receivable module provides the functionality to let you effectively manage receivables and the customers who buy goods and services from your company. The Accounts Receivable module also facilitates automating and customizing customer invoicing and payment collection.

This document is divided into the following sections:

- ***Prerequisites and Dependencies***: Describes what modules must be set up and configured before you begin implementing this module.
- ***Preparation***: Describes data you should collect, arrange, and analyze.
- ***Configuration***: Guides you through the actual configuration of the Accounts Receivable module.
- ***Initialization***: Describes how to bring opening balances and historic data into the system.
- ***Other Considerations***: Covers other aspects pertaining to the implementation of this module.

This document is meant only to guide you through the implementation process. For detailed descriptions of Accounts Receivable forms and capabilities, see the *Accounts Receivable* chapter of the *Acumatica ERP User Guide*.

Prerequisites and Dependencies

You must perform initial system configuring and set up and configure the General Ledger and Cash Management modules before you implement the Accounts Receivable module. If your Accounts Receivable process involves taxes, the Accounts Payable and Taxes modules are prerequisites too.

Preparation

This section covers the preparatory steps before you begin configuring the Accounts Receivable module. When you are ready to implement this module, begin collecting and analyzing the necessary information. Do the following steps before you actually configure the Accounts Receivable module; these steps do not need to be done in the listed order and many can be done in parallel.

Because this is the preparation phase of implementation, enter no data into the system at this time.

Item	Description
Develop the customer identification convention	Plan the structure of the customer ID that each customer will be assigned, if you did not make these decisions during the *Initial System Configuration* phase. During the system's initial configuring, you decided whether customer IDs would be based directly on the *BIZACCT* segmented key or would use the *CUSTOMER* segmented key, which inherits the structure (the number and type of segments) of *BIZACCT* but can differ in the sequence used for auto-numbering (if applicable) and the list of segment values for validated segments. See *Business Accounts* for more information about these options. The current planning steps are based on this decision: • If you decided to use the *BIZACCT* segmented key directly, you have already done this planning and configuration; at this time, check the *Segment Values* (CS.20.30.00) form and make sure that for *BIZACCT*

Item	Description
	segments to be validated, all needed values have been added for the customer ID. List any values you wish to add for meaningful customer identifiers. • If you decided to use the *CUSTOMER* segmented key to design the customer ID, prepare a list of valid entries for segments that should be validated. For additional information, see *Identifier Segmentation*.
Collect salesperson information	Prepare a list of salespeople and the commission percent for each salesperson. (If a salesperson's commission percent differs from customer to customer, choose the most common value to be used as the default; the specific percent can be set on the customer level.) For more information, see *Commission Configuring and Calculation*. Also, develop a naming convention for the salesperson ID.

Collect customer information	For each customer, compile the following data:
	• Customer ID to be used (which should comply with the applicable segmented key, *BIZACCT* or *CUSTOMER*)
	• Customer name as you wish it to appear in the system
	• Contact details and registered (main) address
	• Default credit terms
	• Planned identifier of parent company, if customer is part of a group of companies
	• Credit verification rule, which should be one of the following:
	  • A payment should not exceed the due date by more than a specified number of grace days.
	  • The customer debt may not exceed the credit limit.
	  • The customer debt may not exceed the credit limit, *and* the payment date should not exceed the due date by more than the specified number of grace days.
	  • No verification is used in relations with this customer.
	• Customer credit limit (if applicable based on the credit verification rule)
	• Maximum number of days by which the customer payment may exceed the invoice date (if applicable based on the credit verification rule)
	• Currency code and rate type, if the customer operates mostly in a single foreign currency; indicate whether the currency and the rate type can be overridden in the documents
	• Customer's contact information and shipping address, if they are different from the main contact details and address
	• Customer's tax registration details and taxes chargeable to the customer (and determine customer's tax zone from this)
	• Customer's contact information and billing address, if they are different from the main contact information and address
	• Processing settings for invoices and statements:

Item	Description
	• Must invoices be printed before they're released? • Should invoices be sent by email? • Must statements be printed before they're released? • Should statements be sent by email? • Must statements be printed in multi-currency format? • Customer statement frequency and type (statement to show all open documents, or statement to show balance from the last statement and all documents created since then) • Whether payments should be applied automatically to outstanding invoices (oldest first) • Addresses of other customer locations and other customer contacts, if any • Salespeople working with the customer and their commissions for sales to this customer (if they differ from their default commissions) • Payment methods and their cash accounts • Accounts to be updated by customer's documents: • Accounts Receivable asset account and subaccount • Sales revenue account and subaccount • Account and subaccount for sales discount • Accounts Receivable account and subaccount used to post unrealized exchange gain/loss for Accounts Receivable revaluation • Other related accounts used in integrated distribution modules: cost of sales, freight charges, miscellaneous • If you practice small balance write-off: • Account and subaccount for credit balance write-off • Account and subaccount for debit balance write-off • Maximum write-off balance • Whether this customer will be charged for overdue invoices For details about some customer settings, see *Managing Customers*.
Design statement cycles	Analyze collected customer information and find common requirements in terms of when and how often statements are prepared and sent to customers. These requirements are maintained in Acumatica ERP as statement cycles. A statement cycle defines the schedule for statements and can include four aging buckets that sort open documents by days past due.  For a large group, printing statements for all its customers at the same time can take a very long time. You can avoid potential delays by splitting large groups into two statement cycles with the same aging and statement frequency but different statement dates. For example, statements for cycle 1 could be printed on the 5th of each month, and statements for cycle 2 could be printed on the 10th of each month. This strategy allows you to spread accountants' workload more evenly over a month. For details about statement cycles, see *Statement Cycles*.

Item	Description

Design customer classes	Analyze the customer information you have collected, and combine customers into classes. Customer classes provide default settings for new customer records, to simplify data entry, and can be used for grouping in reports. Develop an ID and description for each class, and decide which of the criteria for grouping vendors this class will include:
	• Same payment terms
	• Same tax zone
	• Same country
	• Same currency settings (currency, rate type, enabling of overrides)
	• Same credit verification rule
	• Same statement cycle
	• Same payment method
	• Same salesperson
	• Same General Ledger accounts and subaccounts (Accounts Receivable, Cash, Sales, Prepayment)
	• Same balance write-off policy:
	  • Write-off allowed or not
	  • Write-off limit
	  • Write-off accounts and subaccounts for credit balances
	  • Write-off accounts and subaccounts for debit balances
	• Same overdue charges
	• Same processing settings:
	  • Require tax zone
	  • Auto-apply payments
	  • Print invoices
	  • Email invoices
	  • Print statements
	  • Email statements
	  • Use multi-currency statements
	Customer classes also provide shipping defaults (**Ship Via**, **Ship Complete**, **Shipping Terms**) used in the Sales Orders module. If you plan to implement the module, consider these settings too.
	Next, review the customer data you have prepared and indicate a class for each customer. Highlight customer settings that are different from class settings, so you can remember to change them. Also, select the default customer class; normally this is the class with the most customers.
	For more information, again see *Customer Classes*.

Item	Description
Plan auto-numbering sequences	Plan the numbering sequence, the number range, and the starting number to be used for Accounts Receivable invoices, credit and debit memos, overdue charges, payments, and batches (groups of transactions or documents that are processed and posted together). Decide whether Accounts Receivable should share a batch numbering sequence with other modules (such as General Ledger and Accounts Payable) or have its own numbering. Also, the customer ID may include an auto-numbered segment. If the ID is based on the *BIZACCT* segmented key, this sequence was defined and specified during initial configuring; if the ID is based on the *CUSTOMER* segmented key, you will define the sequence during Accounts Receivable implementation and plan it at this time.  You may use the predefined numberings sequences available in Acumatica ERP and modify them or you can create new sequences. For more information, see *Multiple Numbering Sequences*.
Determine Accounts Receivable processing policies	Make the following decisions related to Accounts Receivable processing: • Whether Accounts Receivable transactions should be automatically posted when they're released • Whether Accounts Receivable transactions should be consolidated (summarized by account) when they're posted to General Ledger • How long Accounts Receivable transactions must be kept in the database before they can be deleted • Whether new Accounts Receivable documents should be put on hold by default • Whether the system should validate Accounts Receivable document totals during data entry (such validation is always performed when the document is released) • Whether payments should be automatically applied to outstanding invoices (this option can be overridden on the customer level) • Whether unapplied payments and credit memos should be aged in aging analysis reports • Whether invoices that fail credit checks should be blocked For information on payments being automatically applied, see *Rules of Payment Auto-Application*.

Define overdue charges	If your company charges financial penalties for overdue balances, define how the penalties are applied:
	• Global settings (maintained for the whole Accounts Receivable module):
	  • Include or exclude credit amounts (unapplied credit notes and payments) in overdue calculations
	  • Include or exclude previous unpaid financial charges
	  • Debit penalty amount to the customer's Accounts Receivable account or to the invoice Accounts Receivable account (the Accounts Receivable account is copied from the customer record into each invoice and can be overridden there)
	• Specific settings (maintained by the financial charge rule):

Item	Description
	• Fixed amount or percent of overdue balance • Minimum amount if penalty is by percent • Charges in the original document currency or in the base currency • Credit terms for the charges (that is, when financial charges are due) You will need to assign a unique identifier to each financial charge definition. For more information, see *Overdue Charges*.
Verify General Ledger accounts	Use the *Chart of Accounts* (GL.20.25.00) form to verify that all needed General Ledger accounts have been created. Prepare a list of missing General Ledger accounts and see the *Implementing General Ledger* chapter of this guide.
Verify General Ledger subaccounts	Use the *Subaccounts* (GL.20.30.00) form to verify that all required GL subaccounts have been created. Prepare a list of missing General Ledger subaccounts and see *Implementing General Ledger* chapter of this guide.
Verify currencies	Use the *Currencies* (CM.20.20.00) form to verify that all needed currencies have been created. Prepare a list of missing currencies and see the *Implementing Currency Management* chapter of this guide.
Verify currency rate types	Use the *Currency Rate Types* (CM.20.10.00) form to verify that all needed currency rate types have been created. Prepare a list of missing rate types and refer to the *Implementing Currency Management* chapter of this guide.
Verify cash accounts	Use the *Cash Accounts* (CA.20.20.00) form to verify that all needed cash accounts have been created. Prepare a list of missing cash accounts and see the *Implementing Cash Management* chapter of this guide.
Verify payment methods	Use the *Payment Methods* (CA.20.40.00) form to verify that all needed payment methods have been created. Prepare a list of missing payment methods and refer to the *Implementing Cash Management* chapter of this guide.
Verify taxes	Use the *Taxes* (TX.20.50.00) form to verify that all needed taxes have been created. Prepare a list of missing taxes and see the *Implementing Taxes* chapter of this guide.
Verify tax categories	Use the *Tax Categories* (TX.20.55.00) form to verify that all needed tax categories have been created. Prepare a list of missing tax categories and see the *Implementing Taxes* chapter of this guide.
Verify tax zones	Use the *Tax Zones* (TX.20.60.00) form to verify that all needed tax zones have been created. Prepare a list of tax zones and see the *Implementing Taxes* chapter of this guide.

Collect Information about Credit Terms in Use

Before configuring credit terms in Acumatica ERP, you need to gather information and make key decisions. For each set of credit terms you offer to customers, collect the data indicated in the table below.

Action	Description
Plan the identifier and description	The credit terms identifier is an alphanumeric string of up to six characters, and the description can be up to 30 characters.

Action	Description
Choose the due date calculation method	Select one of these methods for calculating due dates: • A fixed number of days, such as 30 or 90 days from the date of the invoice. • A particular day of the next month. If you've chosen this method and specified *15*, for example, an invoice issued in May is due on June 15. • The end of the current month, which would mean, for instance, that an invoice issued in May is due on May 31. • The end of the next month, meaning that, for example, an invoice issued in May is due on June 30. • A specific day of the current month. If you choose this option and 15, for example, an invoice issued between May 1 and May 15 is due on May 15, while an invoice issued between May 16 and May 31 is due on June 15. • A custom method, which lets you specify two fixed days in a month and a time interval for each. For example, you could specify a due day of the 25th, for any document issued in the first part of the month (the 1st to the 15th), and a second due date, such as the 10th, for any document issued in the second part of the month (the 16th to the 31st). With these settings, invoices issued from May 1 to May 15 are due on May 25, and invoices issued from May 16 to May 31 are due on June 10.
Determine the cash discount percent and type	First, decide the cash discount percent. (If no discount is given for cash payments, indicate 0.) Then, choose one of the following types to reflect the date until which the cash discount will be available: • A fixed number of days (select the number) after the invoice's due date • A specific day of next month (choose the day) • The end of the current month • The end of the next month • A specific day of current month (select the day)
If applicable, decide installment method	If the terms include payment by multiple installments, choose the installment method, which can be one of the following: • The document total (with taxes) is divided into equal parts. • The amount of the document before taxes is divided into equal parts, and the tax amount is added. • The installment payments are based on your desired percentages; plan the custom schedule, with installment dates and percents of the total invoice amount (including tax), if you choose this option.
Specify number of installments	Unless you plan to split the installments by percentages (the last installment method mentioned above), indicate in how many installments the invoice amount is to be divided.
Specify frequency of installments	Unless you plan to split installments by percentages, choose a frequency of weekly, monthly, or bimonthly. The first installment is payable on the due date as defined above, and subsequent installments are scheduled according to the indicated period.

Configure Credit Terms

Once you've gathered all needed information about each set of credit terms, configure each set in the system using the *Credit Terms* (CS.20.65.00) form. The steps to configure a set of credit terms are outlined below.

No.	Element	Description
Fill in the elements in the **Terms** tab.		
1	**Terms ID**	Enter the credit terms identifier.
2	**Description**	Enter a short description of the credit terms.
3	**Visibility**	Select whether the credit terms apply only to customers, or to both customers and vendors.
4	**Due Date Type**	Select the due date calculation option you selected when collecting information about this set of credit terms: • *Fixed Number of Days* • *Day of Next Month* • *End of Month* • *End of Next Month* • *Day of the Month* • *Custom*
5	**Due Day 1**	Enter a value only if you have one of the following settings as the **Due Date Type**: • *Fixed number of days*: Enter the number of days between the invoice date and the due date. • *Day of Next Month* or *Day of the Month*: Enter the day of the next or current month to be the invoice due date. • *Custom*: Enter the day of the month to be the first due date. The invoice is due on this day if its date falls between the values in **Day From 1** and **Day To 1**.
6	**Day From 1** and **Day To 1**	Fill in these boxes, enabled only if you have selected *Custom* as the **Due Date Type**, to define the invoice date range for the first due date. The invoice is due on **Due Day 1** if its date falls between these days.
7	**Due Day 2**	If you have selected the *Custom* due date type, enter the second due date of the type. The invoice is due on this day if its date falls between **Day From 2** and **Day To 2**.
8	**Day From 2Day To 2**	Fill in these boxes, enabled if you have *Custom* as the **Due Date Type**, to define the invoice date range for the second due date. The invoice is due on **Due Day 2** if its date falls between these days.
9	**Discount Type**	To specify a cash discount for these credit terms, first go to the **Installments** tab and select the *Single* installment type. Then select the appropriate option for the cash discount date calculation: • *Fixed Number of Days* • *Day of Next Month* • *End of Month*

No.	Element	Description
		• *End of Next Month* • *Day of the Month* With certain **Due Date Type** settings, this option is set by the system and not modifiable.
10	**Discount Day**	Enter a value if you have one of the following settings as the **Discount Type**: • *Fixed Number of Days*: Enter the number of days between the invoice date and discount date. • *Day of the Month* or *Day of Next Month*: Enter day of the month to be the invoice discount date.
Fill in applicable elements in the **Installments** tab.		
11	**Installment Type**	Select whether the invoice payment should be made in installments: • *Single*: The invoice is to be paid in full by the due date and there are no installments. Make this selection if you're specifying a cash discount. • *Multiple*: The invoice is to be paid by multiple payments, according to other settings.
12	**Installment Method**	Select how the total invoice amount will be divided among installments: • *Equal Parts*: The complete invoice amount, including tax, is divided equally among installments. • *Full Tax in First Installment*: The pre-tax document amount is divided equally among installments, and the full tax amount is added to the first installment. • *Split by Percent in Table*: The complete invoice amount, including tax, is divided into installments according to a manually maintained installment schedule.
13	**Installment Frequency**	Choose the interval between successive installments: • *Weekly*: The subsequent installment is due one week after the previous installment. • *Monthly*: Subsequent installments are due one month after the previous installment. • *Bimonthly*: Subsequent installments are due two months after the previous installment.  The first installment is always due on the due date as defined in the **Terms** tab. This option does not apply to the *Split by Percent in Table* installment method.
14	**Number of Installments**	Enter the number of installments the invoice is to be paid by. This option does not apply to the *Split by Percent in Table* installment method.
15	**Installment Schedule**	For the *Split by Percent in Table* installment method only, enter the following for each installment: • The number of **Days** from the invoice date the installment is to be due on

No.	Element	Description
		• The **Percent** of the total invoice amount, including tax, to be payable by the installment All installments should add up to 100%.

Define Overdue Charges

Item	Description

Define overdue charges	If your company charges financial penalties for overdue balances, define how the penalties are applied:
	• Global settings (maintained for the whole Accounts Receivable module):
	  • Include or exclude credit amounts (unapplied credit notes and payments) in overdue calculations
	  • Include or exclude previous unpaid financial charges
	  • Debit penalty amount to the customer's Accounts Receivable account or to the invoice Accounts Receivable account (the Accounts Receivable account is copied from the customer record into each invoice and can be overridden there)
	• Specific settings (maintained by the financial charge rule):
	  • Fixed amount or percent of overdue balance
	  • Minimum amount if penalty is by percent
	  • Charges in the original document currency or in the base currency
	  • Credit terms for the charges (that is, when financial charges are due)
	You will need to assign a unique identifier to each financial charge definition.
	For more information, see *Overdue Charges*.

You can download and print the *Account Receivable Preparation Checklist* to assist you in collecting the data for Accounts Receivable implementation.

Configuration

This section walks you through the process of actually configuring the Accounts Receivable module in Acumatica ERP.

No.	Action	Description
1	**Define auto-numbering sequences**	Use the *Numbering Sequences* (CS.20.10.10) form to create numbering sequences for the following: • GL batches originated in Accounts Receivable • Invoices • Payments • Debit and credit memos • Write offs • Overdue charges

No.	Action	Description
		• A segment of the *CUSTOMER* segmented key (if the customer ID is based on the *CUSTOMER* segmented key and if an auto-numbering segment will be used but is not already defined)
2	**Define structure of customer identifier**	If this step has not already occurred, use the *Segmented Keys* (CS.20.20.00) form to implement the chosen structure of the customer ID by configuring the segmented key *CUSTOMER*. (If the customer ID is based on the segmented key *BIZACCT*, its structure was defined during the initial stage of configuring the system.)
3	**Maintain segment values**	If this step has not already occurred, use the *Segment Values* (CS.20.30.00) form to maintain valid entries for segments of the segmented key the customer ID is based on (*BIZACCT* or *CUSTOMER*). This task is required only for validated segments. Non-validated and auto-numbered segments do not require maintenance of segment values.
4	**Create General Ledger accounts**	Create any missing General Ledger accounts by using the *Chart of Accounts* (GL.20.25.00) form. See also the *How to Add an Account to the Chart of Accounts* article.
5	**Create General Ledger subaccounts**	If necessary, create missing General Ledger subaccounts by using the *Subaccounts* (GL.20.30.00) form. For more information, see also *How to Add a Subaccount*.
6	**Create currencies**	Create any missing currencies by using the *Currencies* (CM.20.20.00) form.
7	**Create rate types**	If necessary, create missing currency rate types by using the *Currency Rate Types* (CM.20.10.00) form.
8	**Create payment methods**	If necessary, create missing payment methods by using the *Payment Methods* (CA.20.40.00) form.
9	**Create cash accounts**	If necessary, create missing cash accounts on the *Cash Accounts* (CA.20.20.00) form.
10	**Create taxes**	If necessary, create missing taxes by using the *Taxes* (TX.20.50.00) form.
11	**Create tax categories**	If necessary, create missing tax categories on the *Tax Categories* (TX.20.55.00) form.
12	**Create tax zones**	If necessary, create missing tax zones by using the *Tax Zones* (TX.20.60.00) form.
13	**Create overdue charges**	If your company charges penalties for overdue invoices, use the *Overdue Charges* (AR.20.45.00) form to configure each overdue charge: • Enter overdue charge ID • Enter credit terms for financial penalty billings • Enter overdue charge description • Select whether charges are billed in the base currency or the document currency • Select whether the penalty is calculated as a fixed amount or as a percent of the outstanding amount • Enter the minimum charge amount, if applicable

No.	Action	Description
14	**Create statement cycles**	Use the *Statement Cycles* (AR.20.28.00) form to define statement cycles. Enter the following information: • Statement cycle ID and description • Day of month the statement should be generated on (select *End of Month* as the **Prepare On** setting if the statement should be created on the last day of each month) • Aging days and dunning message for each aging category
15	**Create customer classes**	Use the *Customer Classes* (AR.20.10.00) form to create the customer classes you have planned.
16	**Configure Accounts Receivable preferences**	Use the *Accounts Receivable Preferences* (AR.10.10.00) form to define key settings of the Accounts Receivable module: • Select the appropriate numbering sequences for Accounts Receivable batches, invoices, debit and credit memos, payments, and overdue charges. • Enter posting and retention settings. • Enter the default customer class. • Enter the mask for sales account combination. • Enter miscellaneous processing settings. • Enter salesperson commission settings. • Enter global overdue charge settings. • Enter terms for processing of automatic billing.
17	**Create salesperson records**	Use the *Salespersons* (AR.20.50.00) form to create records for all the company's salespeople. Enter the following information: • Salesperson ID • Salesperson name • Standard commission Leave the list of the salesperson's customers empty for now.
18	**Update customer classes**	Use the *Customer Classes* (AR.20.10.00) form to enter salesperson for each customer class.

19	**Create customer records**	Use the *Customers* (AR.30.30.00) form to define each customer record you planned in the preparation phase of implementation. Fill in the customer ID and name, and enter other information as follows:
		• **General Info** tab:
		  • Enter customer's contact data and address.
		  • Select appropriate customer class.
		  • If necessary, change any settings copied from the selected class: credit verification rule, payment terms, currency code, currency rate type, and currency override policy.
		• **Delivery Settings** tab:

No.	Action	Description

		• Fill in contact data and shipping address, if they differ from the main settings for the customer.
		• Enter customer's tax registration ID and tax zone.
		• **Payment Settings** tab:
		  • Enter contact data and payment address, if they differ from the main settings for the customer.
		  • Select default payment method and cash account.
		  • Make appropriate selections in the **Inbound Payment Default Settings** area.
		• **Locations** tab: Define other locations, if any.
		• **Contacts** tab: Define other contacts, if any.
		• **Salespersons** tab: Add salespeople working with the customer.
		• **Payment Methods** tab: Add other valid payment methods that can be accepted from the customer.
		• **GL Accounts** tab: Fill in the customer's default accounts and subaccounts.

20	**Define customer payment methods**	Use the *Customer Payment Methods* (AR.30.30.10) form to configure customer payment methods. For each payment method identified for each customer: • Select the appropriate customer ID. • Make sure the **Active** option is selected. • Select a payment method for the customer. • Select a cash account from the allowed cash accounts of the payment method. • Enter values for user-defined elements of the payment method, if any. • Click **Save**. • Repeat the above steps for each cash account of the selected payment method.

You can download and print the *Accounts Receivable Configuration Checklist* to assist you in configuring the Accounts Receivable module.

Initialization

This section provides information about bringing appropriate data into Accounts Receivable before live operations begin.

As with Accounts Payable, entering initial balances for customers presents challenges, the first involving Accounts Receivable document balances. Outstanding Accounts Receivable documents must be entered with correct balances and dates. It is very common for several invoices to be settled by a single payment, and for several payments to be applied to a single invoice. These kinds of payment-invoice relations can result in a long chain of sequentially linked invoices and payments. To keep

the implementation effort within reasonable limits, migrate only outstanding Accounts Receivable documents with their balances as of the date of migration.

The second challenge is to keep General Ledger account balances accurate: Posting of the migrated Accounts Receivable documents generates General Ledger transactions. During General Ledger implementation, however, each account was updated with the correct balance. Posting transactions from Accounts Receivable would create incorrect balances for certain accounts.

The steps described below address both problems of the Accounts Receivable module initialization:

- When you enter outstanding Accounts Receivable documents, accept the default Accounts Receivable account and expense account (on the detail line).
- Documents must be entered with the original document date, credit terms, and exchange rate (if the document is in a foreign currency).
- Documents must be entered with the net balance as of the migration date (not with the original document amount).
- Documents should be entered as non-taxable.
- All documents must be entered for the same past period.
- Print the *Transactions for Period* (GL.63.30.00) report, filtered for Accounts Receivable transactions.
- On the *Journal Transactions* (GL.30.10.00) form, enter reversals of the Accounts Receivable transactions for the same financial period as the migrated documents. Use the account total amounts from the General Ledger Transactions for Period report, changing debit to credit and vice versa.
- After Accounts Receivable migration is complete, all General Ledger accounts should have the same balances as before Accounts Receivable migration.

You can download and print the *Accounts Receivable Initialization Checklist* to assist you in entering initial balances of the Accounts Payable module using the described approach.

Other Considerations

With standard security settings, every user who is granted rights to create or process Accounts Receivable transactions can create an invoice or payment for any customer. In Acumatica ERP, you control access to particular customer groups using *restriction groups*. In this context, a restriction group is a group designed to restrict its users' access to only objects (in this case, customers) that are members of the same group. A restriction group can be defined as *inverse*, which means that the objects in the group instead cannot be used with one another.

Use the following steps to implement customer access restrictions via restriction groups:

1. Collect access requirements:
    - List all users (such as those in sales) who have to have enter and process customer documents.
    - For each listed user, indicate customers to whom the user must have access; after configuration, the user will have no access to unlisted customers.
    - If the user should access a large number of customers and cannot access only a small number, list only no-access customers and mark the list as **Inverse**; after configuration of the restriction group, the user will have access to all unlisted customers.
    - Remember that once you set up these restriction groups, users not included in the access lists will have *no* access to any customer. Although they may have access to Accounts Receivable forms, they will not be able to select customers using those forms.

2. Analyze the collected access lists and combine users with identical access requirements into groups. Assign a unique name to each group.
3. Use the *Restriction Groups* (SM.20.10.30) form to set up the restriction groups you have designed.
4. Use the *Restriction Groups by Customer* (AR.10.20.10) form to configure the restriction groups: For a normal restriction group, each user of the group has access to any customer of the group and users not selected may not have access to those customers. For an inverse restriction group, each user of the group has access to any customer except those selected in the group.

A user can be included in multiple restriction groups. For example, if a salesperson is included in an *East Coast* group and a *West Coast* group, this user would have access rights to all customers on the East and West Coasts.

Configuring Organization Structure

This document describes the general process of configuring the structure of your organization in Acumatica ERP.

Overview

The Organization Structure module gives you the functionality to manage your organization's employees. You should implement this module when all financial modules—General Ledger, Accounts Payable, Accounts Receivable, Cash Management, and Currency Management—have been implemented. Moreover, you don't have to implement this module in a single stage, instead, you can add branches, buildings, employee classes, or particular employees as needed.

This document is divided into the following sections:

- ***Prerequisites and Dependencies***: Describes what modules must be set up and configured before you begin implementing this module.
- ***Preparation***: Describes data you should collect, arrange, and analyze.
- ***Configuration***: Guides you through the actual configuration of the Organization Structure module.
- ***Initialization***: Describes how to bring relevant data into the system.
- ***Other Considerations***: Covers other aspects pertaining to the implementation of this module.

This document is intended only to guide you through the process of configuring the organization structure. For detailed descriptions of the involved forms and their functionality, see the *Acumatica ERP User Guide*.

Prerequisites and Dependencies

You can configure the structure of your organization after you have implemented the financial modules.

Preparation

This section covers the planning and preparation that must occur before you can configure your organization structure. To collect and analyze the necessary information, perform the following steps (although not necessarily in the listed order; many steps can be done in parallel). Because this is the preparation phase of implementation, *enter no data into the system at this time*.

Action	Description
Collect employee information	Create the list of employees who should have access to the system, and specify who already has a user account. Gather for each employee the following information: • Full name, address, phone, date of birth • Hire date, position, department • Duties (tasks) the employee performs in each module • Branch, work hours, and time zone from which the employee works • Currency the employee is paid in, and rate type used for payments to the employee • Cash account the employee is paid from and payment method used • How often the employee is paid

Action	Description
	• Regular and overtime rates used to pay the employee
Define the structure of the employee identifier	Plan the structure of the identifier that each employee will be assigned, if you did not make these decisions during the *Initial System Configuration* phase. During initial implementation of the system, you decided whether employee IDs would be based directly on the *BIZACCT* segmented key (which you defined during the initial stage) or would use the *EMPLOYEE* segmented key, which inherits the structure (the number and type of segments) of *BIZACCT* but can differ in the sequence used for auto-numbering (if applicable) and the segment values for validated segments. See *Business Accounts* for more information about these options. The current planning steps are based on this decision: • If you decided to use the *BIZACCT* segmented key directly, you have already done this planning and configuration; at this time, check the *Segment Values* (CS.20.30.00) form and make sure that for *BIZACCT* segments to be validated, all needed values have been added for the employee ID. List any values you wish to add. • If you decided to use the *EMPLOYEE* key to design the employee ID, prepare a list of valid entries for segments that should be validated. For additional information, see *Identifier Segmentation*.
Create the list of departments	Create a list of departments using the information compiled in the list of employees, and check with human resources personnel to make sure this list is complete.
Create the list of positions	Create a list of positions using the employee information; check with human resources personnel to be sure the list is complete.
Design roles for the Organization Structure module	Analyze user responsibilities related to the employee management, and identify each set of closely related duties that can be a role shared by multiple users. These duties might include the following: • Create employee accounts • Maintain departments and positions • Maintain the company tree and design assignment maps For each role you identify, plan the following: • Role name and description • List of users • List of Acumatica ERP forms, transactions, and reports that users with the role should access (or be forbidden to access) Access can be controlled for not only forms but also elements and actions on forms, although defining access at the element level can quickly become time-consuming. During implementation, define roles only at the module and form levels, and fine-tune access after the start of actual operations. For details about roles, access rights, and restriction groups, see *Role-Based Access* and *Levels of Access Rights*.
Check that roles are available for all employees	For employees who haven't had access to the system, make sure appropriate roles (beyond those associated with the Organization Structure module, designed in the previous step) are available. If they are not, design roles for the tasks

Action	Description
	the employees will perform in the system, listing the information noted in the previous step for each role.
Create a list of workgroups	Create the list of workgroups within or across departments. Note to whom each group reports. For each group, you may select the default owner—that is, the employee to whom all the work (such as documents for approval and cases for handling) will be assigned by default. Depending on current and future modules implemented, you may need to specify workgroups for such tasks as the following: • Approving cash transactions, if such approval is required in the Cash Management module • Handling sales orders and shipments if the Sales Orders module has been implemented • Handling leads, contacts, opportunities, and prospective customers, if the Customer Management module has been implemented • Approving requests and requisitions, if the Purchase Requisitions module has been implemented • Approving purchase orders, if the Purchase Orders module has been implemented The hierarchy of workgroups is not the same as the organization hierarchy. The same employee can be included in multiple workgroups, and not every employee will appear on the company tree. With approvals, if an employee didn't approve the document in his or her wait time, the document will be escalated to a group one level higher, if escalation is allowed for the initial group. For information, see *Company Organizational Chart*. You can add workgroups to the tree as needed.
Verify credit terms	Group employees by how often they are paid for work on contracts or reimbursed for expenses. Determine all types of credit terms that will be needed to schedule payments to employees.
Verify General Ledger accounts and subaccounts	Determine General Ledger accounts to be used for employee accounts: • Expense accounts to record employee expenses • Cash accounts from which employees will be reimbursed for claims • Prepayment accounts (usually one for all employees) • Accounts Payable accounts for employees If your organization has implemented or will implement customer support performed according to contracts, you will also need sales and expense accounts to record sales fulfilled by your employees for customers. Depending on the detail level of the chart of accounts and on the details provided by subaccounts as configured in your system, decide how many accounts you will need for employees.
Determine taxes applicable to labor	Consider taxes that apply to non-stock items of the *Labor* type, and group them into tax categories and tax zones.

Action	Description
Define labor rates as non-stock items	List all per-hour rates you will need to calculate employee compensation for case activities that employees will list on time sheets. These rates can be entered as work time and overtime labor rates—non-stock items of the *Labor* type, as described in *Non-Stock Item Support*. In addition to the default labor rate and overtime labor rate used for all employees, you can define special rates for particular customers or contracts; these rates can be specified for applicable employees. During configuration, before you define these rates as non-stock items, you should create an item class for labor-type non-stock items.
Define payment methods and cash accounts	Define how the employees should be paid when they are reimbursed for expenses, compensated for labor performed on contracts, and paid commissions earned on sales. Payments can be made by checks, via Automated Clearing House (ACH) batch, or by another payment method. For information about payment methods, see *Managing Payment Methods*.
Design employee classes	Group employees into employee classes based on such financial settings as the following: the currency of the payments; the cash account used to pay for their expenses, labor, and commissions; the accounts to record payments paid to employees of the class; and the credit terms used as a schedule to pay salary or wages for employees of the class. You might, for instance, define an employee class for salespersons. These classes will ease data entry when employees are created by providing appropriate default values. Decide which class will be set as the default one; this class should provide the settings that apply to the largest number of employees, because it will be used to create other classes.
Decide on calendars	Decide what calendars—which define the week's work days and the working hours for each day, including exceptions, such as holidays—are used in your organization. If all employees work at the same hours even in different time zones, only one calendar is needed. If some employees work different shifts, or your company branches operate in multiple countries with different working hours or holidays, you'll probably need more calendars. For more information, see *Multiple Calendar Support*.

Configuration

This section walks you through the process of actually configuring the Organization Structure module. You don't have to implement this module in a single stage, instead, you can add branches, buildings, employee classes as needed.

No.	Action	Description
1	**Define auto-numbering sequences**	Use the *Numbering Sequences* (CS.20.10.10) form to create numbering sequences for expense claims and time sheets. You may also need to create a numbering sequence for a segment of the *EMPLOYEE* segmented key (if the employee ID is based on this segmented key, and if an auto-numbering segment will be used but is not already defined).
2	**Define structure of the *EMPLOYEE* segmented key**	If this step has not already occurred, use the *Segmented Keys* (CS.20.20.00) form to implement the chosen structure of the employee ID by configuring the segmented key *EMPLOYEE*. (If the employee ID is based on the segmented key *BIZACCT*, its structure was defined during implementation of the CS module.)
3	**Create valid values for segments of the *EMPLOYEE* key**	If this step has not already occurred, use the *Segment Values* (CS.20.30.00) form to maintain valid entries for segments of the segmented key the employee ID is based on (*BIZACCT* or *EMPLOYEE*). This task is required only for validated segments; non-validated and

No.	Action	Description
		auto-numbered segments do not require maintenance of segment values.
4	**Configure roles related to maintaining the organization structure**	Use the *User Roles* (SM.20.10.05) form to create roles to allow users to access the module's forms and functionality; for details, see *Initial System Configuration*. Map the roles to Active Directory groups if applicable.
5	**Create General Ledger accounts**	Create any missing General Ledger accounts by using the *Chart of Accounts* (GL.20.25.00) form. See also *How to Add an Account to the Chart of Accounts*.
6	**Create subaccounts**	If necessary, create missing General Ledger subaccounts using the *Subaccounts* (GL.20.30.00) form. See also *How to Add a Subaccount*.
7	**Create currencies**	Create any missing currencies on the *Currencies* (CM.20.20.00) form.
8	**Create rate types**	If necessary, create missing rate types to be used for employee compensation by using the *Currency Rate Types* (CM.20.10.00) form.
9	**Create payment methods**	Create any missing payment methods on the *Payment Methods* (CA.20.40.00) form.
10	**Create new credit terms**	On the *Credit Terms* (CS.20.65.00) form, create any missing credit terms to be used for paying employee salaries and wages. No discounts should be specified.
11	**Create an item class for labor rates**	Use the *Item Classes* (IN.20.10.00) form to create a new item class to be used only for labor rates: On the **General Settings** tab, be sure the **Stock Item** check box is cleared, and in the **Item Type** box, select *Labor*. Follow any conventions your company has for identifying item classes, and specify the tax category and unit of measure (*HOUR*) to be used for items of the class.
12	**Create labor rates as non-stock items**	Use the *Non-Stock Items* (IN.20.20.00) form to create the hourly labor rates for work time and for overtime. Follow your company's internal agreement on IDs for such items, and specify *Labor* as the **Type**. Notice that General Ledger accounts and subaccounts to be used for the items come from the posting class selected, so you may need to create an appropriate posting class for labor items. For details, see *Posting Settings*.
13	**Create calendars**	Use the *Work Calendar* (CS.20.90.00) form to create all calendars required to track employees' working time and overtime. At least one calendar should be created.
14	**Create employee classes**	Use the *Employee Classes* (EP.20.20.00) form to create employee classes to save time later when creating employee accounts.
15	**Create positions**	Create all listed positions on the *Positions* (EP.20.10.00) form.
16	**Create departments**	Create departments by using the *Departments* (EP.20.15.00) form.
17	**Create the company tree**	By using the *Company Tree* (EP.20.40.60) form, add to the company tree all the workgroups that are used for work assignment, for approvals, and as product and price workgroups. Configure the hierarchy of groups; the tree may be populated with employees later. Verify that all escalation routes are correct and escalation bypasses proper groups.

No.	Action	Description
18	**Make sure employees have user accounts with Acumatica ERP**	If Acumatica ERP is integrated with Active Directory, most employees have domain user names and passwords that can be used as Acumatica ERP credentials. If such integration is neither configured nor planned, create local user accounts on the *Users* (SM.20.10.10) form for employees who do not have such accounts. Choose user names matching your company's established rules. For details on creating user accounts, see *Initial System Configuration*. If Acumatica ERP is integrated with AD and internal Acumatica ERP roles are mapped to AD groups, most users have roles assigned that are recalculated AD groups. Because not all Acumatica ERP roles can be matched to AD groups, you need to manually assign roles to users using the Internal Users form. If integration with AD is not configured, for each new user, assign all roles matching the user's responsibilities.
19	**Upload certificates for PDF files**	On the *Encryption Certificates* (SM.20.05.30) form, upload any missing certificates to be used by employees for signing important documents.
20	**Create employee accounts**	On the *Employees* (EP.20.30.00) form, enter information for each employee. Type the employee ID or specify it segment by segment in accordance with the structure of the segmented key (*BIZACCT* or *EMPLOYEE*) it is based on. Choose an employee class to provide default values for most of the elements, and in the remaining boxes, fill in employee's personal information, including the following: • The employee's login • A salesperson ID for the employee if he or she handles sales • The workgroups this employee is a member of; all employees assigned to a specific workgroup will be listed for it on the Company Tree form An employee's event calendar maintained in Acumatica ERP can be available via Microsoft Outlook to other employees; the decision to make the employee's calendar public should be made by the employee. For more information, see the *Outlook Integration* section below.

Initialization

You may want to take some or all of the following additional steps:

- Create assignment maps for time sheets and expense claims, as well as for use in other implemented modules; for details, see *Assignment Automation*.
- Set up notification of employees involved in the Accounts Payable, Accounts Receivable, sales orders, and purchase orders processes.
- If your system is not integrated with Active Directory, advise users about password policies, including password complexity requirements. If the system is integrated with Active Directory, such policies are set on the domain level.
- Encourage employees to specify their personal settings on the *User Profile* (SM.20.30.10) form, such as their time zone (if it differs from the default one), search preferences, email settings, and font to be used in message boxes.

Other Considerations

This section covers additional topics that relate to the implementation of the module.

- **Time Synchronization**: If your employees work from locations in multiple time zones, using the system time (if it is different from the time where they work) may prove inconvenient for employees, because they will need to keep in mind the difference in time zones when creating events or tracing documents.

  The system time zone is set by default to GMT+0. On the *Site Preferences* (SM.20.05.05) form, you can specify the default time zone (with respect to GMT) from which most of the employee work. The users, on the My Profile form, can specify their actual location's time zone, so that they will see events and tasks shown in their local time for their convenience. The system will keep documents and database records in the system time, and will show documents, articles, and objects to users with time stamps recalculated to match the time zone of each user.

- **Outlook Integration**: Users can synchronize their event calendar with Microsoft Outlook, so that events created in Acumatica ERP will be visible in Outlook. However, events created in Outlook are not displayed in Acumatica ERP.

  On the **Calendar** tab of the My Profile form, users can display and copy the URL at which their Acumatica ERP calendars can be accessed by synchronization utilities. The users should enter such URLs when configuring Outlook for synchronization with Acumatica ERP.

Implementing Inventory

This document describes the process of implementing the Inventory module in Acumatica ERP.

Overview

The Inventory module is at the heart of Acumatica ERP distribution modules, which also include Purchase Orders and Sales Orders. The Inventory module is the first distribution module you implement; the Purchase Orders and Sales Orders modules depend on it. The distribution modules facilitate and adapt to the complexity and variety of organizations' daily operations, so you can implement virtually any kind of distribution model.

This document is divided into four parts:

- ***Prerequisites and Dependencies***: Describes what modules must be set up and configured before you begin implementing this module.
- ***Preparation***: Describes the data you should collect and analyze.
- ***Configuration***: Guides you through the actual configuration of the Inventory module.
- ***Initialization***: Describes how current inventory stock details can be brought into the system.
- ***Other Considerations***: Covers other aspects pertaining to the implementation of this module.

This chapter is meant only to guide you through Inventory implementation. For detailed descriptions of Inventory forms and capabilities, see the *Accounts Payable* chapter of the *Acumatica ERP User Guide*.

Prerequisites and Dependencies

The *Initial System Configuration* must be completed, as well as the General Ledger module must be configured before you implement the Inventory module.

Preparation

This section covers the needed preparation before you begin configuring the Inventory module. When you are ready to implement this module, begin collecting and analyzing the necessary information. Do the following steps (although not necessarily in the listed order; many steps can be done in parallel) before you actually configure the Inventory module.

Because this is the preparation phase of implementation, enter no data into the system at this time.

Action	Description
Develop conventions for identifying inventory items	Plan the inventory ID, which is based on the *INVENTORY* segmented key. Each inventory item, stock or non-stock, has an inventory ID, which can be segmented, with each segment providing information about the item.  Acumatica ERP also supports subitem codes. They can be useful when almost-identical products differ only in such features as size, color, and material. These variations can be represented by the same inventory ID but different subitem codes. Subitem codes can also be segmented, for greater detail classification of the products. Decide how the inventory ID should be structured: how many segments it should have, what the length of each segment is, which segments should be validated (and for validated segments, which entries are valid), and whether

Action	Description
	auto-numbering should be used for a segment. Also, decide whether you'll use subitems and, if so, how subitem codes will be structured and segmented. For details, see *Identifier Segmentation* and *Inventory IDs and Subitem Codes*.
Plan posting settings	To automate accurate postings to General Ledger for every stock movement, plan appropriate posting classes. Because of the Inventory module integration with the General Ledger module, every stock movement creates an appropriate posting to General Ledger. A posting class is a collection of settings assigned to an item that defines the source of accounts and subaccounts for transactions: the inventory item, the warehouse where the transaction occurs, or the posting class itself. It also provides particular accounts and subaccounts, if the source is the posting class. For subaccounts, you can define rules for combining subaccounts from segments of other subaccounts. Posting class also provides particular accounts and subaccounts, if the source is the posting class. You can define just one class (this would mean that all inventory transactions follow the same rule) or several classes (if different items or group of items are to update GL differently). The following accounts and subaccounts are defined by the posting class: • Inventory account and subaccount (asset) • Reason code subaccount • Sales account and subaccount (revenue) • Cost of sales account and subaccount (expense) • Standard cost variance account and subaccount (expense) • Standard cost revaluation account and subaccount (expense) • PO accrual account and subaccount (liability) • Purchase price variance account and subaccount (expense) • Landed cost variance account and subaccount (expense) For each posting class, plan its identifier and description, its account sources and combined subaccounts, and its General Ledger accounts and subaccounts. For details, see *Posting Classes: Definition and Usage*. Also, plan appropriate reason codes, which determine the offset account and subaccount of receipts, issues, adjustments, and physical inventory adjustments. As with the posting class, the reason code both defines the source of the offset subaccount by segment and provides the offset account and offset subaccount, if the source is a reason code.  The offset account is always sourced from the reason code. You need at least four reason codes to be used as default codes for each transaction type: receipts, issues, adjustments, and physical inventory adjustments. For more information, see *Reason Codes: Definition and Usage*. Analyze the accounting requirements for Inventory-GL integration, deciding upon the following: • Should inventory transactions update General Ledger? • Should transactions be automatically posted to General Ledger upon release, or should posting be done manually?

Action	Description
	• Should transactions be posted to General Ledger in summary or in detail? • How long should transactions be kept before deletion (retention period)? Decide upon the following account settings used in the Inventory module: • The Accounts Receivable clearing account and subaccount, used to offset the sales revenue posting for the invoice transaction type • The in-transit account and subaccount, used in two-step transfers to hold the cost of stock issued from the source warehouse and not yet received at the destination • The work-in-progress account and subaccount, used in kit assembly to hold the cost of the kit's components Finally, check that all needed General Ledger accounts and subaccounts exist in General Ledger, and write down the missing ones. See the *Posting Settings* article for more details.
Define additional settings for Inventory configuration	Decide on the settings of two Inventory processing options that can help your users avoid the accidental release of incomplete or incorrect transactions. These settings, listed below, require additional data entry effort (if selected) but provide a better quality of data: • **Hold Documents on Entry**: When the option is selected, each new document is created with the status *On Hold* and cannot be released immediately. To release the transaction, it should be taken off hold first and then released as usual. • **Validate Document Totals on Entry**: When this option is selected, each transaction requires entry of control totals for cost and quantity. A transaction can be released only if the system-calculated totals equal the control totals. Define the number of decimal places to be used for the following: • The quantity of stock and non-stock items throughout Acumatica ERP. • Unit price and unit cost (both are controlled by one setting); total price and cost follow currency settings.  These settings are also used in the Sales Orders and Purchase Orders modules. For details, refer to the *Inventory Preferences* (IN.10.10.00) article.
Collect information about warehouses and locations	Decide which warehouses you need. A warehouse in Acumatica ERP does not necessarily represent a physical building; you can divide a building into multiple areas and define each area as a warehouse. A warehouse can even be virtual; for example, goods that are between the supplier and your company can be considered in the *GIT* (goods in transit) warehouse. First, plan the structure of the warehouse ID and the location ID; these identifiers are based, respectively, on the *INSITE* and *INLOCATION* segmented keys. Decide whether you will use segmented IDs (alternatively, you can instead configure the segmented key as one segment with up to 10 alphanumeric characters). If the key is segmented, determine how many segments (and of what length) will be used, whether the segments should be validated (and if so, what values are used), and whether an auto-numbering segment will be used.

Action	Description

	Collect the following information about each warehouse you will define in Acumatica ERP:
	• The warehouse's unique identifier, which can be up to 10 characters and should comply with your design of the *INSITE* segmented key.
	• The description, or name, of the warehouse.
	• The address of the warehouse.
	• Company Branch the warehouse is assigned to.
	• The General Ledger accounts and subaccounts to be used if the account source is *Warehouse*: inventory, reason code, sales, cost of sales, standard cost variance, standard cost revaluation, purchase order accrual, purchase price variance, and landed cost variance.
	• Indicate what cost (average or last) should be used for customer returns of average-costed and FIFO-costed inventories.
	• List of this warehouse's locations to be configured, noting the following information for each:
	  • Location ID, which can be up to 10 characters and should comply with your design of the *INLOCATION* segmented key.
	  • Description
	  • Processing options:
	  • Whether the quantities of goods at this location will be included in the quantities of available goods and included in inventory transactions
	  • Whether separate cost layers will be created for this location
	  • Whether sales are allowed from the location
	  • Whether receipts are allowed at the location
	  • Whether transfers are allowed at the location
	  • Whether assembly operations are allowed at the location
	  • Pick priority of the location
	  • Whether the location should be restricted for specific item or item class (you may need to return to this setting after defining item classes)
	• Optionally, indicate preferred locations for: receipts, outgoing shipments, customer returns, and drop-ships.
	• Decide whether users should be able to add new locations for this warehouse by entering them directly in inventory documents:
	  • *Do Not Allow On-the-Fly Entry*: This option means that all locations of the warehouse must be defined before they can be used. This is the safest option but can create problems during data entry if the list of locations is incomplete.
	  • *Allow On-the-Fly Entry*: In this case, locations do not need to be defined in advance. If a user types a nonexistent location ID on a data entry screen, the system will automatically add the location to

Action	Description
	the warehouse. While this option provides greater flexibility, your site may end up with many locations defined due to typos. • *Warn but Allow On-the-Fly Entry*: Here, too, locations can be created on the fly, but the user is warned and can opt out of creating the new location. If the user has made a data entry error, he or she can correct it instead of defining a new location. For more information, see *Warehouses and Warehouse Locations*.
Develop conventions for lot or serial numbering and plan lot/serial classes	If you use lot or serial numbers to identify and trace your company's stock, review your existing numbering conventions, and plan the lot/serial classes that can be assigned to stock items.  Acumatica ERP supports multiple concurrent lot or serial numbering schemes, so that different materials can be numbered differently. Lot and serial numbers are defined at the item class level. Some classes include items tracked by lot numbers, some include items tracked by serial numbers, and others include items that are not tracked by either number (you should define at least one lot/serial class for such items.) For each class, decide which group of items it will include. In addition to deciding which tracking method is used for the class, decide upon the following: • Whether to track expiration dates or not. • How the numbers are assigned. The assignment method can be one of the following: • When received: Items get a lot/serial number when they are received. • When used: Items don't get a lot/serial number until they're issued them from stock or used in assembly. • What the issue method is for items of the class: • *FIFO*: Lot/serial numbers are picked for issue by receipt date (oldest first). • *LIFO*: Lot/serial numbers are picked for issue by receipt date (newest first). • *Sequential*: Lot/serial numbers are picked in alphabetic order. • *Expiration*: Lot/serial numbers are picked by expiration date (faster-expiring first). Numbering conventions for lot and serial numbers, numbering conventions can be shared among inventory items in two ways: • Inventory items follow the same convention but each has its own numbering sequences. This can bring about a situation in which inventory item A has the same serial number as inventory item B. To implement this numbering scheme in Acumatica ERP, put these items in the same lot/serial class, but do not have them share an auto-generated numbering sequence. • Inventory items follow the same convention and use the same numbering sequence. To implement this numbering scheme in Acumatica ERP, have these items belong to the same lot/serial class and share an auto-

Action	Description
	generated numbering sequence. This guarantees that all automatically generated lot or serial numbers will be unique. You still can manually assign the same serial number to two different inventory items; Acumatica ERP ensures uniqueness between only numbers of the same inventory item. You should decide upon the structure of the lot or serial number for each lot/serial class you will define: the number of segments, the type of each segment, and the possible values for each validated segment. Acumatica ERP supports the following types of segments: • *Constant*: The segment is a predefined alphanumeric string that is replicated to all lot or serial numbers. • *Date*: The segment shows any of the following parts of the date: day, month number, month name, and two- or four-digit year. • *Auto-incrementing value*: The system automatically assigns the segment value, based on the numbering sequence, when a new lot/serial number is generated. Decide which of the defined classes will serve as the default lot/serial class. For details about classes and possible settings, see the *Lot/Serial Classes* (IN.20.70.00) article; for more information about lot and serial numbers, see *Lot and Serial Number Tracking* and *Lot and Serial Numbers*.

Collect information about stock items	Collect the following general details for each stock item:
	
	• **Inventory ID**: Assign the product a unique identifier, based on the structure you've planned for the *INVENTORY* segmented key.
	• **Description**: Provide a brief description of the product or service.
	• **Status**: Choose the appropriate status from the options listed below; normally, only active products are migrated:
	  • *Active*
	  • *No Sales* (item cannot be sold)
	  • *No Purchases* (item cannot be purchased)
	  • *No Request* (item can't be used in requisition requests)
	  • *Inactive*
	• **Type**: Select one of Acumatica ERP's product types, which can be useful in reports but don't affect processing:
	  • *Finished Good*
	  • *Component Part*
	  • *Subassembly*
	• **Kit Item**: Indicate whether the stock item is a kit assembled from other items; if so, list components and quantities. See the *Accounting for Kits* article for more information about kits.
	• **Units of measure**: First, assign the stock item a base or primary unit of measure. Acumatica ERP uses this required unit to maintain the stock level for the item. If the item can be counted in multiple units (such as pieces, packs, or boxes), list all of them before choosing which should be used as the base unit of measure. We recommend that you use the smallest unit

Action	Description

	as the base unit, to avoid complications. Also choose the default sales and purchase units of measure (the units used most frequently in sales and purchases) to ease data entry.
	• **Default storage**: Indicate whether the stock item is mostly stored in, received to, and/or issued from one particular warehouse and location (and if so, which).
	Also collect the following accounting and processing details for each stock item:
	• **Valuation Method**: Choose an appropriate valuation method for the stock item:
	  • *Average*: The entire quantity of the item on hand is valued with the same cost, which is the total cost of all quantities of the items at the warehouses divided by the total quantity. No distinction is made regarding whether a particular unit was purchased cheaply or expensively; all are valued equally. This is a moving average cost: each receipt adds to total cost and total quantity, causing average cost to be recalculated.
	  • *FIFO* (First In, First Out): Each receipt creates a separate cost layer. Stock issue takes the cost from cost layers, starting from the oldest one; when the first cost layer is depleted, the second oldest layer is used, and so on until all issued quantity is costed.
	  • *Standard*: The entire on-hand quantity of the item is valued with the same cost. Unlike average cost, standard cost is not built by actual receipts; it is defined by the product manager (from analysis of production, storage, handling costs, and the like). Standard cost is reviewed regularly through standard cost revaluation.
	  • *Specific*: Each piece of the stock item has its own individual cost, which is defined by its purchase price. This valuation method is used for items with lot or serial numbers. The lot/serial number identifies the product piece and its cost layer.
	• **Lot or serial numbering**: If the stock item uses lot or serial numbering, assign it to an appropriate lot/serial class.
	• **Posting class**: Select the appropriate posting class for the item's transactions.
	• **GL accounts and subaccounts** (inventory, reason code, sales, cost of sales, standard cost variance, standard cost revaluation, purchase order accrual, purchase price variance, and landed cost variance): The accounts and subaccounts here can be different from those in the selected posting class. They will be used if the account source is *Inventory Item*.
	• **Taxes**: List taxes that apply to purchases and sales of the stock item in the countries and states where your company operates. If an appropriate tax category is already created in Acumatica ERP, indicate it instead of a tax list.
	• **Commissionable**: Indicate if salesperson commission is to be calculated for sales of the item.
	For standard-cost items, indicate current standard cost. For details, see the *Stock Items* (IN.20.25.00), *Inventory Items*, and *Item Costs and Valuation Methods* articles.

Action	Description

Collect information about non-stock items	Gather information about all *non-stock items*: items such as services or licenses for which you do not need to monitor quantity in warehouses, and that are probably not stored in warehouses at all. Purchases and sales of such items do not affect company assets but are debited or credited directly to profit and loss accounts. Collect the following details for each non-stock item:
	• **Inventory ID**: Assign the item a unique identifier, based on the structure you've planned for the *INVENTORY* segmented key.
	• **Description**: Provide a brief description of the item.
	• **Status**: Choose a status; the available statuses are the same as those for stock items.
	• **Type**: Select one of the following types:
	  • *Non-Stock Item*: A general type of non-stock item
	  • *Labor*: A type of non-stock item to be used as labor hour rates
	  • *Service*: A type of non-stock item to be used as service fees
	  • *Charge*: A type of non-stock item to be used as charge rates
	  • *Expense*: A type of non-stock item to designate specific expenses
	• Whether the item is a kit item; for details, see *Accounting for Kits*.
	• Units of measure: If units of measure apply, note the base, sales, and purchase units.
	• GL accounts and subaccounts: Note the default General Ledger accounts used to post inventory transactions: the sales accounts, expense accounts, and accounts for posting transactions related to kit assembly (if the item is a kit).
	• Taxes: Describe which taxes apply to purchases and sales of the non-stock item. If an appropriate tax category is already created in Acumatica ERP, indicate it instead of a list of taxes.
	• Commissionable: Indicate if salesperson commission is to be calculated for sales of the item.
	For details, see *Non-Stock Item Support* and *Non-Stock Items* (IN.20.20.00).

Identify tax categories	Analyze the tax requirements for stock and non-stock items, and identify and document new tax categories to be created during implementation. For details, see *Tax Categories*.
Define global units of measure	Review the units of measure used by different items, and identify those applicable to most of the items. During configuration, they should be created as global units of measure to simplify data maintenance and entry. See the *Units of Measure and Conversions* for more information.
Define item classes	Group items with similar settings together into item classes, which can use any of the following settings: • Item type • Valuation method • Tax category • Posting class

Action	Description
	• Lot/serial class • Units of measure • Whether negative quantities will be allowed for items of the class For each identified class, decide how available quantity should be estimated for items of the class. Possible deductions from the quantity on hand can be any of the following: quantity on issues, quantity on customer orders, back-ordered quantity, quantity shipping, quantity shipped, and quantity on kit assembly demand. Possible additions to the quantity on hand can be any of these: quantity on receipts, quantity in transit, quantity on purchase orders and purchase order receipts, and quantity in kit assembly supply.  Most of these settings are copied from the item class to the new item for which you select the item class, but the class settings can be overridden. Rules on availability and whether to allow negative quantities, however, are defined at the item class level and cannot be changed for a particular item of the class. For more information, see *Item Classes* (IN.20.10.00) and *Availability Calculation*. With Acumatica ERP, your site can add customizable attributes for items; these are defined at the item class level.
Plan numbering sequences	Define numbering rules for Inventory batches as well as for each type of inventory transactions: receipt (transfer), issue, adjustment, assembly, replenishment, and physical inventory.  You do not need to define six unique numbering schemes; multiple transaction types can share a numbering sequence. You should also document the numbering sequence for the auto-numbered segment of the *INVENTORY* and *INSITE* segmented keys (used for inventory IDs and warehouse IDs), if such a segment is used. For each of these, plan the numbering sequence: the start number, the numbering step or increment, and the end number. For more information, see *Multiple Numbering Sequences*.

You can download and print the *Inventory Preparation Checklist* to assist you in collecting the data for Inventory implementation.

Configuration

This section walks you through the process of actually configuring the Inventory module in Acumatica ERP.

No.	Action	Description
1	**Define auto-numbering sequences**	Use the *Numbering Sequences* (CS.20.10.10) form in the Configuration Settings module to define the numbering sequences for all types of inventory documents: • Receipts (transfers) • Issues • Adjustments • Assemblies

No.	Action	Description
		• Replenishments • Physical inventory counts If the *INVENTORY*, *INSITE*, and *INLOCATION* segmented keys (used for inventory IDs, warehouse IDs, and warehouse location IDs) use an auto-numbering segment, define these numbering sequences as well.
2	**Define segmented keys**	Use the *Segmented Keys* (CS.20.20.00) form in the Configuration Settings module to implement the chosen structure of the following segmented keys planned during the preparation stage: • The *INVENTORY* segmented key, which inventory IDs are based on • The *INSITE* segmented key, which warehouse IDs are based on • The *INLOCATION* segmented key, which warehouse location IDs are based on
3	**Maintain validation table for key segments**	Use the *Segmented Keys* (CS.20.20.00) form in the Configuration Settings module to enter valid codes for any *INVENTORY*, *INSITE*, and *INLOCATION* segments that are validated. (Non-validated and auto-numbered segments do not require maintenance of segment values.)
4	**Create General Ledger accounts**	Use the *Chart of Accounts* (GL.20.25.00) form to add any needed General Ledger accounts identified during preparation (especially the **Consider general posting settings for Inventory setup** step). For details, see *How to Add an Account to the Chart of Accounts*.
5	**Create General Ledger subaccounts**	Use the *Subaccounts* (GL.20.30.00) form to create any necessary subaccounts. See *How to Add a Subaccount* for more information.
6	**Create tax categories**	Use the *Tax Categories* (TX.20.55.00) form to create any additional tax categories you identified during preparation. Enter the following for each category: • Tax category ID • Description • Inclusive/exclusive (select the **Exclude Listed Taxes** check box to make the tax category exclusive) • List of taxes (select taxes that have been defined by their ID, and their information will be filled in)
7	**Create reason codes**	Use the *Reason Codes* (CS.21.10.00) form to create the reason codes you designed for the following: • Receipts • Issues • Transfers • Adjustments There should be at least one reason code for each transaction type.
8	**Create posting classes**	Use the *Posting Classes* (IN.20.60.00) form to create the posting classes you have planned. Enter the following for each class: • Class ID

No.	Action	Description
		• Description • Account sources and subaccount combination rules • GL accounts and subaccounts
9	**Create lot/serial classes**	Use the *Lot/Serial Classes* (IN.20.70.00) form to create defined lot/serial classes. Enter applicable settings for each class: • Class ID • Description • Tracking method • Track expiration date (yes/no) • Assignment method • Issue method • Auto-incremental value • Share auto-incremental value among class items (yes/no) • Lot/serial number segments, types, and values (for *Constant* types)
10	**Create units of measure**	Use the *Units of Measure* (IN.20.30.00) form to create global units of measure and their conversions. You identified these units during the preparation phase of implementation.
11	**Create item classes**	Use the *Item Classes* (IN.20.10.00) form to create the planned item classes. Enter the applicable settings for each class, which may include the following: • Class ID • Description • Stock item (yes/no) • Allow negative inventory • Item type • Valuation method • Tax category • Posting class • Lot/serial class • Unit conversions • Availability calculation options If you plan to use attributes for the items of this class, first define the attributes and then assign them to the item class.
12	**Complete Inventory Setup settings**	Use the *Inventory Preferences* (IN.10.10.00) form to maintain the Inventory module global options and defaults you decided upon while preparing for Inventory configuration: • Numbering sequences • Posting and retention settings

No.	Action	Description
		• Data entry settings • Account settings (Accounts Receivable clearing, in-transit, work-in-progress) • Default item class • Default reason codes • Number of decimals for quantity and unit price/cost • Use of subitems (yes/no)

13	**Create warehouses**	Use the *Warehouses* (IN.20.40.00) form to create the necessary warehouse master records. Enter the following information, at minimum, for each warehouse:
		• Warehouse ID
		• Branch ID
		• Description
		• Address
		• GL accounts and subaccounts
		• All planned locations for the warehouse:
		  • Location ID
		  • Description
		  • Processing options (include in available, cost separately, allowed transactions, pick priority)
		• On-the-fly location maintenance (allow, do not allow, allow with warning)
		• Preferred locations for receipts, outgoing shipments, customer returns, and drop-ships.

14	**Create stock items**	Use the *Stock Items* (IN.20.25.00) form to create master records of stock items. Enter the following information, at minimum, for each item: • Inventory ID • Description • Status • Item class • Lot/serial class Override the settings copied from the item class, if necessary. If the item belongs to a class with attributes specified, enter the appropriate settings for attributes of the item. For standard-cost items, enter current cost as pending standard cost with effective date prior to first day of live use of the Inventory module Open *Warehouses* (IN.20.40.00) form now.

No.	Action	Description
15	**Create non-stock items**	Use the *Non-Stock Items* (IN.20.20.00) form to create master records of non-stock items. Enter the applicable information for each item, including the following: • Inventory ID • Description • Status • Item class Override the settings copied from the item class, if necessary, and add any additional information for each item. Open the *Non-Stock Items* (IN.20.20.00) form now.
16	**Update standard costs**	Use the *Update Standard Costs* (IN.50.20.00) form to force copy of pending cost to current standard costs.

You can download and print the *Inventory Configuration Checklist* to assist you in configuring the Inventory module.

Initialization

Once configuration, described in the previous section, is complete, the Inventory module is ready for use. But to move daily operations from your old system to Acumatica ERP, you should migrate current stock data, which this section describes.

Physical Inventory Count

Ideally, you should perform a physical inventory count to verify and correct stock quantities in the legacy system before migration to Acumatica ERP, so that you do not carry any existing problems to the new system. However, a complete physical inventory count can be a tremendous effort. Consider performing at least a partial physical inventory count in the most crucial areas.

Stock Cost

Inventory items with average and standard cost valuation have only one current cost, which makes them easy to migrate.

Inventory items with FIFO and specific cost valuation can have multiple cost layers. If each cost layer needs to be recreated in Acumatica ERP, this can require a substantial effort. Consider the possibility of migrating a FIFO (specific-cost) item with a single cost layer at the current average cost. (This will not make it an average-costed item; cost layers from the old system are merged into one layer, while new receipts after migration will build new cost layers.)

Action	Description
Data Preparation	Print detailed stock status and stock valuation reports in the legacy system, and then review and adjust inventory stock in the legacy system. If you do a physical inventory count, stock adjustments and corrections will be its natural result. If you have decided not to do an inventory count, review the stock report for unusual, undesired, or incorrect cases, such as negative stock and too high, too low, or negative cost. Investigate such cases and make necessary adjustments. Reprint detailed stock status and stock valuation reports. For easier data handling, export them into spreadsheets. This would allow more automated data transformation and import in Acumatica ERP. Because inventory, warehouse, and location identifiers in the legacy system can be different from those in Acumatica ERP, prepare mapping tables to convert

Action	Description
	old identifiers to new ones. Using these mapping tables, transform the exported stock reports into Acumatica ERP stock reports in order to get a stock status report with new Acumatica ERP items, warehouses, and locations. In the simplest case, this transformation would be a substitution of old IDs with new IDs. It can also be a merge of records if, for example, you want to reduce the number or locations of warehouses. If you need to split warehouses and locations, do this either before migration in the legacy system or after migration in Acumatica ERP. If you use automated procedures or scripts for stock migration, format the transformed data according to requirements for input data. In case of manual migration, format the data for better readability to reduce mistakes during data entry.
Pre-migration	If you have stardard-cost item, verify and update, if necessary, their costs.
Migration	You perform migration manually by entering the stock quantities by using the *Receipts* (IN.30.10.00) form. Open the *Receipts* (IN.30.10.00) form now.  Pay special attention for FIFO items: In order to preserve to cost layers, you must enter each cost layer as a separate receipt with an appropriate transaction date. Similar care should be taken for lot- and serial-numbered items if they use the FIFO or LIFO issue method. Because the General Ledger module is implemented before the Inventory module, General Ledger accounts will have the full value of the inventory stocks and Inventory migration will double the figures. To eliminate this: • Print the *Transactions for Period* (GL.63.30.00) report, filtered for Inventory transactions. • On the *Journal Transactions* (GL.30.10.00) form, enter reversals of the Inventory transactions for the same financial period as the migrated documents. Use the account total amounts from the General Ledger Transactions for Period report, changing debit to credit and vice versa. • Verify that all General Ledger accounts have the same balances as before Inventory migration. In case of automated migration, seek assistance from your consultant.

Other Considerations

- **Physical Inventory**: Physical inventory count is a common method to ensure that data in Inventory is accurate and reliable. Acumatica ERP supports several approaches: full physical inventory count, cycle count, count by movement class, by ABC code, etc. Using Acumatica ERP, your company can create a physical inventory system that best fits its policies and goals. You can perform physical inventories based on various types of physical inventory counts based on different generation methods.

  Refer to *Overview of Physical Inventory Options* article for assistance and details.

- **Replenishment**: Acumatica ERP offers a range of replenishment methods, configurable and adjustable through item-specific parameters, and enables you to automate your material replenishment to high degree.

  Refer to *Configuration of Automated Replenishment* article for assistance and details.

- **Access restriction**: With standard security settings, every user who is granted rights to create or process inventory transactions can receive and issue any item at any location. In Acumatica ERP, you can control access to item classes, individual items, and warehouses using restriction groups.

Use the following steps to implement customer access restrictions via restriction groups:

1. Collect access requirements:

- List all users who have to have enter and process inventory transactions.
- For each listed user, indicate item classes (or items) and warehouses to which the user must have access; after configuration, the user will have no access to unlisted objects.
- If the user should access a large number of items and cannot access only a small number, list only no-access items and mark the list as "Inverse"; after configuration of the restriction group, the user will have access to all unlisted items. Alternatively, you can special item class for such items, an set security for the classes rather than items.
- Remember that once you set up these restriction groups, users not included in the access lists will have no access to any item and warehouse. Although they may have access to the Inventory forms, they will not be able to select items using those forms.

2. Analyze the collected access lists and combine users with identical access requirements into groups. Assign a unique name to each group.

3. Use *Restriction Groups* (SM.20.10.30) to create the identified group.

4. Use *Restriction Groups by Warehouse* (IN.10.20.10), *Restriction Groups by Item Class* (IN.10.30.10), and *Restriction Groups by Item* (IN.10.30.20) form to configure up the restriction groups you have designed

Implementing Purchase Orders

This document describes the process of implementing the Purchase Orders module in Acumatica ERP.

Overview

The Purchase Orders module provides functionality for efficient management of your company supply chain and optimization of the cost of acquiring materials and services. The Purchase Orders module helps you to monitor purchasing operations and analyze in detail your company's purchasing activities and procurement processes.

As with other sections of the Implementation Guide, this document is divided into three parts:

- ***Prerequisites and Dependencies***: Describes what modules must be set up and configured before you begin implementing this module.
- ***Preparation***: Describes what data you should collect, arrange, and analyze.
- ***Configuration***: Guides you through the actual configuration of the Purchase Orders module.
- ***Initialization***: Describes how opening balances and historic data can be brought into the system.

This document is meant only to assist you with the implementation process. For detailed descriptions of Purchase Orders forms and capabilities, see *Purchase Orders* in *Acumatica ERP User Guide*.

Prerequisites and Dependencies

The *Initial System Configuration* must be completed, as well as the General Ledger, Accounts Payable, Inventory, and Cash Management modules must be configured before you implement the Purchase Orders module.

Preparation

This section covers the preparation that needs to occur before you begin configuring the Purchase Orders module. The first task in implementing a module is to collect and analyze the necessary information. The following steps should be done before the actual configuration of the Purchase Orders module.

Enter no data into the system at this time. The information collection, though, need not be done in the listed order; many steps can be done in parallel.

Action	Description
Collect vendor locations as they relate to purchasing	Vendors are companies or private individuals that supply goods or services to your company. You can receive materials from different vendor locations. Define or verify all locations for each vendor. For each vendor location from the Accounts Payable module, you should collect (or verify) the following data: • Shipper's address and other contact information. • Vendor's tax zone associated with the vendor location; for details, see *Tax Zones* (TX.20.60.00). • Shipping terms used in relations with the vendor; for details, see *Shipping Terms* (CS.20.80.00). • FOB point where the shipment title passes from the vendor to your company; for details, see *FOB Points* (CS.20.85.00).

Action	Description

	• Lead time (days), which is the time from the placing of an order to the delivery of the goods or services.
	• Receiving location of your company.
	• Carrier of cargo to be used with this vendor location; for more information, see *Ship Via Codes* (CS.20.75.00).
	• Line type; receiving goods are intended for inventory, intended for immediate sales and not to be stocked, or non-stock items and services.
	• Default warehouse of your company to receive goods from the vendor location.
	• Purchase Orders receipt processing policies to serve as defaults for every purchase order and this location:
	  • Minimum and maximum percentage of goods received for which a receipt will be issued (calculate from the quantity on the purchase order).
	  • Threshold receipt, which is a minimum percentage of goods that should be received before a purchase order will be closed.
	  • Receipt action to be performed if the minimum and maximum or threshold receipt conditions are not satisfied (reject or accept the goods).
	  • Requirements of printing and emailing the purchase order for a vendor.
	• General Ledger accounts:
	  • Expense account/sub: Default value for non-stock items' expenses.
	  • Freight account/sub: Default value for freight expenses.
	For details, see *Vendor Locations* (AP.30.10.00).

Verify purchase accounting posting rules	The Purchase Orders module is an add-on module to the Accounts Payable and Inventory modules. Purchase Orders documents (receipt, return, landed cost) create appropriate transactions in Inventory and Accounts Payable. Afterwards, Inventory and Accounts Payable create postings to General Ledger, depending on the inventory item, location, transaction type, and other conditions. Accounts and subaccounts for purchasing transactions can be obtained from the following entities: • Inventory Item: Account and subaccount are sourced from the item record. • Warehouse: Account and subaccount are sourced from the warehouse record. • Posting Class: Account and subaccount are taken from a special set of settings, called Posting Class, independent from the inventory item and warehouse. • Employee: Expense subaccount segments for non-stock items are sourced from the employee record. • Company Location: Expense subaccount segments for non-stock items are sourced from the company location record.

Action	Description
	• Non-stock Item: Expense account and expense subaccount segments for non-stock items are sourced from the non-stock item record. • Vendor Location: Expense account (if not defined in non-stock item) and expense subaccount segments for non-stock items are sourced from the vendor location record. The actual source of the account and subaccount is determined by the posting class assigned to the inventory item; for more details, see the *Posting Classes* (IN.20.60.00) article. The actual source of the expense subaccount for non-stock items is determined by the **Combine Expense Sub.** setting on the *Accounts Payable Preferences* (AP.10.10.00) form and by the **Update Sub. on Order Owner Change** check box on the *Purchase Orders Preferences* (PO.10.10.00) form. Accounts and subaccounts for purchasing configured by posting classes are the following: • Purchase Orders accrual account and subaccount (liability) • Purchase price variance account and subaccount (expense) • Landed cost variance account and subaccount (expense) The Purchase Orders module requires three additional account settings: • Freight account and subaccount, used for freight expenses • Expense account and subaccount, used for non-stock items expenses • Landed cost accrual account and subaccount, used for incoming additional costs Analyze the accounting requirements for the Purchase Orders module and identify records to be created: • **Verify General Ledger accounts.** Verify that all needed General Ledger accounts have been created in the *Chart of Accounts* (GL.20.25.00). Prepare a list of missing General Ledger accounts. • **Verify General Ledger subaccounts.** Verify that all needed General Ledger subaccounts have been created in *Subaccounts* (GL.20.30.00). Prepare a list of missing General Ledger subaccounts. • **Reason Codes.** Be sure there are at least two codes: one to be used for the purchase return documents and one to be used for landed cost adjustments. For details, refer to the *Reason Codes* (CS.21.10.00) article.
Design landed cost codes	The main purpose of landed cost is to enable users to account for additional costs beyond the merchandise cost incurred in purchasing inventory items. For instance, companies may routinely incur freight or insurance charges on their purchases from overseas vendors. Users can create and assign landed cost codes to incoming additional costs. These codes help to determine how to allocate each of the additional costs to items that have been received into inventory. Landed costs can be allocated by cost, quantity, weight, or volume and can be expensed or included in the inventory cost, based on the item's valuation method. For each type of landed cost, assign a landed cost code and description, and collect the following data: • Types of landed cost, which may include freight or mix charges, customs duties, VAT taxes, mix destination charges, and others

Action	Description

	• Application method (define where you will use landed cost code: from Purchase Orders, from Accounts Payable, or from both modules)
	• Allocation method (by cost, quantity, weight, or volume)
	• Vendor from whom invoice for additional cost will be received
	• Vendor location from which invoice for additional cost will be received
	• Reason code for landed cost adjustment
	• Account to be updated by landed cost transaction:
	  • Expense account and subaccount for landed cost accrual account; the landed cost for items with the any valuation methods (except standard) and for non-sold receipt quantity landed costs will be posted directly to a General Ledger landed cost accrual account)
	  • Expense account and subaccount for landed cost variance account; the landed cost for items with the standard cost valuation methods and for the receipt quantity that was sold prior to the processing of the landed costs will be posted directly to a general ledger landed cost variance account
	• Tax category; for more information, see *Tax Categories* (TX.20.55.00)
	For details, see *Landed Cost Codes* (PO.20.20.00).

Define equivalent in vendor and your company inventory items and UOMs	Normally, inventory item identifications used in your company are different than inventory items used by vendors. Units of measure (UOMs) can be different as well. For each item and unit of measure from the vendor price list, an equivalent in the Inventory Management module should be found. The equivalents for vendor items can be obtained from: • Inventory item cross-reference from Inventory module (used to identify inventory items in other information systems and business processes). For details, refer to the *Non-Stock Items* (IN.20.20.00) article. • Vendor inventory catalog (after vendor price list has been uploaded to your system and equivalents from cross-reference items are found you can manually enter missing inventory items and UOMs corresponding to vendor inventory items). For each item, define the following data: • **Location**: Vendor location of purchase item • **Lead time** (days): The time from the placing of an order for item to the delivery of this inventory item • **Barcode**: machine-readable arrangement of numbers printed on a package (can be obtained from inventory item cross-reference) The vendor price list file should be in the proper format. You can selectively upload the file with up-to-date information (new prices or new vendor item identifications). For more information, see *Vendor Inventory* (PO.20.10.00).
Define autonumbering sequences	Configuring the Purchase Orders module requires numbering sequences for regular purchase orders, blanket orders, and Purchase Orders receipts. These numberings are used to ensure a unique internal reference number for each purchasing document (described below):

Action	Description

	• **Regular Purchase Order** is a numbering of a normal purchase order to be submitted to a vendor. Each order may have an external reference number as requested by the vendor; external numbers may be duplicated for different vendors. Autonumbering is used for internal reference and guarantees unique number for each purchase order document.
	• **Blanket Purchase Order** is a numbering of a blanket order. You can have multiple purchase orders against each blanket purchase order. Decide if blanket purchase orders will share order numbering with regular purchase orders or whether blanket purchase orders should have separate numbering.
	• **Purchase Receipt** is a numbering of Purchase Orders receipts. Each receipt also may have its number as requested by the vendor's invoice; it is used as external reference. External numbers may be duplicated for different vendors. Autonumbering, used for internal reference, guarantees unique number for each document. Decide if the Purchase Orders module is to share receipt numbering with the Inventory module or should have separate numbering for its receipts.
	  Acumatica ERP is installed with predefined ready-to-use numbering sequences for objects that require auto-numbering:
	  • POORDER: Numbering sequence for orders of Purchase Orders module, ranging from 000000 to 999999
	  • PORECEIPT: Numbering sequence for Purchase Orders receipts, ranging from 000000 to 999999
	For details, see the *Numbering Sequences* (CS.20.10.10) article.

Define Purchase Orders processing policies	When you define purchasing-related processing policies, decide the following: • Should Purchase Orders receipt transactions automatically create an invoice from the vendor when released? • Should new Purchase Orders receipt documents be put on hold by default? • Should the system validate the Purchase Orders document total during data entry? (Such validation is always performed when a document is released.) • Should Inventory and Accounts Payable documents be automatically released on the Purchase Orders receipt release process? • Should the subaccount be updated on order owner change in the purchase order for non-stock items? • Should purchase order documents be approved? • Should notifications be generated for the various types of documents and reports created in the Purchase Orders module? Define the recipients of these notifications. For details, see the *Purchase Orders Preferences* (PO.10.10.00) article.

You can download and print the *Purchase Orders Preparation Checklist* to assist you in collecting the data for Inventory implementation.

Configuration

No.	Action	Description
1	**Define autonumbering sequences**	Use the *Numbering Sequences* (CS.20.10.10) form in the Configuration Settings module to define the numbering sequences for normal purchase orders, blanket purchase orders, and purchase receipts.
2	**Create or verify General Ledger accounts**	Use the *Chart of Accounts* (GL.20.25.00) form to maintain necessary General Ledger accounts. See also the *How to Add an Account to the Chart of Accounts*.
3	**Create or verify General Ledger subaccounts**	Use the *Subaccounts* (GL.20.30.00) form to create necessary General Ledger subaccounts. See also *How to Add a Subaccount*.
4	**Create Reason Codes**	Use the *Reason Codes* (CS.21.10.00) form to create necessary reason codes.
5	**Verify Posting Classes**	Use the *Posting Classes* (IN.20.60.00) form to verify created posting classes in Purchase Orders terms.
6	**Verify the posting rule of non-stock expense account and subaccount**	Use the *Accounts Payable Preferences* (AP.10.10.00) form to verify the created posting rule of expense account subaccounts for non-stock items (**Combine Expense Sub** - sources of subaccount segments).
7	**Complete Purchase Orders Setup**	Use the *Purchase Orders Preferences* (PO.10.10.00) form to maintain the Purchase Orders module global options and defaults.
8	**Verify Vendor Locations**	Use the *Vendor Locations* (AP.30.30.10) form to maintain Vendor Locations options and defaults.
9	**Create Landed Cost Code**	Use the *Landed Cost Codes* (PO.20.20.00) form to create necessary codes of additional costs.
10	**Create Cross-References (Vendor Inventory equal to Inventory ID)**	Use the *Stock Items* (IN.20.25.00) form to define equivalence in vendor inventory and your inventory ID settings.

You can download and print the *Purchase Orders Configuration Checklist* to assist you in configuring the Purchase Orders module.

Initialization

Once configuration, as described in the previous section, is complete, the Purchase Orders module is ready for use. This section provides information about initializing the Purchase Orders module.

Because Purchase Orders is an add-on module to the Accounts Payable and Inventory modules, the Accounts Payable and Inventory modules must be initialized before initialization of the Purchase Orders module.

The Purchase Orders module does not post transactions directly to the General Ledger, but the release receipt process generates documents in Accounts Payable and Inventory. For the facilitation of Purchase Orders migration, all the Purchase Orders receipts should have an appropriate reflection in Inventory and Accounts Payable accounts of carryover data before the initialization of the Accounts Payable and Inventory modules. To keep the implementation effort within reasonable limits, it is recommended that you migrate only outstanding Purchase Orders orders with their open balances as of the date of migration.

Perform these steps to initialize the Purchase Orders module using this approach:

- Fully outstanding purchase order documents must be entered with the original document date, open balance, and exchange rate (if the document is in a foreign currency).
- Partially outstanding purchase order documents must be entered with the net balance as of the migration date (not with the original document amount).
- Outstanding documents must be entered for the current period.

Implementing Sales Orders

This document describes the process of implementing the Sales Orders module in Acumatica ERP.

Overview

The Sales Orders module supports and automates sales and delivery processes in your organization. In Acumatica ERP, sales workflows are represented by order types, which describe what should be done during the order's lifetime, including integration with the Accounts Receivable and Inventory modules. By reviewing and modifying predefined order types and other settings for the module, you can configure it to fit most sales process, as described in this document.

Advanced configuration of this module—with the creation of new order types or changes to the workflow of predefined types—can also be done to meet your company's specific needs. Such configuration should be done only with the assistance of an Acumatica ERP specialist.

With Acumatica ERP, you can also manage complex pricing and discount policies. Once you have completed basic Sales Orders implementation, you can implement your pricing and discount policies.

This article is meant only to guide you through implementation of the Sales Orders module. For a detailed description of Sales Orders forms and capabilities, see the *Sales Orders* chapter of the *Acumatica ERP User Guide*.

Prerequisites and Dependencies

The Accounts Receivable and Inventory modules must be implemented before you begin implementation of this module.

Preparation

This section covers the needed preparation before you begin basic configuration of the Sales Orders module.

Preparation for the basic configuration consists primarily of researching the predefined order types and, for those you plan to use, reviewing their settings on the *Order Types* (SO.20.10.00) form. You will also review related settings on other forms.

Action	Description
Decide which predefined order types your company will use	Review the *Sales Order Types* article to learn more about predefined order types in Acumatica ERP, and find the ones that best fit your business processes. Decide which order types you will and will not use; this will later affect the **Active** setting on the Order Types form for each type. In the following steps, you will analyze how the settings of the active types may require adjustment. For details about the processing of each predefined order type, see *Order Processing Options*.
Review settings for the order types you will use	For each order type that you will use, review the settings found in the **Order Settings** section (on the **General Settings** tab of the Order Types form). Take note of the following elements: • **Order Numbering Sequence**: The system uses this sequence to give a reference number to an order of the type. Numbering sequences can be unique to each order type or shared by multiple types.  If each order type uses a different numbering sequence, the order number itself conveys the type of the order.

Action	Description
	• **Days to Keep**: This option indicates how many days an order of this type may be kept in the system before it can be deleted. • **Hold Orders on Entry**: If this check box is selected, all new sales orders of the type are created with the status *On Hold*. This reduces the risk of errors but makes order processing more manual. • **Check Credit on Entry**: This option, if selected, means that on order creation, the customer's credit status is checked. If the customer exceeds the credit limit or has overdue invoices, the order can be put on hold (depending on customer settings). Shipping and invoicing are not possible until the order is released from credit hold. • **Require Control Total**: This check box, if selected, means that the user needs to enter a control total for each order. The order can be processed only when the system-calculated total is equal to the manually entered control total. • **Bill Separately**: If this check box is selected, multiple orders of the type for the same customer will be billed separately. This default setting is copied from the order type to the sales order, but it can be changed in the order. Thus, even if the order type allows combined invoices, a specific order of this type can be billed separately. • **Ship Separately**: This option prevents combined shipping of multiple orders of this specific type for the same customer. This, too, is a default setting that can be overridden for a particular order. • **Calculate Freight**: This option indicates whether freight charges should be calculated for an order automatically. • **Recalculate Discount on Partial Shipment**: If this option selected, the discount for partial shipment is recalculated anew based on shipped quantities. If the option deselected, the order discount is allocated for partial shipment proportionally to shipped quantities. • **Copy Notes/Attachments To Shipment/Invoice**: If these options are selected, when a shipment or invoice is created for an order, notes or attachments of order lines can be copied to the respective shipment or invoice lines. Copying can be restricted to non-stock items only.
Review each order type's Accounts Receivable settings	For each order type to be used, review the **Accounts Receivable Settings** section (on the **General Settings** tab of the Order Types form), especially the **Invoice Numbering Sequence**, which is used to generate reference numbers for Accounts Receivable documents created on the release of orders of this order type. By using different numbering sequences for Accounts Receivable documents of different order types, you will be able to identify the nature of the invoice by glancing at its number. You can instead use invoice numbering configured during Accounts Receivable setup for all order types. In this case, all of your company's invoices, regardless of origin, will use a single numbering sequence.
Review posting settings for each order type you will use	For each order type that you will use, review the settings in the **Posting Settings** section (on the **General Settings** tab of the Order Types form); see the form reference article for descriptions of the values you can specify. Posting settings define which General Ledger accounts and subaccounts are updated by the orders of this type:

Action	Description
	• The sales revenue account and subaccount are credited by the gross invoice amount, minus taxes, volume discounts, and freight and miscellaneous charges. This account should be an income account. • The miscellaneous charges account (an income account) and subaccount are credited by the order's miscellaneous charges. • The freight charges account and subaccount are credited by the order's freight amount that you bill to the customer. This account should be an income account. • The discount account and subaccount are debited by volume discounts applied to the whole order. Line discounts are directly deducted from order line amounts, which are posted to the revenue account. The discount account can be an expense or income account; in the latter case, it would normally belong to the same group of accounts with sales revenue. The posting settings for the order type refer to the record from which the account should be sourced. The available options vary by account type but can include the following: customer location, inventory item, non-stock item, warehouse, posting class, reason code, carrier, and order type. Similarly, the order type indicates the source for each segment of subaccounts: the customer location, the inventory item, the warehouse, the posting class, the carrier, the reason code, the salesperson, or the employee.  When deciding on different sources for accounts and subaccounts, you should also review the General Ledger accounts and subaccounts of the chosen master records, such as customer locations, inventory items, and warehouses.
Plan shipment settings	Decide upon the settings that control processing of shipments (regardless of the order or orders they are created for). These settings include the following: • **Shipment Numbering Sequence**: This numbering sequence is used to assign each shipment a unique number. • **Freight Allocation on Partial Shipping**: Freight charges are represented in a sales order as a single figure. If an order has multiple partial shipments, freight can be allocated to shipments (and consequently to invoices) in one of two ways, based on this setting: with the first shipment getting the full freight amount, or with each shipment getting part of the total freight (proportionally to the billing amount of the shipped goods). • **Hold Shipments on Entry**: The option indicates whether new shipment should be put on Hold to prevent accidental confirmation. • **Validate Shipments Total on Confirmation**: If this option is selected, the system will require independent input of shipment total quantity and verify it against shipment details. • **Add Zero Lines for Items Not in Stock**: This option indicates whether sales order items should be added in the shipment even though they have no available quantity.
Plan global settings	Decide upon the global settings specific to the Sales Order Management module, which you will later specify on the *Sales Orders Preferences* (SO.10.10.00) form. These settings include the following: • **Default Sales Order Type**: The most common (most frequently used) order type.

Action	Description
	• **Hold Invoices on Failed Credit Check**: A customer credit check is performed when each sales order is created. If it fails, the order will be put on hold and no shipment will be possible until it is released from credit hold. If the time between placement of the order and actual shipment is long, the customer's credit situation may change. If this is a concern in your business, select this check box, and invoices created for a confirmed shipment will be automatically put on hold if the credit check fails. • **Automatically Release AR Documents** and **Automatically Release AR Documents**: These options indicate whether the respective documents should be released automatically in the Accounts Receivable and Inventory modules. • **Automatically Refresh Freight Cost**: This setting defines whether freight charges are automatically refreshed every time the order is saved.

Review relevant delivery settings for customers	Review the delivery settings on the *Customers* (AR.30.30.00) form for each customer. If the customer has multiple locations, review the settings of each location: Click the applicable location ID from the **Location Settings** tab to open the *Account Locations* (CR.30.30.10) form as a pop-up. You should review the following settings (which are customer defaults that can be changed for individual orders):
	• **Ship Via**: The carrier to handle shipments to this customer location. The carrier record serves as the source of the freight account and subaccount and can be used for automated calculation of the freight amount. If you do not indicate the freight amount in the orders explicitly, this setting has no effect except that it can be printed on sales orders and shipping documents.
	• **Shipping Terms**: The terms governing delivery of goods. International commercial terms (Incoterms) standards are often used. Shipping terms can be printed on sales orders and shipping documents.
	• **FOB Point**: The port where the title of shipped goods is transferred to the customer. Although the FOB point can be printed on sales orders and shipping documents, it does not affect order processing.
	• **Ship Complete**: How the shipment should be generated if the quantity is insufficient:
	  • *Ship Complete*: The ordered quantity should be shipped only in full.
	  • *Back Order Allowed*: The ordered quantity can be shipped in multiple partial shipments.
	  • *Cancel Remainder*: The ordered quantity can be shipped partially, and the quantity remaining after the first shipment will be canceled.
	• **Order Priority**: The relative "weight" of the customer's orders in allocating the inventory in mass order processing. Orders with higher priority are processed first and are more likely to be shipped in full.
	• **Warehouse**: The preferred warehouse for sales to the customer. Although you can review other delivery settings of the customer as well, they have no impact on sales order processing, except that they can be printed on shipping documents.

Review customer classes	Analyse the delivery settings of customers considering how customers are grouped in customer classes. Review the following settings in the *Customer Classes* (AR.20.10.00) form for each class:

Action	Description
	• **Ship Via** • **Shipping Terms** • **Ship Complete** These settings will be copied to new customers and can be changed for individual customers as needed.
Determine whether you need to define carriers	Plan any needed carriers—companies that handle your shipments to customers. For basic configuration of this module, maintenance of carrier records is required only if any order types are configured to use *Carrier* as the source for the freight account or subaccount, and the freight amount is entered directly in the sales order. The name of the carrier can also be printed on sales order confirmation and shipping documents. If you decide to use carriers in basic configuration, compile the list of them with the following details for each carrier: • Carrier ID to be used. • Carrier name or description. • Freight sales account (a revenue account) and subaccount to post freight collected from customers; these settings can be referred to by order types as the source for the freight account and subaccount. • Freight expense account and subaccount to post the carrier's freight charges; these settings are not used in order processing.
Define any needed shipping terms	Plan any shipping terms to be defined. If you decide to use shipping terms in the basic configuration of the Sales Order Management module, list the terms you wish to use, providing for each set of terms: • Shipping terms ID (for example, the Incoterms code) • Shipping terms description
Plan needed FOB points	Decide whether your site will define FOB points in Acumatica ERP. They can be printed on sales order confirmation and shipping documents but have no effect on order processing. If you decide to use FOB points, compile a list of them, providing the following information for each: • FOB point ID (for example, a short name of the port) • FOB point description

You can download and print the *Sales Orders Preparation Checklist* to assist you in collecting the data for basic Sales Orders configuration.

Configuration

This section describes the process of configuring the basic functionality of the Sales Orders module, based on the information you've compiled during preparation. Due to dependencies among the forms, the sequence of actions during configuration is critical, so please note instructions pertinent to the order in which the steps should be performed.

No.	Action	Description
1	**Create General Ledger accounts**	Use the *Chart of Accounts* (GL.20.25.00) form of the General Ledger module to create necessary accounts.

No.	Action	Description
2	**Create subaccount segment values**	Use the *Segment Values* (CS.20.30.00)) form of the Common Settings module to add needed values for subaccount segments.
3	**Create General Ledger subaccounts**	Use the *Subaccounts* (GL.20.30.00) form of the General Ledger module to create necessary subaccounts; this step should be done after Step 2 has been completed.
4	**Define auto-numbering sequences**	Use the *Numbering Sequences* (CS.20.10.10) form of the Common Settings module to define the numbering sequences for order types, shipments, and Accounts Receivable documents of order types.
Steps 5–14 should be done after the steps above have been completed.		
5	**Review branch master records**	If you have decided to use *Company Branch* as the source for subaccounts, review branch settings on the *Branches* (CS.10.20.00) form of the Organization Structure module.
6	**Review salesperson master records**	If you have decided to use *Salesperson* as the source for subaccounts, review salespersons' records using the *Salespersons* (AR.20.50.00) form of the Accounts Receivable module.
7	**Review stock item master records**	If you have decided to use *Inventory Item* as the source for accounts or subaccounts, review the account settings of stock items on the *Stock Items* (IN.20.25.00) form of the Inventory module.
8	**Review non-stock item master records**	If you have decided to use *Non-Stock Item* as the source for accounts or subaccounts, review the account settings of non-stock items on the *Non-Stock Items* (IN.20.20.00) form of the Inventory module.
9	**Review posting class master records**	If you have decided to use *Posting Class* as the source for accounts or subaccounts, review posting classes on the *Posting Classes* (IN.20.60.00) form of the Inventory module.
10	**Review warehouse master records**	If you have decided to use *Warehouse* as the source for accounts or subaccounts, review warehouse settings on the *Warehouses* (IN.20.40.00) form of the Inventory module.
11	**Review employee master records**	If you have decided to use *Employee* as the source for subaccounts, review employee settings on the *Employees* (EP.20.30.00) form of the General Ledger module.
12	**Create carrier master records**	If you have decided to use *Carrier* as the source for accounts or subaccounts, review (and, if necessary, create) carrier master records on the *Ship Via Codes* (CS.20.75.00) form of the Sale Orders module.
13	**Create shipping terms**	Create the identified necessary shipping terms using the *Shipping Terms* (CS.20.80.00) form of the Sales Orders module.
14	**Create FOB points**	Create the identified necessary FOB points on the *FOB Points* (CS.20.85.00) form of the Sales Orders module.
Steps 15 and 16 should be done after Steps 12–14 have been completed.		
15	**Review customer master records**	Use the *Customers* (AR.30.30.00) form of the Accounts Receivable module to review (and change, if necessary) the delivery settings of each location of each customer: **Ship Via**, **Shipping Terms**, **FOB Point**, **Ship Complete**, **Order Priority**, and **Warehouse**. Also, if you decided to use *Customer Location* as a source for accounts or subaccounts, review the General Ledger account settings for each customer location.

No.	Action	Description
16	**Review customer classes**	Use the *Customer Classes* (AR.20.10.00) form of the Accounts Receivable module to review (and change, if necessary) the delivery settings of each customer class: **Ship Via**, **Shipping Terms**, and **Ship Complete**.
Steps 17 and 18 should be the last steps you complete.		

17	**Make needed changes to order types**	Use the *Order Types* (SO.20.10.00) form to configure the predefined order types to suit your sales processes. Select the desired order type to review it and make any needed changes to settings:
		• **Active**: Clear this check box if you do not plan to use the displayed order type
		• **Description**: Modify the description if desired
		• Review **Order Settings**:
		  • **Order Numbering Sequence**
		  • **Days to Keep**
		  • **Hold Orders on Entry** (yes/no)
		  • **Check Credit on Entry** (yes/no)
		  • **Require Control Total** (yes/no)
		  • **Bill Separately** (yes/no)
		  • **Ship Separately** (yes/no)
		  • **Calculate Freight** (yes/no)
		  • **Recalculate Discount On Partial Shipment** (yes/no)
		  • **Copy Notes** (yes/no)
		  • **Copy Attachments** (yes/no)
		  • **Copy Line Notes To Shipment** (yes/no)
		  • **Copy Line Attachments To Shipment** (yes/no)
		  • **Copy Line Notes To Invoice** (yes/no)
		  • **Only Non-Stock** (yes/no)
		  • **Copy Line Attachments To Invoice** (yes/no)
		  • **Only Non-Stock** (yes/no)
		  • **Ship Complete**
		• Review **Posting Settings**:
		  • **Use Sales Account from**
		  • **Combine Sales Sub. from**
		  • **Use Misc. Account from**
		  • **Combine Misc. Sub. from**
		  • **Freight Account**
		  • **Use Freight Account from**

No.	Action	Description
		• **Freight Sub.** • **Combine Freight Sub. from** • **Discount Account** • **Use Discount Account from** • **Discount Sub.** • **Combine Discount Sub. from** • **Post Line Discounts Separately** (yes/no) • **Use Discount Sub. from Sales Sub.** (yes/no) • Review **Accounts Receivable Settings**: • **Invoice Numbering Sequence** • **Mark as Printed** (yes/no) • **Mark as Emailed** (yes/no) • Save the order type.
18	**Configure Sales Orders Preferences**	Use the *Sales Orders Preferences* (SO.10.10.00) form to configure the global settings, based on decisions you made during preparation: • **Default Sales Order Type** • **Default Transfer Order Type** • **Default Sales Order Assignment Map** • **Default Sales Order Shipment Assignment Map** • **Shipment Numbering** • **Hold Shipments on Entry** • **Validate Shipment Total on Confirmation** • **Add Zero Lines for Items Not in Stock** • **Freight Allocation on Partial Shipping** • **Automatically Refresh Freight Cost on Document Save** • **Automatic Release of AR documents** • **Automatic Release of IN documents** All global settings needed for basic Sales Orders configuration are shown on the **General Settings** tab of the form.

You can download and print the *Sales Orders Configuration Checklist* to assist you in this configuration.

Implementing Projects

This document describes the process of implementing the Projects module in Acumatica ERP.

Overview

The Projects module supports and automates the process of managing the company projects in four main areas:

- Collection of project-related transactions (primarily expenses) as they are processed in various Acumatica ERP modules
- Allocation of costs, calculation of burdens, overheads, and billable amounts
- Project billing
- Reporting

To meet these requirements, the Projects module is tightly integrated with many Acumatica ERP modules, including General Ledger, Accounts Payable, Account Receivable, Inventory, Purchase Orders, and Sales Orders. These modules do not require any change in their configuration when Projects is implemented. However, you may wish to review the certain areas as described in ***Integration***. This document includes the following sections:

- ***Prerequisites and Dependencies***: Describes what modules must be set up and configured before you begin implementing this module.
- ***Preparation***: Describes data you should collect, arrange, and analyze.
- ***Configuration***: Guides you through the actual configuration of the Projects module.
- ***Initializing Projects with Budget-based Allocation***: Describes how to bring opening balances and historic data into the system to use projects with budget-based allocation.
- ***Initializing Projects with Transaction-based Allocation***: Describes how to bring opening balances and historic data into the system to use projects with transaction-based allocation.
- ***Integration***: Covers settings of the integrated modules that can be reviewed during the Projects implementation.
- ***Other Considerations***: Covers other aspects pertaining to the implementation of this module.

This document is meant only to guide you through Projects module implementation. For more information about the Projects forms, functions and reports, see *Projects*.

Prerequisites Dependencies

The *Initial System Configuration* must be completed and the General Ledger module must be configured before you implement the Projects module.

Preparation

This section covers the preparatory steps before you begin configuring the Projects module.

Implementation of Acumatica ERP module should start with collecting and analyzing the necessary information. Do the following steps before you actually configure the Projects module; these steps do not need to be done in the listed order and many can be done in parallel.

Because this is the preparation phase of implementation, enter no data into the system at this time.

Item	Description
Develop Projects numbering convention	Each project in Acumatica ERP is assigned with a unique **Project ID**. It can be comprised of segments with optional validation of each segment. Plan the structure of the project ID (segmented key *PROJECT*): number of segments, length of segments, whether and how they should be validated, and whether auto-numbering should be used. Prepare list of valid entries for segments that should be validated. Design numbering sequence for auto-numbered segment, if needed. Plan also the structures for the **Task ID** segmented key *PROTASK*) and **Account Group ID** (segmented key *ACCGROUP*). The task ID should be unique only within a project. Two different projects can have tasks with the same identifier, and they will be different tasks. For this reason, auto-numbering would not usually be used for task IDs. For additional information, see *Identifier Segmentation*.
Define autonumbering sequences	Projects requires numbering sequences for batches and Projects transactions. Acumatica ERP is installed with the following predefined, ready-to-use numbering sequences: • BATCH: Shared numbering sequence for batches of all modules, ranging from 0000000001 to 9999999999 • PMTRAN: Numbering sequence for Projects transactions, ranging from PM00000001 to PM99999999 If the project identifier is designed with an auto-numbering segment, define a numbering sequence for this segment too. For details, see *Numbering Sequences*.
Define non-project code	Once the Projects module is activated, transactions in all modules of Acumatica ERP will require Project IDs. This does not mean that each transaction must be linked to a project; the user can enter the non-project code (which you define) in the transaction that is not related to any project. For convenience, the non-project code should be distinctly different from project IDs and should be short, such as the single character *X*.
Define global processing options	The Projects module has two global options that control how all Projects transactions are processed: • **Automatically Post on Release** indicates if a Projects transaction should be automatically posted to General Ledger immediately after it is released. • **Automatically Release Allocations** indicates if a Projects allocation transaction should be automatically released immediately after it is generated. Because an unreleased allocation transaction can be deleted or edited, which can cause inconsistency, it is recommended that you use auto-release of allocations.
Define Projects integration	Projects can receive transactions from the General Ledger, Accounts Payable, Accounts Receivable, Order Management, Purchase Orders, Organization Structure, Inventory, Cash Management, and Customer Management modules. These options are known as Visibility Settings in Projects setup. They indicate whether project-related transactions can be entered in the particular module at all. Projects and tasks also have their own visibility settings, which control the availability of this particular project or task in Acumatica ERP modules. Visibility settings do not restrict the Projects module from posting its transactions to the General Ledger or from creating Accounts Receivable invoices.

Item	Description

Define EP Integration	If desired, define settings related to posting employee timesheets and equipment timesheets. With integration of the Time and Expenses and Projects modules, these transactions are initially released from Time and Expenses to Projects, and then Projects posts them to General Ledger. The credit account and subaccount are determined by the settings of the employee or equipment master record. The debit account and subaccount are configured by the Projects module:
	• **Expense Account Source** can be one of the following :
	  • Expense account of the *Labor Class* of the employee, or the *Rate Class* of the equipment
	  • Expense account of the *Employee* or default account of the *Equipment*
	  • Default account of the *Project*
	  • Default account of the *Task*
	• **Expense Subaccount** can be combined segment by segment from:
	  • The expense subaccount of the employee's labor class, or of the equipment rate class (placeholder *II*)
	  • The expense subaccount of employee or default subaccount of equipment (placeholder *EE*)
	  • The default subaccount of the project (placeholder *PP*)
	  • The default subaccount of the task (placeholder *TT*)
	For information about the configuration of employee and equipment master records, see *Employees* and *Equipment* respectively.

Define Account Groups	The role of account groups in Projects is similar to the role of accounts in General Ledger: All transaction processing and all reporting in Projects are done by account groups. When defining account groups, first of all, identify the accounts that will be used in project-related transactions. Accounts Receivable accounts (accounts debited by project billing) and Accounts Payable accounts (accounts credited by supplier bills) should be excluded. Consider that: • An account group should include accounts of one type (such as only expense or only income). • Allocation and billing rules select transactions by account group. If transactions of two accounts should follow different rules, these two accounts should be included in different account groups. • The account group is most frequently used as a key to billing (burden, overhead) rates. If transactions usually use the same rate, consider including their accounts in one group. If transactions usually use different rates, consider including their accounts in different groups.  The account group is not the only key to the allocation rate. Rates can also depend on employee, inventory item, project, and task. Additionally, consider off-balance account groups that are not linked to General Ledger accounts and that would hold amounts not posted to General Ledger. An example of an off-balance group can be unrecognized revenue: You may want to see the amount in your project reporting, but do not want to post to General Ledger until actual billing is done (and thus revenue is recognized). For information about using account groups in this way, see the examples of

Item	Description
	allocation and billing rules further in the article. For each identified group, write down the following: • **Account Group ID** to be used (which should comply with the defined *ACCGROUP* segmented key). • **Type** of account group: Assets, Liability, Income, Expense, or Off-Balance. The type of the group should be the same as the type of General Ledger accounts included in the group. An off-balance group cannot include any General Ledger account. • Short **Description** of the account group. • List of **GL Accounts** included in the group. For details, see *Account Groups*.
Define Allocation and Billing Rates	The projects rate is used as a parameter in allocation rules formulas, and can be one of the following: • *Billing unit rate*: When the original transaction quantity is multiplied by the rate to get the billable amount; for example, if you change $100 per hour for the consultant work, the rate is 100. • *Billing factor*: When the original transaction amount is multiplied by the rate to get billable amount; for instance, if you re-invoice subcontractor bills to the customer with a 10% surcharge, the rate is 1.1. • *Overhead rate*: If you charge the project with $20 of administrative overhead for every $100 of direct labor cost, the rate is 0.2 and the allocation rule should multiply the rate by the original transaction amount. Usage of the rate is not restricted by these three options. The rate can be used anywhere within an allocation rule formula where numeric values can be used, with the following considerations: • Rates of different usages should be maintained in different rate tables. For example, the *billing unit rate* and *billing factor* should not be put together under one rate code. • The rate code produces only one rate figure for a particular transaction that is being allocated. If you need to calculate two different amounts for the same original transaction (such as admininstrative burden and billing amount), you should use two rate codes in two separate allocation steps. • The rate code can hold rates by parameters—Account Group, Project, Task, Employee, Inventory, or any combination of these. For instance, if the billable rate for senior consultants is different from the billable rate of junior consultants, you should use one rate code with the parameter Employee. For each identified rate code, record the **Rate Code** (identifier of the rate table) and a brief **Description**. Define **Lookup Rules** for each rate code and customer price class: • **Sequence** indicates the order in which applicability of the lookup rule to the original transaction is checked. • Short **Description** order rule (optional). • **Account Group**, **Project**, **Task**, **Employee**, and **Inventory** indicate which elements of the original transaction are checked for applicability of the rule.

Item	Description
	• Short **Description** order rule (optional). You can select any combination of the parameters: one, a few, all, or none. Allocation tries to match the lookup rule and the original transaction; if lookup parameter elements are different, the rule is skipped and the next rule is tried. Due to this, a more specific rule (with a large number of parameters) should be assigned with a smaller **Sequence** number, and a less specific rule (with fewer parameters) should be assigned with a greater **Sequence** number. A rule with no parameters should be given the biggest sequence number, because such a rule applies to any transaction and should be tried only after all other rules. For each sequence of each rate table, indicate: • **Rate** • List of applicable **Account Groups**, **Projects**, **Tasks**, **Employees**, **Inventory** items, according to defined parameters of the lookup rule sequence. Rates are date-sensitive. You can create a schedule when one rate supersedes another. However, for the purpose of implementation, all rates should have the start date as the first operational date of the Projects module and a blank end date. *Projects Allocation and Billing Rate Examples* includes some examples of rate definitions. For more information, see *Rate Types*, *Rate Lookup Rules*, and *Rate Tables*.
Design Allocation and Billing Rules	These rules comprise the heart of the Projects module. They define: • Re-allocation of costs between account categories, tasks, and even projects • alculation of burdens, overheads • Selecting and grouping of transactions for posting • Calculation of billable amounts and generation of Accounts Receivable invoices See *Project Allocation and Billing Rules Examples* for detailed examples of how these functions can be used. Analyze your business needs and practices and design your own allocation and billing rules: • **Rule ID**: Unique identifier of the rule. • **Description**: Short description of the rule. Allocation Rule steps • **Step ID**: Sequence or order of execution: from lower numbers to higher number. • **Description**: Brief description of what this step does • **Sum**: A check box you select if the step is to sum up the results of previous steps; leave it clear if the step is to select transactions and/or to perform regular calculation. • **Post**: A check box you select if calculation results should be posted to account groups; clear the check box if the step is to select transactions for another summary step. • **Rate Code**: The table of allocation billing rates used in the calculation of the step.

Item	Description

	• **Quantity Formula**: The formula used to calculate the allocation transaction quantity; not used for the *Budget* method.
	• **Billable Quantity Formula**: A formula used to calculate the allocation transaction billable quantity; not used for *Budget* method.
	• **Amount Formula**: A formula used to calculate allocation transaction amount; not used for *Budget* method.
	• **Description Formula**: A formula used to compose allocation transaction description.
	• **Range Start/End**: The range of the previous steps to sum up; not used if the **Sum** check box is cleared.
	• **Account Group From/To**: The range of account groups of the original transactions to select for allocation; not used if the **Sum** check box is selected.
	• **Method**: How allocated quantities and amounts are calculated:
	  • The *Budget* method calculates the allocation amount as the product of the account group budget and the task percent complete.
	  • The *Transaction* method uses quantity and amount formulas.
	• **Update GL**: A check box you select if the step should post the calculated amount to General Ledger ; clear the check box if posting should be done only for the Projects account group.
	• **Debit** of the side of the allocation transaction:
	  • *Project*: Use *Source* to debit the original project; if another project should be debited, use *Replace* and indicate the ID of the project.
	  • *Task*: Use *Source* to debit the original task; if another task should be debited, use *Replace* and indicate the ID of the task.
	  • *Account Group*:
	  • Use *Source* to debit the original account group.
	  • Use *Replace* and indicate the account group to debit if it is different from the original.
	  • The *From Account* option is set automatically when you change *Account*.
	  • Use *No Debit* to generate a single-sided credit-only transaction; available only for the *Budget* method. Such an allocation transaction cannot be posted to General Ledger.
	  • *Account*: use *Source* to debit the original account; use *Replace* and indicate account to debit, if different from the original. Not available if **Update GL** is off.
	  • *Subaccount* is combined segment by segment from:
	  • • The subaccount indicated in the allocation step (placeholder *AA*)
	  • The project default subaccount (placeholder *PP*)
	  • The task default subaccount (placeholder *TT*)
	  • The subaccount of the original transaction (placeholder *SS*)

Item	Description
	• Not available if **Update GL** is cleared. • **Credit** of the side of the allocation transaction; similar to **Debit** except that the account group can be set to *No Credit* to indicate a single-sided, debit-only allocation transaction. *No Credit* can be used with the *Transaction* method. • **Grouping:** • *Full Detail* indicates no grouping; one original transaction creates one allocation transaction. • *By Item* groups by inventory ID. • *By Employee* groups by employee ID. • *By Date* groups by original transaction date. • *By Vendor* groups by vendor ID. • Any combination of *by Item*, *by Employee*, *by Date*, *by Vendor* can be selected; if all options (including *Full Details*) are off, the step creates only one allocation transaction. • **Allocation** filters out certain original transactions: • **Include Non-Billable**: Switch off the option to exclude non-billable transactions; switch on the option to process all transactions. • **Include Zero Amount**: Switch off the option to exclude transactions with a zero amount; switch on the option to process all transactions. • **Include Zero Quantity**: Switch off the option to exclude transactions with a zero quantity; switch on the option to process all transactions. • **Reverse**: Defines when allocation transactions used as basis for project billing (see the **Account Group** setting in **Billing Rules**) should be reversed. • *On Invoice Release*: Allocation reversal transactions are incorporated in an Accounts Receivable invoice. • *On Project Billing*: Allocation reversal transactions are generated by project billing as a separate Projects document. • *Never*: Allocation transactions are not reversed. • **Copy Notes**: Switch on the option to copy notes of original transactions to allocation transactions. Billing Rules • **Account Group** provides its balance as the billable amount • **Invoice Description** is not just a description but also a grouping factor. All billing rules with the same description are put in one Accounts Receivable invoice, and different descriptions lead to separate invoices. • **Account Source** defines where the invoice revenue account will be taken from: • *None* • *Billing Rule*: Account maintained directly in billing rule in **Account**

Item	Description
	• *Project*: Default project account • *Task*: Default task account • *Customer*: Customer's sales account • *Inventory Item*: Item's sales account • *Resource* • **Account** is credited by the project invoice if **Account Source** is set to *Billing Rule*. It should be the revenue account from the Income account group. • **Subaccount Mask** defines how the invoice revenue subaccount is combined segment by segment from the following: • The subaccount indicated in the billing rule (placeholder *BB*). • The default subaccount of the project (placeholder *PP*). • The default subaccount of the task (placeholder *TT*). • The subaccount of the source transaction (placeholder *SS*); the source of billing is normally transactions generated by the allocation process. • **Subaccount** is referred to by *Subaccount Mask BB*. • **Include Non-Billable**: Switch on the option if you want to bill transactions that are marked as non-billable. • **Limit Quantity**: Switch on the option if the total billed quantity should be limited with the budget quantity of **Max. Limits Account Group**. • **Limit Amount**: Switch on the option if the total billed amount should be limited with the budget amount of **Max. Limits Account Group**. • **Max. Limits Account Group**: Indicate the account group that provides its budget (contract amount) as the limit for the total billed amount or quantity. • **WIP Account Group**: Indicate the account group whose transactions should be automatically reversed by the billing process. Do not indicate the account group as WIP if it is already selected as the basis for billing (*Account Group* of billing rule); reversal for such accounts is controlled by the **Reverse** setting of the allocation rules. • **Copy Notes**: Switch on the option to copy notes of Projects transactions to an Accounts Receivable invoice. For further details, see *Billing Rules*.
Collect project information	For each existing project, compile the following data: • **Project ID** to be used (which should comply with the segmented key *PROJECT*) • **Customer** billable for the project (blank for non-billable internal projects) • **Description** of the project • **Default Account** and **Default Subaccount** of the project • Planned project **Start Date** and **End Date**

Item	Description

	• Project Allocation **Billing Rule** and **Next Billing Date**
	• Automation settings:
	  • Whether the project transaction should be automatically allocated
	  • Whether the project invoices should be automatically released
	• Modules the project can be used in: General Ledger, Accounts Payable, Accounts Receivable, Sales Orders, Purchase Orders, Time and Expenses, Inventory, Cash Management, Customer Management.
	• Optional list of employees assigned to the project, and whether only these employees are allowed for the project transactions. Indicate whether the employees should use different labor class and overtime labor class for the project than those in the employee master record.
	• Optional list of equipment assigned to the project, and whether only the listed equipment is allowed for the project transactions.
	• **Owner ID** and **Workgroup ID** of the project, if applicable.
	• List of project tasks, indicating for each task:
	  • **Task ID** to be used (which should comply with the segmented key *PROTASK*)
	  • Task **Description**
	  • Customer **Location**
	  • **Price Class**
	  • **Billing Rule**, if different from the billing rule of the project
	  • Planned task **Start Date** and **End Date**
	  • **Default Account** and **Default Subaccount** of the task
	  • When the task should be billed: *By Billing Period* of the project, *By Task Completion*, or *By Project Completion*
	  • Modules the task can be used in: General Ledger, Accounts Payable, Accounts Receivable, Sales Orders, Purchase Orders, Time and Expenses, Inventory, Cash Management, Customer Management
	  • **Owner ID** and **Workgroup ID** of the task, if applicable
	  • Task budget split by account group
	• If you plan to use the the Projects module with the Sales Orders module, indicate which tasks should cause freight and document discount posting.

You can download and print the *Projects Preparation Checklist* to assist you in collecting the data for Projects implementation.

Configuration

This section walks you through the process of actually configuring the Projects module in Acumatica ERP.

No.	Action	Description
1	**Define auto-numbering sequences**	Use the *Numbering Sequences* (CS.20.10.10) form in the Common Settings module to create or review numbering sequences for: • Project batches (if not shared with other modules) • Project transactions (sequence *PMTRAN*) • Auto-numbering segment of the *PROJECT* segmented key (if needed)
2	**Define structure of Projects identifiers**	Use the *Segmented Keys* (CS.20.20.00) form in the Common Settings module to define segmentation of the following identifiers: • Project ID (key *PROJECT*) • Project Task ID (key *PROTASK*) • Account Group ID (key *ACCGROUP*)
3	**Maintain valid values for validated segments**	Use the *Segment Values* (CS.20.30.00) form in the Common Settings module to enter permitted values for segments of **Project ID**, **Task ID**, and **Account Group ID** that are configured as validated. Non-validated and auto-numbered segments do not require maintenance of segment values.
4	**Configure Projects preferences**	Use the *Projects Preferences* (PM.10.10.00) form to configure and activate the Projects module, specifying the following settings: • **Active** (yes/no) • **Batch Numbering Sequence** • **Transaction Numbering Sequence** • **Non-Project Code** • **Automatically Post on Release** • **Automatically Release Allocation** • **Visibility Settings** • **Expense Account Source** and **Expense Subaccount** combination for Time and Expenses timesheets
5	**Create account groups**	Use the *Account Groups* (PM.20.10.00) form to create designed account groups and assign General Ledger accounts to them.
6	**Create rate types**	Use the *Rate Types* (PM.20.41.00) form to register rate types and their descriptions in the Acumatica ERP.
7	**Create rate lookup rules**	Use the *Rate Lookup Rules* (PM.20.50.00) form to define lookup rules for the registered rate codes.
8	**Maintain Rate Tables**	Use the *Rate Tables* (PM.20.60.00) form to enter current allocation and billing rate values in the rate tables, defined in Steps 6 and 7.
9	**Create allocation and billing rules**	Use the *Billing Rules* (PM.20.70.00) form to create the rules for project allocation and billing.
10	**Create projects**	Use the *Projects* (PM.30.10.00) form to create project master records. At the same time and in the same form, you can also add

No.	Action	Description
		tasks to the project. Note, however, that task visibility and budget cannot be maintained in this form.
11	**Create or update project tasks**	Use the *Project Tasks* (PM.30.20.00) form to create project tasks. If tasks are created in step 10, review task visibility and maintain task budget in this form.

You can download and print the *Project Configuration Checklist* to assist you in configuring the Projects module.

Initializing Projects with Budget-based Allocation

Projects with a budget-based allocation are fixed-price projects, allocated and billed as a project completion percent of the contract value. To migrate fixed-price projects from a legacy system to Acumatica ERP, perform the following steps:

- Run allocation in the legacy system to ensure that projects have no unallocated transactions
- Create an off-balance account group to receive postings by a "non-posting" allocation rule (see next point)
- Create a "non-posting" allocation rule that is identical to the regular allocation rule with the following exceptions:
  - It does not update GL
  - It debits and credits the special off-balance account group from point 1
  - It has no billing rules
  - Example (with reference to the **FPPCR** rule in *Projects Allocation and Billing Rate Examples*)

Step	Description	Sum	Post	Account Group	Method	Update GL	Debit Account Group	Credit Account Group
10	PTD revenue	OFF	ON	REVENUE	Budget	OFF	Replace with ZZZMIGRATE	Replace with ZZZMIGRATE

- Enter the percent complete for project tasks that matches the amount billed to date:
  - Do not enter the **actual** percent complete for project tasks at this time.
- Enter account group balances as a Projects transaction without posting to General Ledger on the *Project Transactions* (PM.30.40.00) form:
  - Enter account groups and leave accounts and subaccounts blank.
  - Enter credit balances as negative figures.
  - Do not enter a balance for the account group used by the regular billing rule as billing base, such as the *UNBILLED* account group in the *FPPCR* rule!
- Run allocation.
- Assign a regular allocation rule to the project and its tasks.
- Enter the actual percent complete for project tasks.
- The project is ready.
- After migration, the "non-posting" allocation rule can be deleted.

Usually, fixed-price projects have a limit on the maximum allowed billing amount. Limit can be enforced for quantity too. If this is the case:

- Reduce the budget of the max. limits account category by the amounts billed in the legacy system.
- Create a special account group to hold the original budget value:
  - No transactions should be posted to it.
  - It should not be used in allocation and billing rules.
  - It should be used only as a reference to the original budget value.
- When the budget is revised, change both the max limits account group and the special account group.

Initializing Projects with Transaction-based Allocation

Transaction-based allocation is used by time-and-materials and cost-plus projects. To migrate such projects from a legacy system to Acumatica ERP, perform the following steps:

- Run allocation in the legacy system to ensure that projects have no unallocated transactions.
- Create an off-balance account group to receive postings by the "zero" allocation rule (see the next point).
- Create a "zero" allocation rule that:
  - Selects transactions from account groups that are selected by the regular allocation rule of the project.
  - Generates allocation with a zero amount and quantity without General Ledger posting.
  - Debits and credits the special off-balance account group.
  - Has no billing rules.
  - Example (with reference to the **TMR** rule in *Projects Allocation and Billing Rate Examples*)

Ste	Descriptio	Su	Pos	Qty. Formul	Billable Qty. Formul	Amoun Formul	Account Group	Update GL	Debit Account Group	Credit Account Group
10	Labor	OFF	ON	=0	=0	=0	LABOR	OFF	Replace with ZZZMIGRATE	Replace with ZZZMIGRATE
20	Material	OFF	ON	=0	=0	=0	MATERIAL	OFF	Replace with ZZZMIGRATE	Replace with ZZZMIGRATE
30	Subcontracts	OFF	ON	=0	=0	=0	SUBCON	OFF	Replace with ZZZMIGRATE	Replace with ZZZMIGRATE
40	Travel expenses	OFF	ON	=0	=0	=0	TRAVEL	OFF	Replace with ZZZMIGRATE	Replace with ZZZMIGRATE

- Replace the allocation rule of the project and its tasks with the "zero" rule.
- Enter account group balances as Projects transactions without posting to the General Ledger by using the *Project Transactions* (PM.30.40.00) form:
  - Enter account groups and leave accounts and subaccounts blank.
  - Enter credit balances as negative figures.

    - Enter in full the balance for the account group used by the regular billing rule as the billing base (as with the *UNBILLED* account group in the *TMR* rule).
    - Reduce the balance of the offset account group (in the *TMR* rule, offset to the *UNBILLED* account group is the *REVENUE* account group) by the balance of unbilled amount. Thus:
        - For the *TMR* rule, the transaction amount for *REVENUE* should be -(*REVENUE* balance - *UNBILLED* balance)
        - For the *TMSUM* rule, the transaction amount for *UNRECREV* should be -(*UNRECREV* balance - *UNBILLED* balance - *UNBILLEDHR* balance) = 0. That is, an offset transaction is not needed.
        - The *TMU* rule has no offset to *UNRECREV*, so no offset transaction is needed.
- Run allocation.
- Assign the regular allocation rule to the project and its tasks.
- The project is ready.
- After migration, the "zero" allocation rule can be deleted.

If project billing is a limited amount and quantity, it should be handled similarly for projects with budget-based allocation:

- Reduce the budget of the max. limits account category by the amounts billed in the legacy system
- Create a special account group to hold the original budget value:
    - No transactions should be posted to it.
    - It should not be used in allocation and billing rules.
    - It should be used only as reference to the original budget value.
- When the budget is revised, change both the .max limits account group and the special account group.

Integration

The Acumatica ERP modules integrated with the Projects module do not require any change in their configuration when Projects is implemented. There are two considerations, though:

1. Integrated modules do not post transactions to Projects directly. The original transaction is first posted to General Ledger and then from General Ledger is copied to Projects. Thus, if the Accounts Payable Preferences form has the **Post Summary on Updating GL** check box selected, projects will get a summary of Accounts Payable transactions. To update Projects with full details of the original transactions, clear the **Post Summary on Updating GL** check box on the *Accounts Payable Preferences* (AP.10.10.00), *Accounts Receivable Preferences* (AR.10.10.00), and *Inventory Preferences* (IN.10.10.00) forms.
2. Transactions from integrated modules reach the Projects module only after they are released and posted. You can reduce manual processing time by configuring integrated modules to release and post transactions automatically by selecting the following check boxes:
    a. **Automatically Post on Release** on the *Accounts Payable Preferences* (AP.10.10.00), *Accounts Receivable Preferences* (AR.10.10.00), and *Inventory Preferences* (IN.10.10.00) forms.
    b. **Automatically Release AR Documents** and **Automatically Release IN Documents** on the *Sales Orders Preferences* (SO.10.10.00) form.
    c. **Release AP Documents Automatically** and **Release IN Documents Automatically** on the *Purchase Orders Preferences* (PO.10.10.00) forms.

d. **Automatically Release PM Documents** on the *Time and Expenses Preferences* (EP.10.10.00) form.

3. Time and Expenses can copy notes and attached documents from a Time and Expenses transaction to a Projects transaction if the **Copy Notes to PM Documents** and **Copy Notes to PM Documents** check boxes on the *Time and Expenses Preferences* (EP.10.10.00) form are selected.

Other Considerations

Consideration	Details
Project Templates and Global Tasks	If you have many projects that are similar to one another, you can save the time needed to create them by using project templates. A project template contains standard data. When you create a new project, you simply select an appropriate template, and all its data will be copied to the new project; you need only to adjust it to reflect any differences. Project templates are maintained on the (*Project Templates* (PM.20.80.00) form. With minor exceptions, template configuration is the same as project configuration. A project template does not have: • A customer. • Planned start and end dates. • A next billing date. • An auto-allocation option. • Custom project attributes. You set these settings in the project after you copy template data to it. A project template has tasks that serve as task templates. They can be maintained on the *Project Template Tasks* (PM.20.80.10) form or directly on the (*Project Templates* (PM.20.80.00) form. Compared to a project task, a task template does not have: • A customer location. • A customer price class. • Planned start and end dates. • Custom task attributes. You set these settings in the task after template data is copied to the project. For each template task, you can indicate whether it should be automatically copied when a project is created from its template. Non-auto template tasks can be added to the project by using **Add Tasks** on the **Tasks** tab of the (*Projects* (PM.30.10.00) form. Global tasks are similar to template tasks, except that they are not linked to a project template and can be added to any project. Consider using global tasks if certain tasks should be included in many (or most) of your projects, although all these projects have different structures. Global tasks are maintained on the (*Common Tasks* (PM.20.80.30) form. For more information, see *Templates for Projects and Tasks*.
Attributes	You can extend the standard definition of the project, task, and account group by adding custom *attributes* to their master records.

Consideration	Details
	Attributes are defined on the (*Attributes* (CS.20.50.00) form of the Common Settings module. The definition of a custom attribute includes: • **Attribute ID**. • **Description**. • **Control Type**: text, combo (selection from predefined list), check box (yes/no), or date and time. • **Required** or optional. • **Entry Mask** to validate entry for text or combo. • **Regular Expression** for advanced validation of entry in text or combo (optional). • List of valid **Values** for combo only; each value has a description and a sort order.  Projects, tasks, account groups can have identical attributes. In such a case, define only one attribute and share it among projects, tasks, and account groups. Next, custom attributes should be enabled for the project, task, or account group by using the (*Attributes* (PM.20.20.00) form of the Projects module. Finally, enter appropriate values of the customer attributes on the respective forms: • Account group custom attributes: (*Account Groups* (PM.20.10.00) form. • Project custom attributes: (*Projects* (PM.30.10.00) form. • Task custom attributes: (*Project Tasks* (PM.30.20.00) form.

Acumatica ERP Implementation Checklists

This page contains the list of preparation, configuration, and initialization checklists, organized by specific Acumatica ERP modules.

Module	Checklist
General Ledger	*General Ledger Preparation Checklist*
	General Ledger Configuration Checklist
Currency Management	*Currency Management Preparation Checklist*
	Currency Management Configuration Checklist
Cash Management	*Cash Management Preparation Checklist*
	Cash Management Configuration Checklist
Accounts Payable	*Accounts Payable Preparation Checklist*
	Accounts Payable Configuration Checklist
	Accounts Payable Initialization Checklist
Taxes	*Taxes Preparation Checklist*
	Taxes Configuration Checklist
Accounts Receivable	*Account Receivable Preparation Checklist*
	Accounts Receivable Configuration Checklist
	Accounts Receivable Initialization Checklist
Purchase Orders	*Purchase Orders Preparation Checklist*
	Purchase Orders Configuration Checklist
Inventory	*Inventory Preparation Checklist*
	Inventory Configuration Checklist
Sales Orders	*Sales Orders Preparation Checklist*
	Sales Orders Configuration Checklist
	Sales Orders Price Preparation Checklist
	Sales Orders Price Configuration Checklist
	Sales Orders Discount Preparation Checklist
	Sales Orders Discount Configuration Checklist
Organization Structure	*Organization Structure Preparation Checklist*
	Organization Structure Configuration Checklist
Projects	*Projects Preparation Checklist*
	Project Configuration Checklist

General Ledger Preparation Checklist

No	Task	Deliverables	Person in Charge	Done
1	**Determine financial year settings**	• First financial year • Start and end date of each financial period; the end date of a period is not the last day of the period but the first day of the next period		
2	**Decide upon ledgers**	• ID of default ledger (which should have the *Actual* type and the base currency) • ID, description, type, and currency of additional ledgers (optional)		
3	**Determine account classes**	• ID and description of account classes		
4	**Plan chart of accounts**	• Account number, description, type, and account class for each account • Currency for bank accounts • YTD Net Income account and Retained Earnings account		
5	**Plan subaccounts**	• Subaccount structure: number of segments, length and allowed characters for each segment, segment validation (yes/no), auto-numbered segment • List of allowed values for validating segments • List of subaccounts: code and description		
6	**Determine auto-numbering sequences**	• Batch numbering sequence • Allocation numbering sequence • Scheduled tasks numbering sequence • Sequence for auto-numbered subaccount segment (if any)		
7	**Decide on other General Ledger options**	• When auto-reversing entries should be generated • How long transactions should be kept in the database • Whether transactions should be posted when they're released • Whether batch totals should be validated against sum of transaction detail amounts • Whether new batches should be put on hold • Whether transactions may be posted to closed periods		

No	Task	Deliverables	Person in Charge	Done
		• What should be chart of accounts order		

General Ledger Configuration Checklist

No	Task / Form	Data Configured	Person in Charge	Done
1	**Define auto-numbering sequences:** ***Configuration > Common Settings > Common Settings > Numbering Sequences (CS.20.10.10)***	• Batch numbering sequence • Allocation numbering sequence		

2	**Define segmented keys:**
	Configuration > Common Settings > Segmented Keys > Segmented Keys (CS.20.20.00)
		• Segmented Key ID **ACCOUNT**
		  • Adjust default size of account code to be equal to length of account number in your chart of accounts
		  • Adjust default edit mask of account code to match your chart of accounts (numeric only, alphanumeric, etc.)
		  • Adjust other settings as needed
		• Segmented Key ID **SUBACCOUNT**
		  • Create planned number of segments
		  • For each segment, provide description, length, edit mask, validation (yes/no), separator		

3	**Maintain segment values:** ***Configuration > Common Settings > Segmented Keys > Segment Values (CS.20.30.00)***	• List of acceptable values for each validating subaccount segment		
4	**Define account classes:** ***Finance > General Ledger > Configuration > Setup > Account Classes (GL.20.20.00)***	• List of account classes (ID and description)		

No	Task / Form	Data Configured	Person in Charge	Done
5	**Define chart of accounts:** ***Finance > General Ledger > Configuration > Manage > Chart of Accounts (GL.20.25.00)***	• Account number, description, type, and account class for each account; no currency code should be set for any account • YTD Net Income account and Retained Earnings account (required)		
6	**Define subaccounts:** ***Finance > General Ledger > Configuration > Manage > Subaccounts (GL.20.30.00)***	• List of subaccounts (code and description)		

7	**Create ledgers:**
	Finance > General Ledger > Configuration > Setup > Ledgers (GL.20.15.00)
		• Create at ledgers of type Actual (Posting Ledgers for branches)
		  • Ledger ID
		  • Ledger description
		  • Balance type = Actual
		  • Ledger currency = Base currency
		• Optionally, create additional ledgers as needed. At this moment, currency of all ledgers can only be base currency		

8	**Define branches:** ***Organization > Organization Structure > Configure > Branches (CS.10.20.00)***	• ID, name, address, main contact, legal information, posting ledger for each branch		
9	**Define Inter-branch Account Mapping:** ***Finance > General Ledger > Configuration > Manage > Inter-branch Account Mapping (GL.10.10.10)***	• Indicate *master* branch for each ledger • Maintain due-to, due-from account mapping for inter-branch transaction balancing		
10	**Configure General Ledger preferences:** ***Finance > General Ledger > Configuration***	• YTD Net Income account • Retained Earnings account • Numbering sequences for General Ledger batches, scheduled tasks, allocations • Point to generate auto-reversing entries		

No	Task / Form	Data Configured	Person in Charge	Done
	> Setup > General Ledger Preferences (GL.10.20.00)	• Number of periods to keep transactions • Transaction auto-posting • Batch total validation • Hold batches on entry (yes/no) • Posting to closed periods • Chart of accounts order		
11	**Define financial year settings:** ***Finance > General Ledger > Configuration > Setup > Financial Year (GL.10.10.00)***	• First financial year • Start date of financial year • Periods of the financial year, including start date, end date, and period description		
12	**Generate financial periods:** ***Finance > General Ledger > Work Area > Manage > Financial Periods (GL.20.10.00)***	• First financial year • Next year, if first financial year is planned only to enter initial account balances • All history years up to and including first operational year, if first financial year is planned as beginning of account balance history		

Currency Management Preparation Checklist

No	Task	Deliverables	Person in Charge	Done
1	**Prepare list of required currencies**	For each currency, define the following: • Currency ID • Description • Decimal Precision • Symbol • Capture • Realized Gain Account and Subaccount • Realized Loss Account and Subaccount • Unrealized Gain Account and Subaccount • Unrealized Loss Account and Subaccount • Unrealized gain and loss provisioning for Accounts Payable • Unrealized gain and loss provisioning for Accounts Receivable • Revaluation Gain Account and Subaccount • Revaluation Loss Account and Subaccount		

No	Task	Deliverables	Person in Charge	Done
		• Translation Gain Account and Subaccount • Translation Loss Account and Subaccount • Rounding Gain Account and Subaccount • Rounding Loss Account and Subaccount		
2	**Prepare list of required exchange rate types**	List of all exchange rates used for the following: • Daily operations • Revaluation • Translation Indicate default rates of the following: • General Ledger journal transactions • General Ledger revaluation • Cash Management transactions (if Cash Management module will not be implemented, this rate can be the same as the General Ledger journal transactions default rate)		
3	**Define allowed rate variance**	• Decide if user should be warned when exchange rate manually entered for a transaction differs from rate maintained in the rate table by too much • Determine the maximum allowed difference (in percents)		
4	**Define auto-numbering sequence for revaluation batches**	Define the number range for unrealized gain/loss batches generated for Accounts Payable / Accounts Receivable revaluation		
5	**Decide on auto-posting of Currency Management batches**	Decide if Currency Management batches are to be posted automatically during revaluation process		
6	**Prepare list of denominated accounts**	• Prepare a list of General Ledger accounts to be denominated in foreign currencies • Indicate account number and currency code • If these accounts are not created in General Ledger yet, also indicate their description, account class, and account type		

Currency Management Configuration Checklist

No	Task / Form	Data Configured	Person in Charge	Done
1	**Create exchange gain/loss accounts:** ***Finance > General Ledger > Configuration > Manage > Chart of Accounts (GL.20.25.00)***	Create all identified accounts to be used for exchange gains and losses: • Realized Gain • Realized Loss • Unrealized Gain • Unrealized Loss • Provision for Accounts Payable Unrealized Gain and Loss • Provision for Accounts Receivable Unrealized Gain and Loss • Revaluation Gain • Revaluation Loss • Translation Gain • Translation Loss • Rounding Gain • Rounding Loss		
2	**Create exchange gain/loss subaccounts:** ***Finance > General Ledger > Configuration > Manage > Subaccounts (GL.20.30.00)***	Create all identified subaccounts to be used for exchange gains and losses: • Realized Gain • Realized Loss • Unrealized Gain • Unrealized Loss • Provision for Accounts Payable Unrealized Gain and Loss • Provision for Accounts Receivable Unrealized Gain and Loss • Revaluation Gain • Revaluation Loss • Translation Gain • Translation Loss • Rounding Gain • Rounding Loss		
3	**Create exchange rate types:** ***Finance > Currency Management > Configuration > Setup > Currency***	Create all identified exchange rates types.		

No	Task / Form	Data Configured	Person in Charge	Done
	Rate Types (CM.20.10.00)			

4	**Configure Currency Management Preferences:**
	Finance > Currency Management > Configuration > Setup > Currency Management Preferences (CM.10.10.00)
		• Select or clear **Activate Multi-Currency** check box.
		• Enter maximum allowed rate difference in **Rate Variance Allowed** box.
		• Select **Warn About Rate Variance** check box if users should be informed when the actual transaction rate is beyond allowed rate variance; clear the check box if no warning is to be shown in such cases.
		• Select the **Automatically Post to GL on Release** check box if Currency Management batches are to be posted automatically during the revaluation process.
		• Enter the default rate types: **GL Rate Type**, **GL Revaluation Rate Type**, **CA Rate Type** (If Cash Management module will not be implemented, use the same value as for **GL Rate Type**), **AR Rate Type**, and **AP Rate Type**.
		• For translations, enter the numbering sequence, default translation, and number of periods for which the system will keep the records.
		• Enter the accounts and subaccounts that are most common for all currencies:
		  • Realized Gain Account and Subaccount
		  • Realized Loss Account and Subaccount
		  • Unrealized Gain Account and Subaccount
		  • Unrealized Loss Account and Subaccount
		  • Revaluation Gain Account and Subaccount
		  • Revaluation Loss Account and Subaccount
		  • Translation Gain Account and Subaccount
		  • Translation Loss Account and Subaccount
		  • Rounding Gain Account and Subaccount
		  • Rounding Loss Account and Subaccount		

5	**Create foreign currencies:**	Create all identified foreign currencies. For each currency, enter the following:		

No	Task / Form	Data Configured	Person in Charge	Done
	Finance > Currency Management > Configuration > Setup > Currencies (CM.20.20.00)	• Currency ID • Description • Decimal Precision • Symbol • Capture • Realized Gain Account and Subaccount • Realized Loss Account and Subaccount • Unrealized Gain Account and Subaccount • Unrealized Loss Account and Subaccount • AP Provisioning Account and Subaccount • AR Provisioning Account and Subaccount • Revaluation Gain Account and Subaccount • Revaluation Loss Account and Subaccount • Translation Gain Account and Subaccount • Translation Loss Account and Subaccount • Rounding Gain Account and Subaccount • Rounding Loss Account and Subaccount  Only foreign currencies are created using this form. Base currency is defined on the *Branches* (CS.10.20.00) form.		

6	**Configure denominated accounts:**
	Finance > General Ledger > Configuration > Manage > Chart of Accounts (GL.20.25.00)
		• If the denominated accounts are not maintained in General Ledger yet, create them, indicating the following:
		  • Account number
		  • Description
		  • Type
		  • Account class
		  • Currency of denomination
		• If the denominated accounts are already maintained in General Ledger, set their currency of denomination as required		

Cash Management Preparation Checklist

No	Task	Deliverables	Person in Charge	Done
1	**Define auto-numbering sequences**	Define the number range for the following: • Cash Management transactions • Cash Management transfers		

No	Task	Deliverables	Person in Charge	Done
		• Batches generated for Cash Management transactions and transfers • Reconciliation statements		
2	**Define cash-in-transit account and subaccount**	Decide what General Ledger account and subaccount will be used to hold cash-in-transit amounts.		
3	**Define default rate type**	Decide what currency exchange rate type should be the default rate type to convert Cash Management transactions to base currency.		
4	**Define Cash Management processing options**	Define Cash Management policy for transaction entry and processing: • Should transaction totals be validated on data entry or only during the release of the transactions? • Should transactions be automatically held on entry or should it be possible to immediately release them? • Should Accounts Payable payments be released only in Accounts Payable or can they be released in Cash Management also? • Should Accounts Receivable payments be released only in Accounts Receivable or can they be released in Cash Management also? • Should the Cash Management batches be posted in General Ledger immediately upon release?		
5	**Define cash account balance calculation**	Define how Cash Management should calculate cash account balance: • Include unreleased, not cleared receipts (yes/no) • Include unreleased but cleared receipts (yes/no) • Include released but not cleared receipts (yes/no) • Include unreleased, not cleared disbursements (yes/no) • Include unreleased but cleared disbursements (yes/no) • Include released but not cleared disbursements (yes/no)		
6	**Define entry types**	Design entry types to be used for Accounts Payable and Accounts Receivable payments as well as for Cash Management transactions. For each entry type, define the following: • Entry type identifier. • Description.		

No	Task	Deliverables	Person in Charge	Done
		• Is it receipt or disbursement? • In which module it can be used: Cash Management, Accounts Payable, or Accounts Receivable? • Default offset account and subaccount (optional, for Cash Management entry types only).		
7	**Define payment methods**	Design payment methods. For each payment method, define the following: • Payment method identifier. • Description. • Payment instrument: cash/check, credit card, or direct deposit • List of permitted cash accounts; indicate the default cash account. • Accounts Receivable settings, if applicable • List of processing centres, if applicable • Accounts Payable settings, if applicable • Remittance Information, if required		

8	**Define cash accounts**	Prepare list of company's cash accounts. For each cash account, define the following:
		• General Ledger account and subaccount
		• Description
		• Default currency rate type
		• Whether cash account should be reconciled against bank statement
		• List of valid entry types
		• List of valid payment types. For each payment type:
		  • Decide whether the next available number should be prompted for new payment
		  • Indicate the last number used (for example, the last check number used)
		  • Provide values for custom elements of payment type
		• Default payment type for the cash account		

Cash Management Configuration Checklist

No	Task / Form	Data Configured	Person in Charge	Done
1	**Create General Ledger accounts:** ***Finance > General Ledger > Configuration > Manage > Chart of Accounts (GL.20.25.00)***	Create cash accounts and cash-in-transit account.		
2	**Create General Ledger accounts:** ***Finance > General Ledger > Configuration > Manage > Subaccounts (GL.20.30.00)***	Create cash subaccounts and cash-in-transit subaccount.		
3	**Define auto-numbering sequences:** ***Configuration > Common Settings > Common Settings > Numbering Sequences (CS.20.10.10)***	Create and configure the numbering sequences for the following: • Cash Management transactions • Cash Management transfers • Batches generated for Cash Management transactions and transfers • Reconciliation statements		
4	**Create exchange rate types:** ***Finance > Currency Management > Configuration > Setup > Currency Rate Types (CM.20.10.00)***	Create identified default exchange rate types.		

5	**Configure Cash Management preferences:**
	Finance > Cash Management > Configuration > Setup > Cash Management Preferences (CA.10.10.00)
		Configure Cash Management settings:
		• Select numbering sequences for Cash Management batches, transactions, and transfers.
		• Select cash-in-transit account and subaccount.
		• Select default currency exchange rate type.
		• Set data entry and processing options:
		  • Validate control totals on data entry.
		  • Hold transactions on entry.		

No	Task / Form	Data Configured	Person in Charge	Done
		• Release Accounts Payable documents from Cash Management. • Release Accounts Receivable documents from Cash Management. • Post to General Ledger on Release • Set cash account balance calculation options. • Configure bank statements matching settings.		
6	**Create Payment Methods:** ***Finance > Cash Management > Configuration > Setup > Payment Methods (CA.20.40.00)***	Create the payment methods identified in the preparation phase.		
7	**Create Entry Types:** ***Finance > Cash Management > Configuration > Setup > Entry Types (CA.20.30.00)***	Create the identified entry types.		
8	**Create cash accounts:** ***Finance > Cash Management > Work Area > Manage > Cash Accounts (CA.20.20.00)***	Create the company's cash accounts: • Select General Ledger account and subaccount. • Enter cash account description. • Select default currency exchange rate type. • Indicate if the account will be reconciled against bank statement. • Add identified valid entry types for the cash account. • Add identified valid payment types for the cash account. For each added payment type: • Indicate whether the next available number should be prompted for new payment. • Enter the last number used. • Indicate the default payment type for the cash account. • Configure each added payment type by entering values for custom Payment Details elements.		

Accounts Payable Preparation Checklist

No	Task	Deliverables	Person in Charge	Done
1	**Develop the vendor identification convention**	Review the structure of the *BIZACCT* segmented key and, if applicable, the *VENDOR* segmented key: • If the *BIZACCT* segmented key will be used for vendor IDs, define the segment values to be used for vendor IDs. • If the *VENDOR* segmented key will be used for vendor IDs, define the values for segments to be validated. For an auto-numbered segment, if any, decide whether you'll use one of predefined numbering sequences or create a new one.		

2	**Collect vendor information**	Collect the following information for both trade creditors and tax agencies:
		• Vendor ID
		• Registered (main) address and contact details
		• Default credit terms
		• Whether the vendor is subject to 1099 reporting (USA only)
		• Whether vendor is a tax agency, and if so:
		  • Frequency of tax reporting
		  • Default accounts and subaccounts for input (purchase) taxes
		  • Default accounts and subaccounts for output (sales) taxes
		• Parent company (if applicable)
		• Currency and rate type, if the vendor operates mostly in a single foreign currency; indicate if they can be overridden in the documents
		• Vendor's shipment address and contact information, if they are different from the main address and contact info
		• Vendor's tax registration ID and taxes payable to the vendor (or for the vendor's supplies)
		• Vendor's payment address and contact info, if they are different from main address and contact info
		• Default cash account and payment method; indicate whether vendor's bills are to be paid separately and whether payment lead time should be considered when payments are made to the vendor		

No	Task	Deliverables	Person in Charge	Done

		• Address of other vendor locations and other vendor contacts, if any
		• Accounts to be updated by vendor's documents:
		  • Accounts Payable liability account and subaccount
		  • Expense account and subaccount for cost of purchases
		  • Freight account and subaccount
		  • Cash discount account and subaccount
		  • Prepayment account and subaccount (optional)		

3	**Design vendor classes**	Analyze collected vendor information and combine vendors into classes. For each identified vendor class, record any of the following that will be part of the class definition:
		• Credit terms
		• Cash account
		• Payment method
		• Taxes
		• General Ledger accounts and subaccounts:
		  • Accounts Payable liability account and subaccount
		  • Expense account and subaccount for cost of purchases
		  • Discount account and subaccount
		  • Prepayment account and subaccount (optional)
		• Default country
		• Currency (optional) and whether it may be overridden in transactions
		• Exchange rate type (optional) and whether may be overridden in transactions
		• Whether vendor is a tax agency
		• Whether this is a 1099 vendor Review the vendor list and assign each vendor to a class. Also, decide which class will be the default vendor class.		

4	**Determine auto-numbering sequences**	• Batch numbering sequence (which can be the same as General Ledger batch numbering) • Accounts Payable bill numbering sequence		

No	Task	Deliverables	Person in Charge	Done
		• Accounts Payable adjustment numbering sequence (which can be the same as Accounts Payable bill numbering) • Payment numbering sequence (which can be the same as Accounts Payable bill numbering) • Vendor numbering sequence, if vendor identifying convention includes auto-numbered segment		
5	**Decide upon aging categories**	Define three aging periods, such as 30 days, 60 days, and 90 days.		
6	**Determine Accounts Payable processing policies**	• Automatic posting of Accounts Payable transactions on release (yes/no) • Consolidation of Accounts Payable transactions (summarizing by account) when posting to General Ledger (yes/no) • Retention of Accounts Payable transactions: number of financial periods • Hold new Accounts Payable documents (yes/no) • Validate Accounts Payable document total during data entry (yes/no) • Pre-approve Accounts Payable bills for payment (yes/no) • Require vendor reference for Accounts Payable bills (yes/no)		
7	**Determine 1099 reporting settings**	Determine 1099 reporting settings.		
8	**Verify General Ledger accounts**	Verify that all needed General Ledger accounts have been created on the **Finance** > **General Ledger** > **Configuration** > **Manage** > **Chart Of Accounts** (GL.20.25.00). Prepare list of missing accounts.		
9	**Verify General Ledger subaccounts**	Verify that all needed General Ledger subaccounts have been created on the **Finance** > **General Ledger** > **Configuration** > **Manage** > **Subaccounts** (GL.20.30.00). Prepare list of missing subaccounts.		
10	**Verify currencies**	Verify that all needed currencies have been created on the **Finance** > **Currency Management** > **Configuration** > **Setup** > **Currencies** (CM.20.20.00). Prepare list of missing currencies.		
11	**Verify currency rate types**	Verify that all needed currency rate types have been created on the **Finance** > **Currency Management** > **Configuration** > **Setup** > **Currency Rate Types** (CM.20.10.00). Prepare list of missing currency rate types.		

No	Task	Deliverables	Person in Charge	Done
12	**Verify payment methods**	Verify that all needed payment methods have been created on the **Finance** > **Cash Management** > **Configuration** > **Setup** > **Payment Methods** (CA.20.40.00). Prepare list of missing payment types.		
13	**Verify cash accounts**	Verify that all needed cash accounts have been created on the **Finance** > **Cash Management** > **Work Area** > **Manage** > **Cash Accounts** (CA.20.20.00). Prepare list of missing cash accounts.		
14	**Verify credit terms**	Verify that all needed credit terms have been created on the **Finance** > **Accounts Payable** > **Configuration** > **Setup** > **Credit Terms** (CS.20.65.00). Prepare list of missing credit terms.		

Accounts Payable Configuration Checklist

No	Task / Maintenance Form	Data Configured	Person in Charge	Done
1	**Define auto-numbering sequences:** ***Configuration > Common Settings > Common Settings > Numbering Sequences (CS.20.10.10)***	• Batch numbering sequence • Accounts Payable bill numbering sequence • Accounts Payable adjustment numbering sequence • Accounts Payable check numbering sequence • Vendor numbering sequence, if vendor identifying convention includes auto-numbered segment		
2	**Define structure of vendor identifier:** ***Configuration > Common Settings > Segmented Keys > Segmented Keys (CS.20.20.00)***	Add appropriate segment values to the *BIZACCT* or *VENDOR* segmented keys. For an auto-numbered segment of the *VENDOR* key, if any, assign the predefined numbering sequence or the newly created one.		
3	**Maintain segment values:** ***Configuration > Common Settings > Segmented Keys > Segment Values (CS.20.30.00)***	If this step has not already occurred, maintain valid values for each validated segment of the segmented key the vendor ID is based on (*BIZACCT* or *VENDOR*).		
4	**Create General Ledger accounts:** ***Finance > General Ledger > Configuration***	Create missing General Ledger accounts, if necessary.		

No	Task / Maintenance Form	Data Configured	Person in Charge	Done
	> Manage > Chart of Accounts (GL.20.25.00)			
5	**Create General Ledger subaccounts:** ***Finance > General Ledger > Configuration > Manage > Subaccounts (GL.20.30.00)***	Create missing General Ledger subaccounts, if necessary.		
6	**Create currencies:** ***Finance > Currency Management> Configuration > Setup > Currencies (CM.20.20.00)***	Create missing currencies, if necessary.		
7	**Create rate types:** ***Finance > Currency Management> Configuration > Setup > Currency Rate Types (CM.20.10.00)***	Create missing currency rate types, if necessary.		
8	**Create payment methods:** ***Finance > Cash Management > Configuration > Setup > Payment Methods (CA.20.40.00)***	Create missing payment methods, if necessary.		
9	**Create cash accounts:** ***Finance > Cash Management > Work Area > Manage > Cash Accounts (CA.20.20.00)***	Create missing cash accounts, if necessary.		
10	**Create credit terms:** ***Finance > Accounts Payable > Configuration > Setup >***	Create missing credit terms, if necessary.		

No	Task / Maintenance Form	Data Configured	Person in Charge	Done
	Credit Terms (CS.20.65.00)			
11	**Create vendor classes:** ***Finance > Accounts Payable > Configuration > Setup > Vendor Classes (AP.20.10.00)***	Create defined vendor classes, filling in all applicable settings: • Class ID • Description • Credit terms • Cash account • Payment method • Country code • Currency ID • Allow currency override (yes/no) • Exchange rate type • Allow rate override (yes/no) • Accounts Payable liability account and subaccount • Discount account and subaccount • Expense account and subaccount • Prepayment account and subaccount Leave Tax zone ID blank at this time.		

12	**Configure Accounts Payable preferences:**
	Finance > Accounts Payable > Configuration > Setup > Accounts Payable Preferences (AP.10.10.00)
		• General settings:
		  • Auto-numbering sequences for Accounts Payable batches, bills, adjustments, payments
		  • Aging categories
		  • Auto-posting of Accounts Payable transactions on release
		  • Consolidating of Accounts Payable transactions on release to General Ledger
		  • Transaction retention periods
		  • Default vendor class
		  • Expense subaccount combination source
		  • Holding documents on entry
		  • Validating document totals on entry
		  • Pre-approving the bills for payment
		  • Vendor reference requirement
		• 1099 settings:
		  • Minimum reporting amount for each box		

No	Task / Maintenance Form	Data Configured	Person in Charge	Done

13	**Create tax agencies:**
	Finance > Accounts Payable > Work Area > Manage > Vendors (AP.30.30.00)
		Maintain vendor master records for tax agencies:
		• Vendor ID and name
		• **General Info** tab:
		  • Enter agency address and contact data
		  • Note default vendor class from Accounts Payable Preferences (class settings can be overridden)
		  • Clear **1099 Vendor** check box
		  • Select **Vendor Is Tax Agency** check box
		  • Select credit terms according to agency regulations
		  • Use base currency for **Currency ID**
		  • Select **Allow Currency Override** check box if agency allows payment in foreign currency
		  • Leave currency rate type blank
		  • Select **Allow Rate Override** check box
		• **Purchase Settings** tab:
		  • Keep tax zone and registration ID blank
		• **Payment Settings** tab:
		  • Agency remittance address and contact data
		  • Default cash account for tax payments
		  • Payment method
		  • Payment lead time
		  • Select **Pay Separately** option if necessary
		• Skip **Locations** and **Contacts** tabs
		• **GL Accounts** tab:
		  • Accounts Payable liability account and subaccount
		  • Discount account and subaccount
		  • Expense account and subaccount
		  • Prepayment account and subaccount
		• **Tax Agency** tab:
		  • Select prescribed reporting period
		  • Select default account and subaccount for output (sales) taxes, input (purchase) taxes, and tax-related expenses		

No	Task / Maintenance Form	Data Configured	Person in Charge	Done
		For more information, see *Implementing Taxes*.		
14	**Update vendor classes:** ***Finance > Accounts Payable > Configuration > Setup > Vendor Classes (AP.20.10.00)***	Enter the **Tax Zone ID** for each vendor class.		

15	**Create vendor records:**
	Finance > Accounts Payable > Work Area > Manage > Vendors (AP.30.30.00)
		Maintain vendor records for all suppliers (except tax agencies, which are already created):
		• Vendor ID and name
		• **General Info** tab:
		  • Enter agency address and contact data
		  • Note default vendor class from Accounts Payable Preferences form (settings can be overridden)
		  • Clear **1099 Vendor** check box
		  • Select or clear **Vendor Is Tax Agency** check box
		  • Select credit terms according to agency regulations
		  • Use base currency for **Currency ID**
		  • Select **Allow Currency Override** check box if agency allows payment in foreign currency
		  • Leave currency rate type blank
		  • Select **Allow Rate Override** check box
		• **Purchase Settings** tab:
		  • Keep tax zone and registration ID blank
		• **Payment Settings** tab:
		  • Agency remittance address and contact data
		  • Default cash account for tax payments
		  • Payment method
		  • Payment lead time
		  • Select **Pay Separately** option if necessary
		• Fill in **Locations** and **Contacts** tabs, if desired
		• **GL Accounts** tab:
		  • Accounts Payable liability account and subaccount		

No	Task / Maintenance Form	Data Configured	Person in Charge	Done
		• Discount account and subaccount • Expense account and subaccount • Prepayment account and subaccount		

Accounts Payable Initialization Checklist

No	Task / Maintenance Form	Data Maintained	Person in Charge	Done
1	**Prepare documents for migration**	Include in the list of Accounts Payable documents to migrate all documents with non-zero balances as of the date of migration. For each document, record the following: • Vendor • Original document number • Document date and payment terms • Currency and exchange rate • Current balance in foreign currency		
2	**Verify financial period *Finance > General Ledger > Work Area > Manage > Financial Periods (GL.20.10.00)***	The initialization financial period should be one period before the start of actual operations: If you plan to start actual operations in Acumatica ERP in period 01-2009, initialization period should be 12-2008. Verify that this period is active.		
3	**Maintain exchange rates *Finance > Currency Management > Work Area > Manage > Currency Rates (CM.30.10.00)***	For foreign currency documents, maintain exchange rates.		
4	**Enter outstanding documents *Finance > Accounts Payable > Work Area > Enter > Bills And Adjustments (AP.30.10.00)***	Use form to enter vendors' outstanding documents: • Vendor invoices should be entered as bills. • Debit notes should be entered as credit adjustments. • Credit notes should be entered as debit adjustments. • Payments should be entered as debit adjustments. • Documents should be entered for the current period. • Enter amount as current outstanding document balance.		

No	Task / Maintenance Form	Data Maintained	Person in Charge	Done
		• Be sure each document has only one detail line. Leave tax category blank.		
5	**Verify data entry *Finance > Accounts Payable > Reports > Audit > AP Edit Detailed (AP.61.05.00)***	Use report to verify data entry. Make necessary adjustments.		
6	**Release AP documents *Finance > Accounts Payable > Processes > Daily > Release AP Documents (AP.50.10.00)***	Use the form to release the migrated documents to General Ledger.		
7	**Verify vendor balances *Finance > Accounts Payable > Work Area > Explore > Vendor Summary (AP.40.10.00)***	Use the form to verify vendors' balances. Make necessary corrections by entering additional debit or credit adjustment documents.		
8	**Post General Ledger transaction *Finance > General Ledger > Processes > Daily > Post Transactions (GL.50.20.00)***	Post generated Accounts Payable batches.		
9	**Obtain posting accounts *Finance > General Ledger > Reports > Balance > Transactions for Period (GL.63.30.00)***	Print the report, filtered for the Accounts Payable module.		
10	**Reverse Accounts Payable postings *Finance > General Ledger > Work Area > Enter > Journal Transactions (GL.30.10.00)***	Use the form to enter reversals for Accounts Payable postings as follows: • Group transactions into batches, each with the same currency and exchange rate. • Enter same accounts and subaccounts as in the General Ledger Transactions for Period report. • If the report shows a credit amount, enter it as a debit amount, and vice versa. • Release and post the batches.		
11	**Verify General Ledger account**	Print the report and verify the account balances. Balance of migration account must be zero.		

No	Task / Maintenance Form	Data Maintained	Person in Charge	Done
	balances *Finance > General Ledger > Reports > Balance > Trial Balance Detailed (GL.63.25.00)*	Balances of other accounts must remain the same as before migration.		

Taxes Preparation Checklist

No	Task Description	Deliverables	Person in Charge	Done
1	**Verify vendor records for tax agencies**	Verify that all tax agencies your company must report to have respective vendor master records in Vendors form of the Accounts Payable module and that they are configured as tax agencies.		

2	**Prepare reporting settings**	For each tax agency, base on the tax report and define the report lines (VAT lines); for each report line indicate the following:
		• Whether line is **updated with** tax or taxable amount
		• **Update Rule**
		  • **+Output-Input**: Sales are added to the box amount and purchases are deducted from the box amount
		  • **+Input-Output**: Purchases are added to the box amount and sales are deducted from the box amount
		• Short description (preferably as close as possible to that on the tax form)
		• Whether tax report replicates the report line for each applicable tax zone
		• Whether the report line is applicable to only one tax zone.
		Choose one of the reporting lines to receive tax adjustment.		

3	**Define reporting groups**	For each tax agency, define reporting groups, indicating the following: • Group type: output or input • Short description • Report lines to display group amounts		
4	**Prepare tax definitions**	Collect the definition for all taxes you need to charge to your customer or pay to your suppliers. For each tax, assign Tax ID (up to 10 alphanumeric characters) and provide brief description. Indicate the following: • Tax agency collecting the tax. • Tax type: VAT, Sales, Use, or Withholding.		

No	Task Description	Deliverables	Person in Charge	Done
		• For GST taxes, select VAT. • For VAT, decide on VAT-specific options: Reverse VAT, Pending VAT, Statistical VAT, Exempt from VAT. • Whether tax is used only for Tax Bills and Adjustments. • Tax rate and effective start date. • Minimum and maximum taxable amounts, if applicable. • Basis of tax calculation: • Item level or document level. • Goods only (first-level tax) or goods + tax (second-level). For first-level tax, indicate if it should be excluded from second-level tax calculation. • General Ledger accounts and subaccounts: • Liability account and subaccount for tax on sales. This account accumulates taxes collected from sales and **payable** to tax agency. • Assets account and subaccount for tax on purchases. This account accumulates taxes paid in purchases and **claimable** from tax agency. • Expense account and subaccount for use tax. • On-invoice discount handling: • Taxable amount is reduced by the discount. • Taxable amount is not reduced by the discount. • Applicable reporting groups: • Sales tax should have only one output group. • Use tax should have only one input group. • Other taxes should have one output group and input group.		
5	**Define tax categories**	Analyze tax definitions and define tax categories as groups of products and services with identical taxation. For each category, indicate the following: • Category ID • Short description • Whether category is inclusive or exclusive		

No	Task Description	Deliverables	Person in Charge	Done
		• Taxes of the category		

6	**Define tax zones**	Analyze tax definitions and define tax zones.
		• For each zone, indicate the following:
		  • Zone ID
		  • Short description
		  • Taxes of the zone
		• Identify tax zones of your company branches
		• For each "single-zone" report line identified in step 2, write applicable tax zone ID.		

Taxes Configuration Checklist

No	Task / Maintenance Form	Data Configured	Person in Charge	Done
1	**Review vendor records defined for tax agencies:** ***Finance > Accounts Payable > Work Area > Manage > Vendors (AP.30.30.00)***	Verify vendor records for tax agencies and make any necessary updates.		
2	**Configure reporting settings:** ***Finance > Taxes > Configuration > Reporting Settings (TX.20.51.00)***	For each tax agency, create the following: • Report lines • Reporting groups		
3	**Configure reporting groups:** ***Finance > Taxes > Configuration > Reporting Groups (TX.20.52.00)***	Link report lines to reporting groups: • Select tax agency • Select reporting group • Add report lines • Save • Repeat for all reporting groups of each tax agency.		
4	**Create tax definitions:** ***Finance > Taxes > Work Area >***	Maintain definition of each required tax: • Enter tax ID. • Enter description.		

No	Task / Maintenance Form	Data Configured	Person in Charge	Done

	Manage > Taxes (TX.20.50.00)	• Select tax type. Select appropriate VAT options.
		• Choose tax agency ID.
		• Select tax calculation type:
		  • *Extract From Item Amount* (inclusive tax, always item-level)
		  • *Calc On Item Amount* (item-level, first-level tax)
		  • *Calc On Item + Tax Amount* (item-level, second-level tax)
		  • *Calc On Document Amount* (document-level, first-level tax).
		  • *Calc On Document + Tax Amount* (document level, second level tax).
		• Select **Exclude from Tax-on-Tax Calculation** if the first-level tax should not contribute to taxable base of second-level taxes.
		• Choose appropriate **Not Valid After** date.
		• In the **Tax Schedule** tab, add applicable reporting groups, indicating the following:
		  • Tax rate
		  • Start date
		  • Minimum and maximum taxable amount, if applicable
		• On **Accounts** tab, maintain tax General Ledger accounts and subaccounts.
		• Click **Save** on Form toolbar.		

5	**Create tax categories:** ***Finance > Taxes > Work Area > Manage > Tax Categories (TX.20.55.00)***	Create the identified tax categories: • Enter category ID. • Enter description. • Select **Exclude Listed Taxes** check box if the category is exclusive. • Add taxes to the category.		
6	**Create tax zones:** ***Finance > Taxes > Work Area > Manage > Tax Zones (TX.20.60.00)***	Create the identified tax zones: • Enter tax zone ID. • Enter description. • Add taxes to the zone.		
7	**Update single-zone report lines:** ***Finance > Taxes > Configuration***	For each "single-zone" report line, select the applicable tax zone ID and save the updated settings.		

No	Task / Maintenance Form	Data Configured	Person in Charge	Done
	> Reporting Settings (TX.20.51.00)			
8	**Configure tax zones for company branches:** ***Organization > Organization Structure > Configure > Branches (CS.10.20.00)***	Maintain tax zone for each company branch (on Delivery Settings tab).		

Account Receivable Preparation Checklist

No	Task	Deliverables	Person in Charge	Done
1	**Define customer identification convention**	Review the structure of the *BIZACCT* segmented key and, if applicable, the *CUSTOMER* segmented key: • If the *BIZACCT* segmented key will be used for customer IDs, define the segment values to be used for vendor IDs. • If the *CUSTOMER* segmented key will be used for customer IDs, define the values for segments to be validated. Also, if there is an auto-numbered segment, decide whether you'll use one of predefined numbering sequences or create a new one.		
2	**Collect salesperson information**	Prepare list of salespeople and commission percent for each salesperson. If commission percent differs from customer to customer for the same salesperson, choose the most common value; actual percent will be set on customer level.		
3	**Collect customer information**	For each customer, assign **Customer ID** and collect the following data: • Registered (main) address and contact details • Customer's tax registration details; taxes chargeable to the customer • Currency code and rate type, if customer operates mostly in a single foreign currency; indicate whether they can be changed in the documents • Default payment terms • Customer credit limit		

No	Task	Deliverables	Person in Charge	Done

		• Credit checking rule, which might be any of the following:
		  • No overdue invoices allowed
		  • No overlimit allowed
		  • Neither overdue invoices nor overlimit allowed
		  • No checking
		  • Grace days for overdue invoices
		• Reference to parent company (if customer is part of a group of companies)
		• Customer's billing address and contact info, if they are different from main address and contact information
		• Customer statement type (no statement, open item, or balance forward); frequency of statements
		• Payment methods and their configuration, if applicable; whether payments should be applied automatically to outstanding invoices (oldest first)
		• Customer's shipping address and contact info, if they are different from main address and contact information
		• Address of other customer locations and contacts, if any
		• List of salespeople working with the customer and their commission for sales to this customer
		• Accounts to be updated by customer's documents:
		  • Accounts Receivable asset account and subaccount
		  • Sales revenue account and subaccount
		  • Account and subaccount for sales discount
		  • Cost of sales account and subaccount
		• If you practice small balance write-off:
		  • Account and subaccount for credit balance write-off
		  • Account and subaccount for debit balance write-off
		  • Maximum write-off balance
		• If you charge customer for overdue invoices (financial charges), account and subaccount for them		

No	Task	Deliverables	Person in Charge	Done
4	**Design statement cycles**	Analyze collected customer information and combine customers that share aging categories and statement requirements into statement cycles. If necessary, break large groups into statement cycle of convenient size.		

5	**Design customer classes**	Analyze collected customer information and combine customers into classes. For each identified customer class, record the following information:
		• Class identifier
		• Payment terms
		• Cash account
		• Payment method
		• Taxes
		• General Ledger accounts and subaccounts:
		  • Accounts Receivable asset account and subaccount
		  • Sales revenue account and subaccount
		  • Account and subaccount for sales discount
		  • Cost of sales account and subaccount
		  • General Ledger account and subaccount for financial charge (if applicable)
		• Statement cycle
		• Balance write-off policy:
		  • Account and subaccount for credit balance write-off
		  • Account and subaccount for debit balance write-off
		  • Maximum write-off balance
		• Default country
		• Currency code (optional) and whether it may be overridden in transactions
		• Exchange rate type (optional) and whether it may be overridden in transactions		

6	**Plan auto-numbering sequences**	• Batch numbering sequence (can be the same as General Ledger batch numbering sequence) • Invoice numbering sequence • Credit and debit memo numbering sequence (can be the same as invoice numbering sequence) • Overdue charges numbering sequence		

No	Task	Deliverables	Person in Charge	Done
		• Payment numbering sequence (can be the same as invoice numbering sequence) • Sequence for auto-numbered customer ID segment (if any)		
7	**Define Accounts Receivable processing policies**	• Whether Accounts Receivable transactions should be automatically posted when released • Whether Accounts Receivable transactions should be consolidated (summarized by account) when posting to General Ledger • Number of periods for retention of Accounts Receivable transactions • Whether new Accounts Receivable documents should be held • Whether Accounts Receivable document total should be validated during data entry • Whether payments should be auto-applied to outstanding invoices • Whether unapplied payments and credit memos should be aged • Whether invoices that fail credit check should be held		

8	**Define overdue charges**	• Global settings (maintained for the whole Accounts Receivable module):
		  • Include or exclude credit amounts (unapplied credit notes and payments) in overdue calculations
		  • Include or exclude previous unpaid financial charges
		  • Debit penalty amount to customer's Accounts Receivable account or to invoice Accounts Receivable account (Accounts Receivable account is copied from customer master record into each invoice and can be overridden there)
		• Specific settings (maintained by financial charge rule):
		  • Charge fixed amount or percent of overdue balance
		  • Minimum amount if penalty is by percent
		  • Charges in original document currency or in base currency
		  • Credit terms for the charges (that is, when financial charges are due)		

No	Task	Deliverables	Person in Charge	Done
9	**Verify General Ledger accounts**	Verify that all needed General Ledger accounts have been created in **Finance** > **General Ledger** > **Configuration** > **Manage** > **Chart Of Accounts** (GL.20.25.00). Prepare list of missing General Ledger accounts.		
10	**Verify General Ledger subaccounts**	Verify that all needed General Ledger subaccounts have been created on the **Finance** > **General Ledger** > **Configuration** > **Manage** > **Subaccounts** (GL.20.30.00). Prepare list of missing General Ledger subaccounts.		
11	**Verify currencies**	Verify that all needed currencies have been created on the **Finance** > **Currency Management** > **Configuration** > **Setup** > **Currencies** (CM.20.20.00). Prepare list of missing currencies.		
12	**Verify currency rate types**	Verify that all needed currency rate types have been created on the **Finance** > **Currency Management** > **Configuration** > **Setup** > **Currency Rate Types** (CM.20.10.00). Prepare list of missing currency rate types.		
13	**Verify cash accounts**	Verify that all needed cash accounts have been created on the **Finance** > **Cash Management** > **Work Area** > **Manage** > **Cash Accounts** (CA.20.20.00). Prepare list of missing cash accounts.		
14	**Verify payment methods**	Verify that all needed payment types have been created on the **Finance** > **Cash Management** > **Configuration** > **Setup** > **Payment Methods** (CA.20.40.00). Prepare list of missing payment methods.		
15	**Verify credit terms**	Verify that all needed credit terms have been created on the **Finance** > **Accounts Receivable** > **Configuration** > **Setup** > **Credit Terms** (CS.20.65.00). Prepare list of missing credit terms.		
16	**Verify taxes**	Verify that all needed taxes have been created on the **Finance** > **Taxes** > **Work Area** > **Manage** > **Taxes** (TX.20.50.00). Prepare list of missing taxes.		
17	**Verify tax categories**	Verify that all needed tax categories have been created on the **Finance** > **Taxes** > **Work Area** > **Manage** > **Tax Categories** (TX.20.55.00). Prepare list of missing tax categories.		
18	**Verify tax zones**	Verify that all needed tax zones have been created on the **Finance** > **Taxes** > **Work Area** > **Manage** > **Tax Zones** (TX.20.60.00). Prepare list of missing tax zones.		

Accounts Receivable Configuration Checklist

No	Task / Form	Data Configured	Person in Charge	Done
1	**Define auto-numbering sequences:** ***Configuration > Common Settings > Common Settings > Numbering Sequences (CS.20.10.10)***	• Accounts Receivable batches • Accounts Receivable invoices • Accounts Receivable credit and debit memos • Overdue charges • Accounts Receivable Payments • Customer numbering sequence, if customer identifying convention includes auto-numbered segment		
2	**Define structure of customer identifier:** ***Configuration > Common Settings > Segmented Keys > Segmented Keys (CS.20.20.00)***	Add appropriate segment values to the *BIZACCT* or *CUSTOMER* segmented keys. For an auto-numbered segment of the *CUSTOMER* key, if any, assign the predefined numbering sequence or the newly created one.		
3	**Maintain segment values:** ***Configuration > Common Settings > Segmented Keys > Segment Values (CS.20.30.00)***	Maintain list of valid values for each validating segment of customer ID.		
4	**Create General Ledger accounts:** ***Finance > General Ledger > Configuration > Manage > Chart of Accounts (GL.20.25.00)***	Create missing General Ledger accounts.		
5	**Create General Ledger subaccounts:** ***Finance > General Ledger > Configuration > Manage > Subaccounts (GL.20.30.00)***	Create missing General Ledger subaccounts.		
6	**Create currencies:** ***Finance > Currency***	Create missing currencies.		

No	Task / Form	Data Configured	Person in Charge	Done
	Management > Configuration > Setup > Currencies (CM.20.20.00)			
7	**Create rate types:** ***Finance > Currency Management > Configuration > Currency Rate Types (CM.20.10.00)***	Create missing currency rate types.		
8	**Create payment methods:** ***Finance > Cash Management > Configuration > Setup > Payment Methods (CA.20.40.00)***	Create missing payment methods.		
9	**Create cash accounts:** ***Finance > Cash Management > Work Area > Manage > Cash Accounts (CA.20.20.00)***	Create missing cash accounts.		
10	**Create taxes:** ***Finance > Taxes > Work Area > Manage > Taxes (TX.20.50.00)***	Create missing taxes.		
11	**Create tax categories:** ***Finance > Taxes > Work Area > Manage > Tax Categories (TX.20.55.00)***	Create missing tax categories.		
12	**Create tax zones:** ***Finance > Taxes > Work Area > Manage > Tax Zones (TX.20.60.00)***	Create missing tax zones.		
13	**Create credit terms:**	Create missing credit terms.		

No	Task / Form	Data Configured	Person in Charge	Done
	Finance > Accounts Receivable > Configuration > Setup > Credit Terms (CS.20.65.00)			
14	**Create overdue charges:** ***Finance > Accounts Receivable > Configuration > Setup > Overdue Charges (AR.20.45.00)***	Create master records for financial charges: • Enter overdue charge ID • Enter credit terms for financial penalty billings • Enter financial charge description • Select whether charges are billed in base currency or document currency • Select whether penalty is calculated as fixed amount or as percent of outstanding amount • Enter the minimum charge amount, if applicable; skip this step if your company does not charge penalty for overdue invoices		
15	**Create statement cycles:** ***Finance > Accounts Receivable > Configuration > Setup > Statement Cycles (AR.20.28.00)***	Create master records of statement cycles: • Statement cycle ID • Statement cycles description • Day of month the statement should be generated on (select the *End of Month* option in the **Prepare On** box if the statement should be created on the last day of each month) • Enter aging days and message description for each aging category		

16	**Create customer classes:**
	Finance > Accounts Receivable > Configuration > Setup > Customer Classes (AR.20.10.00)
		Create defined customer classes:
		• Enter General Settings
		  • Payment terms
		  • Tax zone
		  • Country
		  • Processing settings (require tax zone, auto-apply payments, print and/or e-mail invoices, print and/or e-mail statements, use multi-currency statements)
		  • Currency settings (currency, rate type, override allowed)
		  • Credit verification rule
		  • Statement type and cycle
		  • Payment method
		• Enter General Ledger accounts		

No	Task / Form	Data Configured	Person in Charge	Done
		• Accounts Receivable account and subaccount • Cash account and subaccount • Sales revenue account and subaccount • Prepayment account and subaccount • Write-off settings (enabled on/off, balance/credit account and subaccounts, write-off limit) • Overdue charges (enabled on/off, charge ID)		
17	**Configure Accounts Receivable preferences:** ***Finance > Accounts Receivable > Configuration > Setup > Accounts Receivable Preferences (AR.10.10.00)***	• Select numbering sequences for Accounts Receivable batches, invoices, debit and credit memos, payments, and overdue charges • Enter posting, retention settings • Enter default customer class • Enter mask for sales subaccount combination • Enter miscellaneous processing settings • Enter salesperson commission settings • Enter global overdue charge settings • Enter terms for processing of automatic billing		
18	**Create salesperson records:** ***Finance > Accounts Receivable > Configuration > Manage > Salespersons (AR.20.50.00)***	Create master records for all company's salespeople: • Salesperson ID • Salesperson name • Standard commission • Leave list of salesperson's customers empty for now		
19	**Update customer classes:** ***Finance > Accounts Receivable > Configuration > Setup > Customer Classes (AR.20.10.00)***	Enter salesperson for each defined customer class.		
20	**Create customer records:** ***Finance > Accounts***	Maintain customer records: • Customer ID and name • General info:		

No	Task / Form	Data Configured	Person in Charge	Done
	Receivable > Work Area > Manage > Customers (AR.30.30.00)	• Enter customer's address and contact data • Select appropriate customer class • If necessary, change setting copied from the selected class: payment terms, currency code, currency rate type, currency override policy • Delivery settings: • shipping address and contact data • customer's tax registration ID and tax zone • Payment settings: • Billing address and contact data • Default payment type and cash account • Accounts Receivable statement settings • Auto-apply customer payments (yes/no) • Define other locations, if any • Define other contacts, if any • Add salespeople working with the customer • Add other valid payment methods • General Ledger accounts		
21	**Define customer payment methods:** ***Finance > Accounts Receivable > Work Area > Manage > Customer Payment Methods (AR.30.30.10)***	Maintain and configure customer payment methods: • Select **Customer ID** • Make sure **Active** check box is selected • Select payment method for the customer • Select a cash account from allowed cash accounts of the payment method • Enter values for user-defined elements of the payment method, if any • Click **Save** on the form toolbar. Repeat these steps for each cash account of the selected payment method and then for each payment method identified for the customer.		

Accounts Receivable Initialization Checklist

No	Task / Form	Data Maintained	Person in Charge	Done
1	**Prepare documents for migration**	List of Accounts Receivable documents to migrate should include all documents with non-zero balance as of date of migration. For each document, record the following: • Customer • Original document number • Document date and payment terms • Currency and exchange rate • Current balance in foreign currency		
2	**Verify financial period *Finance > General Ledger > Work Area > Manage > Financial Periods (GL.20.10.00)***	The initialization financial period should be one period before the start of actual operations: If you plan to start actual operations in Acumatica ERP in period 01-2009, initialization period should be 12-2008. Verify that this period is active.		
3	**Maintain exchange rates *Finance > Currency Management > Work Area > Manage > Currency Rates (CM.30.10.00)***	For foreign currency documents, maintain exchange rates.		
4	**Enter outstanding invoices and memos *Finance > Accounts Receivable > Work Area > Enter > Invoices and Memos (AR.30.10.00)***	Use this form to enter customers' outstanding invoices and memos: • Enter documents for the current period. • Enter amount as current outstanding document balance. • Give each document only one detail line. Tax category should be blank.		
5	**Enter outstanding payments *Finance > Accounts Receivable > Work Area > Enter > Payments and Applications (AR.30.20.00)***	Use this form to enter customer outstanding payments: • Enter payments for the current period. • Enter amount as current outstanding payment balance. • Do not apply the payments.		
6	**Verify data entry *Finance > Accounts Receivable > Reports > Audit > AR Edit (AR.61.10.00)***	Use report to verify data entry. Make necessary adjustments.		

No	Task / Form	Data Maintained	Person in Charge	Done
7	**Release AR documents** ***Finance > Accounts Receivable > Processes > Daily > Release AR Documents (AR.50.10.00)***	Use this form to release the migrated documents to General Ledger.		
8	**Verify customer balances** ***Finance > Accounts Receivable > Work Area > Explore > Customer Summary (AR.40.10.00)***	Use the inquiry form to verify customer balances. Make necessary corrections by entering additional debit or credit memos.		
9	**Verify customer aging** ***Finance > Accounts Receivable > Reports > Balance > AR Aged Past Due (AR.63.10.00)***	Use the report to verify customers' aged balance.		
10	**Post General Ledger transaction** ***Finance > General Ledger > Processes > Daily > Post Transactions (GL.50.20.00)***	Post generated Accounts Receivable batches.		
11	**Obtain posting accounts** ***Finance > General Ledger > Reports > Balance > Transactions for Period (GL.63.30.00)***	Print the report, filtered for Accounts Receivable module.		
12	**Reverse Accounts Receivable postings** ***Finance > General Ledger > Work Area > Enter > Journal Transactions (GL.30.10.00)***	Use the form to enter reversal for Accounts Receivable postings: • Group transactions into batches: All transactions in a General Ledger batch must have the same currency and exchange rate. • Enter same accounts and subaccounts as in the General Ledger Transactions for Period report. • If the report shows a credit amount, enter it as debit amount, and vice versa.		

No	Task / Form	Data Maintained	Person in Charge	Done
		• Release and post the batches.		
13	**Verify General Ledger account balances *Finance > General Ledger > Reports > Balance > Trial Balance Detailed (GL.63.25.00)***	Print the report and verify the account balances. Balances of all accounts must remain the same as before migration.		

Purchase Orders Preparation Checklist

No	Task	Deliverables	Person in Charge	Done
1	**Develop vendor locations information in terms of Purchasing**	• Vendor's shipment address and other shipper`s information if they are different from main address/contact • Tax Registration ID • Vendor's tax zone • Shipping term • FOB point • Lead time (days)-the time from the placing of an order to the delivery of the goods or services. • Receiving location of your company • Carrier of cargo (ship via) • Line Type defaulted for vendor purchase order or receipt (Goods for Inventory, Goods for Sales Orders, Non-Stock, Service) • Minimum percentage of goods received for which a receipt will be issued (calculate from quantity on the purchase order) • Maximum percentage of goods received for which a receipt will be issued (calculate from quantity on the purchase order) • Threshold receipt - minimum percentage of goods that should be received before a purchase order will be closed • Receipt action to be performed if the minimum, maximum or threshold receipt conditions are not satisfied (Reject, Accept but warn, Accept) • Warehouse of your company to receive goods from vendor • Print requirements(yes/no) • Email requirements(yes/no)		

No	Task	Deliverables	Person in Charge	Done

		• GL accounts:
		  • Expense account/sub - default value for non-stock items expenses
		  • Freight account/sub - default value for freight expenses		

2	**Define vendor Purchase Settings**	• Location ID - default vendor location  When a Location ID is selected for a vendor, all default purchase settings are copied from the vendor location purchase settings and can also be changed.  When a new purchase order is created for a vendor, default settings (such as vendor location or shipping term or vendor's tax zone) are copied from the vendor purchase settings and can also be changed.		
3	**Design Landed Cost Code**	• Landed Cost Code ID • Description • Type (freight or mix charges, custom duties, vat taxes, mix destination charges and others) • Application method (from Purchase Orders, from Accounts Payable, or from both modules) • Allocation method (cost, quantity, weight or volume) • Vendor from whom invoice for additional cost will be received • Location from which invoice for additional cost will be received • Reason code for landed cost adjustment • Landed cost accrual account • Landed cost accrual subaccount • Tax category for vendor		
4	**Define autonumbering sequences**	• Blanket Purchase Order numbering sequence • Regular Purchase Order numbering sequence • Purchase Receipt numbering sequence • Drop Ship Purchase Order		

5	**Define purchase order processing policies**	• Validate document totals on entry (yes/no)
		  • For Receipt
		  • For Purchase Order
		  • For Blankets		

No	Task	Deliverables	Person in Charge	Done
		• For Drop Ships • Create Invoice on Receipt Release (yes/no) • Automatically release Inventory documents (yes/no) • Automatically release Accounts Payable documents (yes/no) • Receipt Hold on entry (yes/no) • Update Sub on order owner change (yes/no) • Receipt Assignment Map(require improvement) • For Purchase Receipt • For Purchase Return • Requires Approval (yes/no)(require improvement) • For Normal order • For Stan dart order • For Blanket order • For Drop Ship order • Generation of Notifications • Notification ID to be generated on the creation of Report ID for define Contact ID (require improvement)		
6	**Create or verify purchase order posting rules**	• Posting Classes (for each posting class verify): • Source of account (inventory item, warehouse, or posting class) and subaccount mask (per segment) • Purchase Order Accrual account and subaccount • Purchase Price Variance account and subaccount • Landed Cost Variance account and subaccount • GL accounts and subaccounts • Purchase Order Accrual account and subaccount • Purchase Price Variance account and subaccount • Landed Cost Variance account and subaccount • Reason Codes: • Reason Code ID		

No	Task	Deliverables	Person in Charge	Done
		• Description • GL account • GL subaccount • Inventory usage (issue (for vendor return), adjustment (for landed cost adjustment)) • Subaccount mask (source of subaccount segments—inventory item, warehouse, reason code or posting class) • Expenses account and subaccount • Source of Expense account - inventory non-stock item expense account or vendor location expense account • Source of Expense subaccount segments -inventory non-stock item, employee, vendor location or company location • Freight account and subaccount (expense) • Source of Freight account: inventory item freight account or carrier freight account • Landed Cost Accrual account and subaccount		
7	**Verify General Ledger accounts**	Verify that all needed General Ledger accounts have been created on the **Finance** > **General Ledger** > **Configuration** > **Manage** > **Chart Of Accounts** (GL.20.25.00). Prepare list of missing Purchase Orders accounts.		
8	**Verify General Ledger subaccounts**	Verify that all needed General Ledger subaccounts have been created on the **Finance** > **General Ledger** > **Configuration** > **Manage** > **Subaccounts** (GL.20.30.00). Prepare list of missing Purchase Orders subaccounts.		
9	**Verify the Carriers**	Verify that all needed Carriers ID have been created on the **Distribution** > **Sales Orders** > **Configuration** > **Setup** > **Carriers** (CS.20.77.00). Prepare list of missing Carriers.		
10	**Verify the FOB points**	Verify that all needed FOB points have been created on the **Distribution** > **Sales Orders** > **Configuration** > **Setup** > **FOB Points** (CS.20.85.00). Prepare list of missing FOB points.		
11	**Verify the Shipping Terms**	Verify that all needed Shipping Terms have been created on the **Distribution** > **Sales Orders** > **Configuration** > **Setup** > **Shipping Terms** (CS.20.80.00). Prepare list of missing Shipping Terms .		
12	**Verify the Shipping Zones**	Verify that all needed Shipping Zones have been created on the **Distribution** > **Sales Orders**		

No	Task	Deliverables	Person in Charge	Done
		> **Configuration** > **Setup** > **Shipping Zones** (CS.20.75.10). Prepare list of missing Shipping Zones.		
13	**Optional. Create or verify equivalences in Inventory Items and Vendor Inventory Items**	Verify that all needed Vendor Inventory Items have an equivalence in your company Inventory ID on the **Cross-Reference** tab (**Distribution** > **Inventory** > **Work Area** > **Manage** > **Stock Items** (IN.20.25.00)). Prepare list of missing equivalences.		
14	**Optional. Upload vendors inventory price lists and create missing equivalence in Vendor Inventory and Inventory ID.**	Verify that all needed Vendor Inventory Items have an equivalence in your company Inventory ID on the **Distribution** > **Purchase Orders** > **Work Area** > **Manage** > **Vendor Inventory** (PO.20.10.00). Prepare list of missing equivalences.		

Purchase Orders Configuration Checklist

No	Task / Maintenance Form	Data Configured	Person in Charge	Done
1	**Define auto-numbering sequences:** ***Configuration > Common Settings > Common Settings > Numbering Sequences (CS.20.10.10)***	• Blanket Purchase Order numbering sequence • Regular Purchase Order numbering sequence • Purchase Receipt numbering sequence • Drop Ship Purchase Order		
2	**Create General Ledger accounts:** ***Finance > General Ledger > Configuration > Manage > Chart of Accounts (GL.20.25.00)***	Create missing General Ledger accounts, if necessary.		
3	**Create General Ledger subaccounts:** ***Finance > General Ledger > Configuration > Manage > Subaccounts (GL.20.30.00)***	Create missing General Ledger subaccounts, if necessary.		
4	**Create the Carriers:**	• Carrier ID and Description • **Carrier Details**		

No	Task / Maintenance Form	Data Configured	Person in Charge	Done
	Distribution > Sales Orders > Configuration > Setup > Ship Via Codes (CS.20.75.00)	• Calendar • Freight Sales Account/Sub • Freight Expense Account/Sub • Calculation Method • Base Rate • **Freight Rates** • Weight • Volume • Zone ID • Rate • **Carrier Packages** • Box ID • Max Weight • Max Volume • Description		
5	**Create FOB points:** ***Distribution > Sales Orders > Configuration > Setup > FOB Points (CS.20.85.00)***	• FOB Point ID • Description		
6	**Create Shipping Terms:** ***Distribution > Sales Orders > Configuration > Setup > Shipping Terms (CS.20.80.00)***	• Shipping Terms ID and Description • **Shipping Terms Details** • Break Amount • Freight Cost % • Invoice Amount % • Shipping Handling • Line Handling		
7	**Create Shipping Zones:** ***Distribution > Sales Orders > Configuration > Setup > Shipping Zones (CS.20.75.10)***	• Zone ID • Description		
8	**Verify Posting Classes:**	• Verify Account sources and subaccount masks		

No	Task / Maintenance Form	Data Configured	Person in Charge	Done
	Distribution > Inventory > Configuration > Setup > Posting Classes (IN.20.60.00)	• Purchase Order Accrual account and subaccount • Purchase Price Variance account and subaccount • Landed Cost Variance account and subaccount • Verify General Ledger accounts and subaccounts • Purchase Order Accrual account and subaccount • Purchase Price Variance account and subaccount • Landed Cost Variance account and subaccount		
9	**Verify posting rule of non-stock expense subaccount:** ***Finance > Accounts Payable > Configuration > Setup > Accounts Payable Preferences (AP.10.10.00)***	• Verify the sources of subaccount masks • Combine Expense Sub. from		
10	**Create Reason Codes:** ***Distribution > Inventory > Configuration > Setup > Reason Codes (CS.21.10.00)***	• Reason Code • Description • Inventory usage • Account and subaccount • Subaccount mask		
11	**Complete Purchase Orders setup:** ***Distribution > Purchase Orders > Configuration > Setup > Purchase Orders Preferences (PO.10.10.00)***	• **General settings** • Auto-numbering sequences for Blanket Purchase Order, Regular Purchase Order, Receipt • Validate Total on Entry for Receipts, Purchase Orders, Blankets, Drop Ship. • Create Invoice on Receipt Release • Automatically release Inventory documents • Automatically release Accounts Payable documents • Receipt Hold on entry • Update Sub on order owner change		

No	Task / Maintenance Form	Data Configured	Person in Charge	Done

		• Receipt Assignment Map for Purchase Receipt and Purchase Return
		• **Approval**
		  • Requires Approval for Normal, Stan dart, Blanket and Drop Ship orders.
		  • Purchase Order Type
		  • Assignment Map
		• **Notifications Settings**
		  • Notification ID
		  • Report ID
		  • Notification Template
		  • Format: Text, HTML, PDF, Excel
		  • Contact type
		  • Contact ID
		  • Format: Text, HTML, PDF, Excel
		  • Active
		  • BCC		

12	**Create (verify) Vendor Locations:**
	Finance > Accounts Payable > Work Area > Manage > Vendor Locations (AP.30.30.10)
		• Vendor ID and Location ID
		• **General Info**
		  • Fussiness Info
		  • Attention
		  • Email
		  • WEB
		  • Phone 1-2
		  • Fax
		  • Address Line 1-2
		  • City
		  • Country ID
		  • State
		  • Postal Code
		  • Tax Registration ID
		  • Tax Zone ID
		  • Shipping Terms
		  • FOB Point
		  • Lead Time
		  • Receiving Location
		  • Ship Via (carrier)		

No	Task / Maintenance Form	Data Configured	Person in Charge	Done
		• Line Type • Min Receipt (%) • Max Receipt (%) • Threshold Receipt (%) • Receipt Action • Warehouse • Print Order • Email Order • **GL Accounts** • Expense Account • Expense Subaccount • Freight Account • Freight Subaccount		
13	**Verify default vendor location:** ***Finance > Accounts Payable > Work Area > Manage > Vendors (AP.30.30.00)***	• **Location** • IsDefault YES for default vendor location		
14	**Create Landed Cost Code:** ***Distribution > Purchase Orders > Configuration > Setup > Landed Cost Codes (PO.20.20.00)***	• Description • Type (freight or mix charges, customs duties, VAT taxes, mix destination charges, and others) • Application Method (from Purchase Orders, from Accounts Payable, or from both modules) • Allocation Method (cost, quantity, weight, or volume) • Vendor • Location ID • Terms • Reason code • Landed Cost Accrual Account • Landed Cost Accrual Subaccount • Tax Category ID		
15	**Create Cross-References (Vendor Inventory equal to Inventory ID):**	**Cross-Reference** • Alternate Type • Vendor/Customer		

No	Task / Maintenance Form	Data Configured	Person in Charge	Done
	Distribution > Inventory > Work Area > Manage > Stock Items (IN.20.25.00)	• Alternate ID • Description • Bar Code		
16	Optional. **Upload vendors inventory price lists and create missing equivalence in Vendor Inventory and Inventory ID:** ***Distribution > Purchase Orders > Work Area > Manage > Vendor Inventory (PO.20.10.00)***	• Vendor ID • Vendor UOM • Currency ID • **Upload** • Inventory ID • UOM • Lead Time • Bar Code		

Inventory Preparation Checklist

No	Task	Deliverables	Person in Charge	Done
1	**Develop conventions for identifying inventory items**	Design the structure of the *INVENTORY* segmented key, which determines the inventory ID: • Number of segments • For each segment: description, length, type of characters (alphabetic, numeric, alphanumeric, or ASCII), case conversion (whether the case will remain as typed or be converted to uppercase or lowercase), validation (y/n), separator, list of valid entries (for validated segments) • Auto-numbered segment (which segment will be used in this way and how numbering will be done) If applicable, develop conventions similarly for subitem codes.		

2	**Plan posting settings**	Design posting classes, planning the following for each:
		• Class ID
		• Description
		• GL accounts and subaccounts for the posting class:
		  • Inventory account and subaccount
		  • Reason code subaccount
		  • Sales account and subaccount
		  • Cost of sales account and subaccount		

No	Task	Deliverables	Person in Charge	Done
		• Standard cost variance account and subaccount • Standard cost revaluation account and subaccount • Purchase order accrual account and subaccount • Purchase price variance account and subaccount • Landed cost variance account and subaccount • Posting settings: source of account (inventory item, warehouse, or posting class itself) and subaccount mask (per segment) for each of the following: • Inventory account and subaccount • Sales account and subaccount • Cost of sales account and subaccount • Standard cost variance account and subaccount • Standard cost revaluation account and subaccount • Purchase Orders accrual account and subaccount • Purchase price variance account and subaccount • Landed cost variance account and subaccount Design at least one reason codes for each transaction type (receipts, issues, adjustments, and physical inventory adjustments): • Reason code ID • Description • GL account and subaccount • Inventory usage (transaction type: receipt, issue, transfer, or adjustment) • Subaccount mask Set global posting rules: • Inventory transactions update General Ledger (yes/no) • Inventory transactions are posted automatically upon release (yes/no) • Inventory transactions are posted to General Ledger in summary or in detail • Retention period of transactions		

No	Task	Deliverables	Person in Charge	Done
		• Accounts Receivable clearing account and subaccount (asset) • In-transit account and subaccount (asset) • Work-in-progress account and subaccount Verify whether all needed General Ledger accounts and subaccounts exist in General Ledger, and write down the missing ones.		
3	**Define additional settings for Inventory configuration**	Make the following decisions related to setup of the Inventory module: • Whether a new inventory document should be automatically placed on hold to prevent accidental release • Whether the user should be required to enter document totals for data entry validation Decide how many decimal places should be used for the following: • Quantity • Unit price and cost		

4	**Collect information about storage facilities**	First, plan the *INSITE* segmented key, which is used for warehouse IDs. Design its structure:
		• Number of segments
		• For each segment: description, length, type of characters (alphabetic, numeric, alphanumeric, or ASCII), case conversion (whether the case will remain as typed or be converted to uppercase or lowercase), validation (y/n), separator, list of valid entries (for validated segments)
		• Auto-numbered segment (which segment will be used in this way and how numbering will be done)
		For each storage facility (warehouse), collect the following information:
		• Warehouse ID
		• Description
		• Address
		• Company Branch the warehouse is assigned to
		• GL accounts and subaccounts to be used if the account source is *Warehouse*:
		  • Inventory account and subaccount
		  • Reason code subaccount
		  • Sales account and subaccount
		  • Cost of sales account and subaccount		

No	Task	Deliverables	Person in Charge	Done
		• Standard cost variance account and subaccount • Standard cost revaluation account and subaccount • Purchase order accrual account and subaccount • Purchase price variance account and subaccount • Landed cost variance account and subaccount • List of locations, with the following information for each: • Location ID • Description • Processing options: • Include in available (yes/no) • Cost separately (yes/no) • Sales allowed (yes/no) • Receipts allowed (yes/no) • Transfers allowed (yes/no) • Assembly allowed (yes/no) • Pick priority • Preferred locations for receipts, outgoing shipments, customer returns, and drop-ships. • On-the-fly location addition (do not allow, allow, allow with warning)		
5	**Develop conventions for lot/serial numbering**	Design lot/serial classes, specifying the following for each: • Class ID • Description • Tracking method (serial numbers, lot numbers, or neither) • Track expiration date (yes/no) • Assignment method (when received or when issued) • Issue method (FIFO, LIFO, sequential, or expiration) • Segmented structure, deciding for each segment: • Segment type (constant, date, auto-incrementing value)		

No	Task	Deliverables	Person in Charge	Done
		• Segment value (if constant) • Last auto-incremental value and if it is shared between items Also decide on the default lot/serial class.		
6	**Collect information about stock items**	List all stock items, indicating the following for each item: • Inventory ID • Description • Status (*Active*, *No Sales*, *No Purchases*, *No Request*, or *Inactive*) • Type (*Finished Good*, *Component Part*, or *Subassembly*) • Valuation method (*Average*, *FIFO*, *Standard*, and *Specific*) • Kit item (y/n) • Lot/serial class • Default warehouse, received-to location (optional), and issued-from location (optional) • Units of measure (base, sales, purchase, others if necessary) • Posting class • GL accounts and subaccounts (if different from selected posting class) • Applicable taxes, or tax category if one already exists • Commissionable (y/n) • Current standard cost for standard-cost items		
7	**Collect information about non-stock items**	List all non-stock items, indicating the following for each item: • Inventory ID • Description • Status • Type (non-stock item, labor, service, charge, expense) • Kit item (y/n) • Units of measure (base, sales, purchase, and others if necessary) • GL accounts and subaccounts (Inventory, Sales, Expense) • Applicable taxes, or tax category if one already exists		

No	Task	Deliverables	Person in Charge	Done
		• Commissionable		
8	**Identify tax categories**	Analyze stock and non-stock items' tax requirements, and list additional tax categories to be created: • Category ID • Description • Type of category (inclusive or exclusive of listed taxes) • List of taxes		
9	**Define global units of measure**	Analyze stock and non-stock items, and prepare a list of global units of measure: • Unit of measures • Unit conversions (from unit, to unit, multiply/divide, conversion factor)		

10	**Define item classes**	Analyze stock and non-stock items, and design item classes:
		• Class ID
		• Description
		• Allow negative inventory (yes/no)
		• Item type (*Finished Good*, *Component Part*, *Subassembly*)
		• Valuation method (*Average*, *FIFO*, *Standard*, *Specific*)
		• Tax category
		• Posting class
		• Lot/serial class
		• Units of measure with conversions
		• Quantity available calculation options:
		  • Deduct quantity on issues (y/n)
		  • Deduct quantity on customer orders (y/n)
		  • Deduct quantity on back orders (y/n)
		  • Deduct quantity shipping (y/n)
		  • Deduct quantity shipped (y/n)
		  • Deduct quantity on assembly demand (y/n)
		  • Add quantity on receipts (y/n)
		  • Add quantity in transit (y/n)
		  • Add quantity on purchase orders (y/n)
		  • Add quantity on purchase order receipts (y/n)		

No	Task	Deliverables	Person in Charge	Done
		• Add quantity in assembly supply (y/n)		
11	**Plan numbering sequences**	Develop numbering rules for these transaction types: • Receipt • Issue • Transfer • Adjustment • Assembly • Physical inventory document Document also the definition of the sequence for the auto-numbered segment of the *INVENTORY* and *INSITE* segmented keys (for inventory and warehouse IDS), if applicable.		

Inventory Configuration Checklist

No	Task / Form	Data Maintained	Person in Charge	Done
1	**Define auto-numbering sequences:** ***Configuration > Common Settings > Common Settings > Numbering Sequences (CS.20.10.10)***	Define the auto-numbering sequences for the following transactions (some of which might share a sequence): • Receipts (transfers) • Issues • Adjustments • Assemblies • Replenishments • Physical inventory documents If necessary, define the sequence for the auto-numbered segment of the *INVENTORY* and *INSITE* (and, if applicable, *INSUBITEM*) segmented keys.		

2	**Define segmented keys:**
	Configuration > Common Settings > Segmented Keys > Segmented Keys (CS.20.20.00)
		Define the *INVENTORY* and *INSITE* (and *INSUBITEM*, if you are implementing subitems) segmented keys:
		• Number of segments
		• All of the following for each segment:
		  • Description
		  • Length
		  • Edit mask (alphabetic, numeric, alphanumeric, or ASCII)
		  • Case conversion (to uppercase, to lowercase, or none)
		  • Validation (y/n)		

No	Task / Form	Data Maintained	Person in Charge	Done
		• Separator • Auto-numbered segment (y/n)		
3	**Maintain segment values:** ***Configuration > Common Settings > Segmented Keys > Segment Values (CS.20.30.00)***	Maintain the list of acceptable values for each validated segment of the *INVENTORY* and *INSITE* (and, if applicable, *INSUBITEM*) segmented keys.		
4	**Create General Ledger accounts:** ***Finance > General Ledger > Configuration > Manage > Chart of Accounts (GL.20.25.00)***	Create any needed General Ledger accounts. For each account, enter the following: • Account number • Description • Account type • Account class		
5	**Create General Ledger subaccounts:** ***Finance > General Ledger > Configuration > Manage > Subaccounts (GL.20.30.00)***	Create any needed subaccounts. For each subaccount enter the subaccount code and description.		
6	**Create tax categories:** ***Finance > Taxes > Work Area > Manage > Tax Categories (TX.20.55.00)***	Create any tax categories you've identified, specifying the following information: • Tax category ID • Description • Inclusive or exclusive • List of taxes		
7	**Create reason codes:** ***Distribution > Inventory > Configuration > Setup > Reason Codes (CS.21.10.00)***	Create at least one reason code for each of the following transaction types: • Receipts • Issues • Transfers • Adjustments		
8	**Create posting classes:** ***Distribution > Inventory > Configuration > Setup >***	Create posting classes. For each class, specify the following, at minimum: • Class ID • Description		

No	Task / Form	Data Maintained	Person in Charge	Done
	Posting Classes (IN.20.60.00)	• Account sources and subaccount masks (combination rules) • GL accounts and subaccounts		
9	**Create lot/serial classes:** ***Distribution > Inventory > Configuration > Setup > Lot/ Serial Classes (IN.20.70.00)***	Create the lot/serial classes you've identified. For each class, specify the following, at minimum: • Class ID • Description • Tracking method • Track expiration date (y/n) • Assignment method • Issue method • Auto-incremental value • Share auto-incremental value among class items • Lot/serial number segments, types, and values		
10	**Create global units of measure:** ***Distribution > Inventory > Configuration > Setup > Units Of Measure (IN.20.30.00)***	Create global units of measure and conversions.		
11	**Create item classes:** ***Distribution > Inventory > Configuration > Manage > Item Classes (IN.20.10.00)***	Create the planned item classes. Enter each class' applicable settings: • Class ID • Description • Stock item (yes/no) • Allow negative inventory • Item type • Valuation method • Tax category • Posting class • Lot/serial class • Units of measure • Availability calculation options		
12	**Configure Inventory preferences:** ***Distribution > Inventory >***	Maintain setup options for the Inventory module: • Numbering sequences (receipts, issues, transfers, adjustments, assemblies, physical inventory documents)		

No	Task / Form	Data Maintained	Person in Charge	Done
	Configuration > Setup > Inventory Preferences (IN.10.10.00)	• Default reason codes (receipt, issue, adjustment, physical inventory) • Account settings (Accounts Receivable clearing, in-transit, work-in-progress) • Posting and retention options • Default item class • Use of subitems (y/n) • Miscellaneous settings (hold documents on entry, validate totals, number of decimal places for quantity and cost)		

13	**Create warehouses:**
	Distribution > Inventory > Configuration > Manage > Warehouses (IN.20.40.00)
		For each warehouse, enter the following information:
		• Warehouse ID
		• Branch ID
		• Description
		• Address
		• GL accounts and subaccounts
		• List of warehouse locations:
		  • Location ID
		  • Description
		  • Processing options (include in available, cost separately, allowed transactions, pick priority)
		• On-the-fly location maintenance (allow, do not allow, allow with warning)
		• Preferred locations for: receipts, outgoing shipments, customer returns, and drop-ships.		

14	**Create stock items:** ***Distribution > Inventory > Work Area > Manage > Stock Items (IN.20.25.00)***	Enter the master records of stock items. For each item, do the following: • Enter the inventory ID • Enter the description • Select the appropriate status • Select the item class • Override settings copied from item class, if necessary • Enter pending cost for standard-cost items		
15	**Create non-stock items:** ***Distribution > Inventory > Work Area > Manage >***	Enter the master record of non-stock items. For each item, do the following: • Enter the inventory ID • Enter the description • Select the appropriate status		

No	Task / Form	Data Maintained	Person in Charge	Done
	Non-Stock Items (IN.20.20.00)	• Select the item class • Override settings copied from item class, if necessary		
16	**Update standard costs:** ***Distribution > Inventory > Processes > Recurring > Update Standard Costs (IN.50.20.00)***	Use the form to copy pending standard cost to current standard costs.		

Sales Orders Preparation Checklist

No	Task	Deliverables	Person in Charge	Done
1	**Decide which predefined order types your company will use**	Decide which predefined order types you will use and which you will not use.		
2	**Review order type settings**	Use the Order Types form to review settings of each predefined order type you will use, and write down the necessary changes to settings. In particular, note the following elements: • **Order Numbering Sequence**: Which sequence the system uses to give a reference number to an order of the type. Numbering sequences can be unique to each order type or shared by multiple types. • **Days to Keep**: How many days an order of this type may be kept in the system before it can be deleted. • **Hold Orders on Entry**: Whether all new sales orders of the type are created with the status *On Hold*. • **Check Credit on Entry**: Whether on order creation, the customer's credit status is checked. If the customer exceeds the credit limit or has overdue invoices, the order can be put on hold (depending on customer settings). • **Require Control Total**: Whether the user needs to enter a control total for each order. The order can be processed only when the system-calculated total equals the manually entered control total. • **Bill Separately**: Whether multiple orders of the type for the same customer will be billed separately by default.		

No	Task	Deliverables	Person in Charge	Done
		• **Ship Separately**: Whether multiple orders of this type for the same customer will be shipped separately by default. • **Calculate Freight**: Whether freight charges should be calculated for an order automatically. • **Recalculate Discount on Partial Shipment**: Whether the discount for partial shipment should be recalculated anew based on shipped quantities. • **Copy Notes/Attachments To Shipment/ Invoice**: Whether, when a shipment or invoice is created for an order, notes or attachments of order lines are copied to the respective shipment or invoice lines.		
3	**Review order type's Accounts Receivable settings**	Review the settings in the **Accounts Receivable Settings** section (on the **General Settings** tab of the Order Types form). Note any that should be changed.		
4	**Review posting settings of order types**	For each order type you will use, review the settings in the **Posting Settings** section. Posting settings define which General Ledger accounts and subaccounts are updated by the orders of this type: • The sales revenue account and subaccount are credited by the gross invoice amount, minus taxes, volume discounts, and freight and miscellaneous charges. • The miscellaneous charges account and subaccount are credited by the order's miscellaneous charges. • The freight charges account and subaccount are credited by the order's freight amount that you bill to the customer. • The discount account and subaccount are debited by volume discounts applied to the whole order. Line discounts are deducted from order line amounts, which are posted to the revenue account. The posting settings for the order type refer to the record from which the account should be sourced. Available options can include the following: customer location, inventory item, non-stock item, warehouse, posting class, reason code, carrier, and order type. Similarly, the order type indicates the source for each segment of subaccounts: your company location, the customer location, the inventory item, the warehouse, the posting class, the carrier, the reason code, the salesperson, the employee, or the company branch. Review the General Ledger accounts and subaccounts of the chosen master		

No	Task	Deliverables	Person in Charge	Done
		records that serve as sources of accounts and subaccounts.		
5	**Plan shipment settings**	Decide upon the settings that control processing of shipments (regardless of the order or orders they are created for). These settings include the following: • **Shipment Numbering Sequence**: This numbering sequence is used to assign each shipment a unique number. • **Freight Allocation on Partial Shipping**: Freight charges are represented in a sales order as a single figure. If an order has multiple partial shipments, freight can be allocated to shipments (and consequently to invoices) in one of two ways, based on this setting: with the first shipment getting the full freight amount, or with each shipment getting part of the total freight (proportionally to the billing amount of the shipped goods). • **Hold Shipments on Entry**: The option indicates whether new shipment should be put on Hold to prevent accidental confirmation. • **Validate Shipments Total on Confirmation**: If this option is selected, the system will require independent input of shipment total quantity to verify it against shipment details. • **Add Zero Lines for Items Not in Stock**: This option indicates whether sales order items should be added in the shipment even though they have no available quantity.		
6	**Plan global settings**	Decide upon the global settings specific to the Sales Order Management module, including the following: • **Default Sales Order Type**: The most common (most frequently used) order type. • **Hold Invoices on Failed Credit Check**: A customer credit check is performed when each sales order is created. If it fails, the order will be put on hold and no shipment will be possible until it is released from credit hold. If the time between placement of the order and actual shipment is long, the customer's credit situation may change. If this is a concern in your business, select this check box, and invoices created for a confirmed shipment will be automatically put on hold if the credit check fails. • **Automatically Release AR Documents** and **Automatically Release AR Documents**: These options indicate		

No	Task	Deliverables	Person in Charge	Done
		whether the respective documents should be released automatically in Account Receivable and Inventory modules. • **Automatically Refresh Freight Cost**: This setting defines whether freight charges are automatically refreshed every time the order is saved.		
7	**Review relevant delivery settings for customers**	Review the delivery settings on the Customers form for each customer; if the customer has multiple locations, review the settings of each location. Look at the following settings and note any that should be changed: • **Ship Via**: The carrier to handle shipments to this customer location. The carrier record serves as the source of the freight account and subaccount and can be used for automated calculation of the freight amount. • **Shipping Terms**: The terms governing delivery of goods. • **FOB Point**: The port where the title of shipped goods is transferred to the customer. • **Ship Complete**: How the shipment should be generated if the quantity is insufficient: only in full, in multiple partial shipments, or shipped partially with cancellation of the quantity remaining after the first shipment. • **Order Priority**: The relative "weight" of the customer's orders in allocating the inventory in mass order processing. Orders with a higher priority are processed first. • **Warehouse**: The preferred warehouse for sales to the customer.		
8	**Review relevant delivery settings for customer classes**	Analyse the delivery settings of customers considering how customers are grouped in customer classes. Review the following settings in Customer Classes form: • **Ship Via** • **Shipping Terms** • **Ship Complete**		
9	**Determine whether you need to define carriers**	If you decide to use carriers in the basic configuration, prepare the list and note for each carrier: • Carrier ID • Carrier name or description • Freight sales account and subaccount • Freight expense account and subaccount		

No	Task	Deliverables	Person in Charge	Done
10	**Define any needed shipping terms**	Plan any shipping terms to be used. Indicate for each set of terms its ID and description.		
11	**Plan needed FOB points**	Decide whether your site will define FOB Points. If so, compile a list of them and indicate for each FOB point its ID and description.		

Sales Orders Configuration Checklist

No	Task / Form	Data Maintained	Person in Charge	Done
1	**Create General Ledger accounts:** ***Finance > General Ledger > Configuration > Manage > Chart of Accounts (GL.20.25.00)***	Create new General Ledger accounts, if any were identified in your review of order types.		
2	**Create subaccount segment values:** ***Configuration > Common Settings > Segmented Keys > Segment Values (CS.20.30.00)***	Review and create any necessary subaccount segment values identified in your review of order types.		
3	**Create General Ledger subaccounts:** ***Finance > General Ledger > Configuration > Manage > Subaccounts (GL.20.30.00)***	Create any new General Ledger subaccounts identified in your review of order types. This step should be done only after Step 2 has been completed.		
4	**Define auto-numbering sequences:** ***Configuration > Common Settings > Common Settings > Numbering Sequences (CS.20.10.10)***	Create the identified auto-numbering sequences for the following: • Order types • Accounts Receivable documents • Shipments		
Steps 5–14 should be done after the steps above have been completed.				
5	**Review branch settings:**	If you have decided to use *Company Branch* as the source for subaccounts, review all of your company's branches.		

No	Task / Form	Data Maintained	Person in Charge	Done
	Organization > Organization Structure > Configure > Branches (CS.10.20.00)			
6	**Review salesperson account settings:** ***Finance > Accounts Receivable > Configuration > Manage > Salespersons (AR.20.50.00)***	If you have decided to use *Salesperson* as the source for subaccounts, review salespersons' records.		
7	**Review stock item master records:** ***Distribution > Inventory > Work Area > Manage > Stock Items (IN.20.25.00)***	If you have decided to use *Stock Item* as the source for accounts or subaccounts, review the account settings of stock items.		
8	**Review non-stock item master records:** ***Distribution > Inventory > Work Area > Manage > Non-Stock Items (IN.20.20.00)***	If you have decided to use *Non-Stock Item* as the source for accounts or subaccounts, review the account settings of non-stock items.		
9	**Review posting class master records:** ***Distribution > Inventory > Configuration > Setup > Posting Classes (IN.20.60.00)***	If you have decided to use *Posting Class* as the source for accounts or subaccounts, review posting classes.		
10	**Review warehouse account settings:** ***Distribution > Inventory > Configuration > Manage > Warehouses (IN.20.40.00)***	If you have decided to use *Warehouse* as the source for accounts or subaccounts, review warehouse settings.		
11	**Review employee master records:**	If you have decided to use *Employee* as the source for subaccounts, review employee settings.		

No	Task / Form	Data Maintained	Person in Charge	Done
	Organization > Organization Structure > Manage > Employees (EP.20.30.00)			
12	**Create/review carriers:** ***Distribution > Sales Orders > Configuration > Setup > Ship Via (CS.20.75.00)***	If you have decided to use *Ship Via* as the source for accounts or subaccounts, create carrier master records.		
13	**Create shipping terms:** ***Distribution > Sales Orders > Configuration > Setup > Shipping Terms (CS.20.80.00)***	Create the necessary shipping terms.		
14	**Create FOB points:** ***Distribution > Sales Orders > Configuration > Setup > FOB Points (CS.20.85.00)***	Create the necessary FOB points.		
Steps 15 and 16 should be done after Steps 12–14 have been completed.				
15	**Review customer master records:** ***Finance > Accounts Receivable > Work Area > Manage > Customers (AR.30.30.00)***	Review (and change, if necessary) the delivery settings of each location of each customer: **Ship Via**, **Shipping Terms**, **FOB Point**, **Ship Complete**, **Order Priority**, and **Warehouse**. Also, if you decided to use *Customer Location* as a source for accounts or subaccounts, review the General Ledger account settings for each customer location.		
16	**Review customer classes:** ***Finance > Accounts Receivable > Configuration > Setup > Customer Classes (AR.20.10.00)***	Review (and change, if necessary) the delivery settings of each customer class: **Ship Via**, **Shipping Terms**, and **Ship Complete**.		
Steps 17 and 18 should be the last steps you complete.				

No	Task / Form	Data Maintained	Person in Charge	Done

17	**Make needed changes to order types:**
	Distribution > Sales Orders > Configuration > Setup > Order Types (SO.20.10.00)
		Configure the predefined order types to suit your sales processes. Select the desired order type to review it and make any needed changes to settings:
		• **Active**: Clear this check box if you do not plan to use the displayed order type
		• **Description**: Modify the description if desired
		• Review **Order Settings**:
		  • **Order Numbering Sequence**
		  • **Days to Keep**
		  • **Hold Orders on Entry** (y/n)
		  • **Check Credit on Entry** (y/n)
		  • **Require Control Total** (y/n)
		  • **Bill Separately** (y/n)
		  • **Ship Separately** (y/n)
		  • **Calculate Freight** (y/n)
		  • **Recalculate Discount On Partial Shipment** (y/n)
		  • **Copy Notes** (y/n)
		  • **Copy Attachments** (y/n)
		  • **Copy Line Notes To Shipment** (y/n)
		  • **Copy Line Attachments To Shipment** (y/n)
		  • **Copy Line Notes To Invoice** (y/n)
		  • **Only Non-Stock** (y/n)
		  • **Copy Line Attachments To Invoice** (y/n)
		  • **Only Non-Stock** (y/n)
		  • **Ship Complete**
		• Review **Posting Settings**:
		  • **Use Sales Account from**
		  • **Combine Sales Sub. from**
		  • **Use Misc. Account from**
		  • **Combine Misc. Sub. from**
		  • **Freight Account**
		  • **Use Freight Account from**
		  • **Freight Sub.**
		  • **Combine Freight Sub. from**
		  • **Discount Account**		

No	Task / Form	Data Maintained	Person in Charge	Done
		• **Use Discount Account from** • **Discount Sub.** • **Combine Discount Sub. from** • **Recalculate Discount On Partial Shipment** (y/n) • **Recalculate Discount On Partial Shipment** (y/n) • Review **Accounts Receivable Settings**: • **Invoice Numbering Sequence** • **Mark as Printed** (y/n) • **Mark as Emailed** (y/n)		
18	**Configure Sales Orders Preferences:** ***Distribution > Sales Orders > Configuration > Setup > Sales Order Preferences (SO.10.10.00)***	Configure the global settings of the Sales Orders module, based on decisions you made during preparation: • **Default Sales Order Type** • **Default Transfer Order Type** • **Default Sales Order Assignment Map** • **Default Sales Order Shipment Assignment Map** • **Shipment Numbering** • **Hold Shipments on Entry** • **Validate Shipment Total on Confirmation** • **Add Zero Lines for Items Not in Stock** • **Freight Allocation on Partial Shipping** • **Automatically Refresh Freight Cost on Document Save** • **Automatic Release of AR documents** • **Automatic Release of Inventory documents**		

Sales Orders Price Preparation Checklist

No	Task	Deliverables	Person in Charge	Done
1	**Design customer price classes**	Design customer price classes to facilitate multiple price lists. Consider the following points: • All customers of the same price class are charged with the same price for the same item.		

No	Task	Deliverables	Person in Charge	Done
		• If customers belong to different price classes, prices for the same inventory item can be different for them. • You can save effort by defining discounts for a customer price class rather than for many customers. Give each identified class a unique name (of no more than 10 characters).		
2	**Assign customers to customer price classes**	Prepare a list of customers and indicate the customer price class to be assigned to each customer.		
3	**Choose unit of measure for price lists**	Choose the unit of measure in which you want price lists to be maintained: *Base Unit* (the stock unit of inventory items) or *Sales Unit*.		
4	**Decide on foreign currency price lists**	Decide whether you want maintain price lists in foreign currencies independently from the lists in the base currency. If you decide to maintain prices only in the base currency, indicate an exchange rate type to be used for price conversion.		
5	**Design item price classes**	Decide whether to use item price classes, which are optional for sales price maintenance. They are used to narrow the selection of the items during the price update process. Because item price classes play a more important role in discount definition, you may want to skip this step now and return to it when you configure discount policies. If you choose to define item price classes now, do the following: • Group items into item price classes. • Assign each identified class a unique name (maximum 10 characters). • Prepare a list of stock and non-stock items and their price classes. • Assign item price classes to item classes.		
6	**Collect price data**	Collect prices for each inventory item and customer price class. Indicate the date when prices should be effective. If you opted for foreign currency pricing, you should collect sales prices by inventory item, customer price class, and currency.		

Sales Orders Price Configuration Checklist

No	Task / Form	Data Maintained	Person in Charge	Done
1	**Configure Sales Orders Preferences:**	Configure your pricing policy on the Sales Orders Preferences form:		

No	Task / Form	Data Maintained	Person in Charge	Done
	Distribution > Sales Orders > Configuration > Setup > Sales Orders Preferences (SO.10.10.00)	• **Base Price Update Unit**: Choose the unit of measure to be used in price lists (*Base unit* or *Sales Unit*). • **Always Calculate Price from Base Currency**: Select the option if you want to maintain prices only in the base currency. Clear the option to maintain prices in foreign currencies. • **Default Rate Type**: Indicate the exchange rate type for price conversion from the base currency to a foreign currency. The setting is not required if price lists are maintained directly in foreign currency.		
2	**Create customer price classes:** ***Finance > Accounts Receivable > Configuration > Setup > Customer Price Classes (AR.20.80.00)***	Create the designed customer price classes.		
3	**Assign customers to price classes:** ***Finance > Accounts Receivable > Work Area > Manage > Customers (AR.30.30.00)***	Assign customers to the customer price classes on two levels: • Price class of customer (**Price Class ID** on the **Delivery Settings** tab of the Customers form) • Price class of customer location (**Price Class ID** field on the **General Info** tab of the **Account Locations** subform; view the subform by double-clicking the location record on the **Locations** tab of the Customers form)		
4	**Create item price classes:** ***Distribution > Inventory > Configuration > Setup > Item Price Classes (IN.20.90.00)***	Create the designed price classes.		
5	**Assign inventory items to price classes:** ***Distribution > Inventory > Work Area > Manage > Stock Items (IN.20.25.00)***	Assign inventory stock items to price classes (**Price/Cost Information** tab). If the price list unit is the base unit and price lists are maintained only in the base currency, you can also enter the pending price and effective date directly on the Stock Items form.		

No	Task / Form	Data Maintained	Person in Charge	Done
6	**Assign non-stock items to price classes:** ***Distribution > Inventory > Work Area > Manage > Non-Stock Items (IN.20.20.00)***	Assign non-stock items to price classes. If the price list unit is the base unit and price lists are maintained only in the base currency, you can also enter the pending price and effective date directly on the Non-Stock Items form.		
7	**Assign price classes to item classes:** ***Distribution > Inventory > Configuration > Setup > Item Classes (IN.20.10.00)***	Assign price classes to item classes.		
8	**Enter pending sales prices:** ***Distribution > Sales Orders > Work Area > Manage > Sales Prices (SO.20.20.00)***	Enter pending sales prices and their effective dates of stock and non-stock items.		
9	**Update current sales prices:** ***Distribution > Sales Orders > Processes > Recurring > Update Sales Prices (SO.50.70.00)***	Use this form to update pending sales prices into current prices.		

Sales Orders Discount Preparation Checklist

No	Task	Deliverables	Person in Charge	Done
1	**Design discounts**	Review your discount policies and design discounts, considering combination restrictions and rules for order of discount calculation. For each discount, write down the following details: • **Discount ID**: Assign unique ID • **Description**: Provide short description • **Auto-numbering**: Indicate if discount sequences should be numbered automatically		

No	Task	Deliverables	Person in Charge	Done

		• **Last number**: For auto-numbered discount sequences, indicate start of numbering
		• **Applicable to**: Indicate entity or entities to which discount can be applied:
		  • Customer
		  • Customer and inventory item
		  • Customer and inventory price class
		  • Customer price class
		  • Customer price class and inventory item
		  • Customer price class and inventory price class
		  • Inventory item
		  • Inventory price class
		• Discount type: Indicate discount level:
		  • Line item
		  • Document		

2	**Review customer price classes**	If any discount can be applied to customer price classes (only or in combination with inventory item or inventory price class), review definitions of customer price classes. Write down: • Definitions of new price classes • List of obsolete price classes		
3	**Review customers' customer price class assignments**	If any discount can be applied to customer price classes (only or in combination with inventory item or inventory price class), review assignment of customers to price classes. Prepare revised list of customers and indicate price class for each customer.		
4	**Review/design inventory price classes**	If any discount can be applied to inventory price classes, review definitions of inventory price classes. Write down: • Definitions of new price classes • List of obsolete price classes		
5	**Review stock items' inventory price class assignments**	If any discount can be applied to inventory price classes, review assignment of stock items to price classes. Prepare list of stock items and indicate price class for each item.		
6	**Review non-stock items' inventory price class assignments**	If any discount can be applied to inventory price classes, review assignment of non-stock items to price classes. Prepare list of non-stock items and indicate price class for each item.		
7	**Review item classes' inventory**	If any discount can be applied to inventory price classes, review assignment of item classes to		

No	Task	Deliverables	Person in Charge	Done
	price class assignments	price classes. Prepare list of item classes and indicate price class for each item.		

8	**Design discount sequences for regular discounts**	Design discount sequences for regular discounts. For each discount sequence, indicate the following:
		• **Discount ID**: The ID of the discount the sequence belongs to.
		• **Sequence ID**: A unique alphanumeric identifier of the sequence. Assign this ID only if auto-numbering for the discount is not used; otherwise, leave it blank and the ID will be assigned automatically.
		• **Description**: A short description of the discount sequence.
		• **Discount by**:
		  • *Percent*: Discount amount will be calculated as percentage of sales amount.
		  • *Amount*: Discount amount is entered in the break-down list.
		• **Break by**:
		  • *Quantity*: Discount is based on sales quantity in sales units.
		  • *Amount*: Discount is based on sales amount (unit price, extended line amount, total order amount).
		• **Free Item**: Inventory ID of item given away for free, if any.
		• **Promotional**: Sequence is a promotion (y/n).
		• **Effective Date**: Date when discount or promotion starts.
		• **End Date**: Date when promotion ends; not effective for a regular discount.
		Define break-down table (which differs depending on *Broken By* option):
		• Break-down table for discount broken by quantity:
		  • *Quantity*: Threshold or level in sales unit of measure above which the discount percent or amount is applied.
		  • *Discount*: Discount percent or amount.
		  • *Free Item Qty*: Quantity of free item given away if quantity of sold item is greater than or equal to break quantity.
		• Break-down table for discount broken by amount:		

No	Task	Deliverables	Person in Charge	Done
		• *Amount*: Threshold or level above which the discount percent or amount is applied. • *Discount*: Discount percent or amount. Depending on the discount's applicability, the discount sequence has one or two lists of entities the sequence applies to. For each discount sequence, prepare lists of specific entities where applicable: • List of customers • List of customer price classes • List of inventory items (including non-stock) • List of inventory price classes		
9	**Decide on use of manual discounts**	Decide whether manual discounts should be enabled for: • Item promotions (y/n) • Order promotions (y/n)		
10	**Define discount application order**	Define order in which discounts will be checked for applicability to sales order. For line discounts, prepare a list (maximum of six lines), indicating for each line: • First discount ID • Second discount ID (optional), the second discount cannot be used if manual item promotions are enabled • Chain discounts (y/n) For document discounts, prepare a list (six lines or fewer), indicating for each line: • First discount ID • Second discount ID (optional), the second discount cannot be used if manual order promotions are enabled		
12	**Decide on system-wide discount policies**	Decide what should be the basis for line discount calculations; • *Item Extended Price*: Unit price is multiplied by quantity, and then discount is deducted. • *Item Price*: Discount is deducted from unit price, and then result is multiplied by quantity. Also, determine how free item quantity should be calculated when order quantity or amount falls between break-down steps or beyond the last step:		

No	Task	Deliverables	Person in Charge	Done
		• *Not prorated*: Free item quantity equals quantity indicated in last break point that is less than or equal to ordered quantity. • *Prorated*: System treats ordered quantity as a combination of break point quantities, using largest possible break point quantities, and calculates the number of free items according to the break points.		
13	**Define how free items should be shipped**	Decide how free items calculated by sales order discounts should be shipped with partial shipments: • *Proportionally* to shipped amount/quantity • Total free item quantity *On Last Shipment*		

Sales Orders Discount Configuration Checklist

No	Task / Form	Data Maintained	Person in Charge	Done
1	**Review customer price classes: *Finance > Accounts Receivable > Configuration > Setup > Customer Price Classes (AR.20.80.00)***	Change customer price classes as necessary.		
2	**Review customer assignment to price classes: *Finance > Accounts Receivable > Work Area > Manage > Customers (AR.30.30.00)***	Modify customer assignment to price classes on two levels: • Price class of customer (**Price Class ID** on **Delivery Settings** tab of **Customers** form) • Price class of customer location (**Price Class ID** on **General Info** tab of **Account Locations** subform, invoked when you double-click on a location row in the **Locations** tab of **Customers** form)		
3	**Review/create inventory price classes: *Distribution > Inventory > Configuration > Setup > Item Price Classes (IN.20.90.00)***	Review (and create, if necessary) item price classes as needed.		
4	**Review item class assignment to price classes: *Distribution > Inventory >***	Modify item classes assignment to the price classes.		

No	Task / Form	Data Maintained	Person in Charge	Done
	Configuration > Manage > Item Classes (IN.20.10.00)			
5	**Review stock item assignment to price classes:** ***Distribution > Inventory > Work Area > Manage > Stock Items (IN.20.25.00)***	Modify inventory stock items assignment to the price classes (**Price/Costs Information** tab of the form).		
6	**Review non-stock item assignment to price classes:** ***Distribution > Inventory > Work Area > Manage > Non-Stock Items (IN.20.20.00)***	Modify non-stock items' assignment to inventory price classes.		
7	**Create discounts:** ***Distribution > Sales Order > Setup > Configuration > Discount Codes (SO.20.70.00)***	Define the designed discounts: • **Discount ID** • **Description** • **Auto-numbering** (y/n) • **Last Number** (for auto-numbered discounts only) • **Applicable To** • **Discount Type**		
8	**Create discount sequences:** ***Distribution > Sales Order > Work Area > Manage > Discounts (SO.20.80.00)***	Create discount sequences as designed in the preparation stage by entering the following information: • **Discount ID** • **Sequence ID** • **Description** • **Discount by** • **Break by** • **Free Item**, if any • **Promotional** (y/n) • **Effective Date** • **End Date** (for promotion only) • Break-down table • List(s) of applicable entities		
9	**Configure global discount policies:** ***Distribution > Sales Order >***	Configure global parameters related to discount policy: • Basis of line discounts		

No	Task / Form	Data Maintained	Person in Charge	Done
	Configuration > Setup > Sales Orders Preferences (SO.10.10.00)	• Prorate free item quantity (y/n) • Shipping of free items (all on last shipment, or proportional) • Enable item promotions (y/n) • Enable order promotions (y/n) • Line discounts, in desired order • Document discounts, in desired order		
10	**Update Discounts:** ***Distribution > Sales Order > Processes > Recurring > Update Discounts (SO.50.80.00)***	Update pending discounts into current values.		

Organization Structure Preparation Checklist

No	Task / Form	Deliverables	Person in Charge	Done
1	**Collect employee information**	Write down all employees who will need to access the system. For each employee, collect the following information: • Full name, address, phone, date of birth • Hire date, position, department • Duties employee performs in each module • Branches associated with employee's work duties • Work hours and time zone of location (or time zone from which employee works) • Currency employee is paid in, and rate type used for payments to employee • Cash account employee is paid from and payment methods used for payment • Frequency of payments to employee • Regular and overtime rates used to pay employee		
2	**Design employee identifier**	Review the structure of the *BIZACCT* segmented key and, if applicable, the *EMPLOYEE* segmented key: • If the *BIZACCT* segmented key will be used for employee IDs, check the *Segment Values* form and make sure that for *BIZACCT* segments to be validated, all needed values have been added for the employee ID. List any values you wish to add.		

No	Task / Form	Deliverables	Person in Charge	Done
		• If the *EMPLOYEE* segmented key will be used for employee IDs, prepare a list of valid entries for segments that should be validated.		
3	**Design numbering sequences**	Design the numbering sequences to be used to automatically assign reference numbers for time sheets and expense claims. If the employee ID includes an auto-numbered segment, decide whether you'll use one of predefined numbering sequences or create a new one.		
4	**Create list of departments**	Create a list of departments using the employee information and be sure it is complete.		
5	**Create list of positions**	Create a list of positions using the employee information. Check with the HR department to be sure the list is complete.		
6	**Complete list of company locations**	Check the list of company locations, and write down all the missing locations at which company employees work.		
7	**Design roles for the Time and Expenses module**	In addition to roles already available in the system, think over roles specific for the Time and Expenses module based on typical tasks employees perform in the Time and Expenses module in your organization: • File an expense claim • Fill in a time sheet for an employee or workgroup • Approve claims or time sheets • Bill expense claims • Create employee accounts • Maintain departments and positions • Maintain company tree and design assignment maps For each role you identify, plan the following: • Role name and description • List of users • List of Acumatica ERP forms, transactions, and reports that users with the role should access (or be forbidden to access)		
8	**Be sure roles are available for all employees**	For employees who haven't accessed the system , make sure appropriate roles are available. If not, design roles to match the tasks the users will perform in the system.		
9	**Create a list of workgroups**	Create the list of workgroups involved in various work processes in your organization. Note to whom each group reports. For each group, note the default owner—the employee to whom all the work will be assigned by default. You may need to identify workgroups for the following tasks:		

No	Task / Form	Deliverables	Person in Charge	Done
		• Approving cash transactions if such approval is required (Cash Management module) • Handling sales orders and shipments if Sales Orders module has been implemented • Handling leads, contacts, opportunities, and customers if the Customer Management module has been implemented • Approving requests and requisitions if the Purchase Requisitions module has been implemented • Approving purchase orders if the Purchase Orders module has been implemented • Handling inventory receipts if the Inventory module has been implemented For workgroups involved in approvals, consider possible escalation routes to higher-level workgroups, and mark workgroups where escalation is not allowed.		
10	**Verify credit terms**	Group employees by how often they are paid for work on contracts or are reimbursed for expenses. Determine credit terms that will be needed to schedule payments to employees.		
11	**Verify General Ledger accounts and subaccounts**	Determine General Ledger accounts to be used in the Time and Expenses module: • Expense accounts to record employee expenses • Cash accounts from which employees will be reimbursed for their claims • Prepayment accounts • AP accounts for employees • Sales and expense accounts to record sales fulfilled by your employees for customers (if your organization has implemented or will implement customer support performed according to the signed contracts Depending on the detail level chosen for the chart of accounts and the details are provided by subaccounts as configured in your system, decide on how many such accounts you will need for employees. Also, decide how you want to mark the transactions generated in Time and Expenses for further analysis, and create the rules to combine sales and expense subaccounts from segments of other subaccounts involved.		
12	**Determine taxes applicable to labor**	Consider taxes applicable to labor-type non-stock items, and group them into tax categories and tax zones.		
13	**Define labor rates as non-stock items**	List per-hour rates to calculate employee compensation for case activities employees will list on time sheets. The rates can be entered as		

No	Task / Form	Deliverables	Person in Charge	Done
		work time and overtime labor rates—non-stock items of the *Labor* type. Define any special rates for particular customers or contracts, which can be specified for employees individually. You will later create an item class for labor-type non-stock items.		
14	**Define cash accounts and payment types**	Define which cash accounts and payment methods should be used to pay employees when they're reimbursed for expenses, compensated for labor performed on contracts, and paid commissions earned on sales. Payments to employees can be made by checks, via Automated Clearing House (ACH) batch, or by another payment method.		
15	**Design employee classes**	Group employees into employee classes by financial settings: cash accounts used to pay for their expenses, labor, and commissions; Accounts Payable accounts; and credit terms used to pay salary and wages. Also, determine the class to be set as a default one.		
16	**Decide on calendars**	Decide what calendars are used in your organization, and for each, note the week's work days, the working hours for each day, and any exceptions, such as holidays.		
17	**Define event status types and event and task categories**	Define categories of events and tasks by their urgency, and decide on colors to mark events and tasks of each category. Also for events, you can define their statuses and specify colors to denote those statuses on employee schedules.		
18	**Consider general Time and Expenses settings**	Review the settings available on the Time and Expenses preferences form and decide on the following: • How long the Time and Expenses documents should be kept in the system • Whether it is necessary to maintain the start and end times for tasks • Whether it is necessary to validate totals on Time and Expenses documents • Whether Time and Expenses documents should be held on entry • Whether the generated Accounts Payable and Accounts Receivable documents should be released immediately • Whether any notes and files attached to Time and Expenses documents will be copied to generated Accounts Payable and Accounts Receivable documents If team meetings and other events are held at your organization regularly, you may want to design the templates to be used for invitations to events, for cancellation of invitations, and for rescheduling events. Also, in accordance with your organization's policies, decide whether to schedule		

No	Task / Form	Deliverables	Person in Charge	Done
		events only within work hours or beyond work hours too.		

Organization Structure Configuration Checklist

No	Task / Form	Data Configured	Person in Charge	Done
1	Create auto-numbering sequences: ***Configuration > Common Settings > Common Settings > Numbering Sequences (CS.20.10.10)***	Create numbering sequences for expense claims and time sheets. Also, if you are using the *EMPLOYEE* key and it has an auto-numbering segment defined, create this numbering sequence.		
2	Configure segmented key: ***Configuration > Common Settings > Segmented Keys > Segmented Keys (CS.20.20.00)***	Implement the planned structure of the employee ID by configuring the *EMPLOYEE* segmented key. (If the employee ID is based on the *BIZACCT* key, its structure was defined during CS implementation.)		
3	Add segment values: ***Configuration > Common Settings > Segmented Keys > Segment Values (CS.20.30.00)***	Enter the valid values for segments of the segmented key the employee ID is based on. This task is required only for validated segments.		
4	Configure employee roles: ***Configuration > User Security > Manage > User Roles (SM.20.10.05)***	Create roles to allow users to access to the system forms and functionality. Map the roles to Active Directory groups if applicable.		
5	Create General Ledger accounts: ***Finance > General Ledger > Configuration > Manage > Chart of Accounts (GL.20.25.00)***	Add any missing General Ledger accounts to the chart of accounts.		
6	Create subaccounts: ***Finance > General Ledger > Configuration > Manage >***	If necessary, create missing General Ledger subaccounts.		

No	Task / Form	Data Configured	Person in Charge	Done
	Subaccounts (GL.20.30.00)			
7	Create currencies: ***Finance > Currency Management > Configuration > Setup > Currencies (CM.20.20.00)***	Create any missing currencies that will be used to pay employees.		
8	Create rate types: ***Finance > Currency Management > Configuration > Setup > Currency Rate Types (CM.20.10.00)***	If necessary, create missing rate types to be used for employee compensation.		
9	Create payment types: ***Organization > Organization Structure > Configure > Payment Types (CA.20.10.00)***	Create any missing payment types to be used to pay employees.		
10	Create new credit terms: ***Finance > Accounts Payable > Configuration > Setup > Credit Terms (CS.20.65.00)***	Create any missing credit terms to be used for paying employees. No discounts should be specified.		
11	Create an item class for labor rates: ***Distribution > Inventory > Configuration > Manage > Item Classes (IN.20.10.00)***	Create an item class to be used for labor rates. Be sure the **Stock Item** check box is cleared, and in the **Item Type** box, select *Labor*. Specify the tax category and unit of measure (*HOUR*) to be used for items of the class.		
12	Create labor rates as non-stock items: ***Distribution > Inventory > Work Area > Manage > Non-Stock Items (IN.20.20.00)***	Create the hourly labor rates for work time and for overtime. Follow your company's preferred format for non-stock item IDs, and make sure you specify them as non-stock items of the *Labor* type. Because General Ledger accounts and subaccounts to be used for the items come from the posting class selected, you may need to create an appropriate posting class for labor items.		
13	Create calendars: ***Organization > Organization Structure > Configure >***	Create all calendars to track working time and overtime for employees. At least one calendar should be created.		

No	Task / Form	Data Configured	Person in Charge	Done
	Work Calendar (CS.20.90.00)			
14	Create the default employee class: ***Organization > Organization Structure > Configure > Employee Classes (EP.20.20.00)***	Define an employee class to be used as the default one.		
15	Specify the default class: ***Organization > Time & Expenses > Configuration > Setup > Time & Expenses Preferences (EP.10.10.00)***	Choose the default class to be used to create other employee classes and the employee accounts. Also, specify the following: • Numbering sequences to be used for expense claims and time sheets • Sales and expense account settings should be generated for the documents		
16	Create employee classes: ***Organization > Organization Structure > Configure > Employee Classes (EP.20.20.00)***	Create employee classes if you plan to use more employee classes than just the default one. When you create a new class, the settings are obtained from the default class, so you should enter only values that differ from the values of the default class.		
17	Create positions: ***Organization > Organization Structure > Configure > Positions (EP.20.10.00)***	Create the positions you have listed.		
18	Create departments: ***Organization > Organization Structure > Configure > Departments (EP.20.15.00)***	Create the departments available in your organization.		
19	Configure earning types: ***Organization > Time & Expenses > Configuration > Setup > Earning Types (EP.10.20.00)***	Create new earning types or configure the default set in the way that best suits your organization's needs.		
20	Create templates for notification about events: **Notification Templates Wiki**	Use the Notification Wiki to create templates for invitation to events, rescheduled events, and cancellation of invitations.		

No	Task / Form	Data Configured	Person in Charge	Done
21	Create equipment: ***Organization > Organization Structure > Manage > Equipment (EP.20.80.00)***	Specify equipment that can be used for projects, and the rates for equipment usage.		
22	Create approval maps for expense claims and time cards: ***Organization > Organization Structure > Manage > Assignment and Approval Maps (EP.20.50.00)***	Create approval maps for expense claims and time cards. For each map, specify the following: • A tree of the workgroups involved in processing the entities • Rules, based on properties of the entities, according to which the entities are to be assigned to workgroups or to particular employees		
23	Complete the Time and Expenses Preferences form: ***Organization > Time & Expenses > Configuration > Setup > Time and Expenses Preferences (EP.10.10.00)***	Provide general settings for the Time and Expenses module, including the following information: • Which earning type the system should treat as regular hours, which as holiday hours, and which as vacation hours. • Which approval map should be used for expense claims, and which for time cards. • Whether the Time and Expenses documents should be hold on entry and validated on entry • Whether the Accounts Payable and Accounts Receivable documents generated in the Time and Expenses module should be automatically released on release of Time and Expenses documents • Whether notes should be copied to Accounts Payable and Accounts Receivable documents from the Time and Expenses documents • Notification templates to be used • Whether contact information should be included in notification emails and what address should be specified as the sender address		
24	Create the company tree: ***Organization > Organization Structure > Manage > Company Tree (EP.20.40.60)***	Configure the hierarchy of workgroups. Add to the company tree the workgroups that are used for work assignment, for approvals, and as product and price workgroups. The tree may be populated with employees later, when employee accounts are created and associated with corresponding user logins. Verify that all escalation routes are correct and escalation stops at a proper group.		
25	Create employee accounts:	Create employee accounts. For each employee account, do the following:		

No	Task / Form	Data Configured	Person in Charge	Done

	Organization > Organization Structure > Manage > Employees (EP.20.30.00)	• Type in an employee ID or specify it segment-by-segment in accordance with the structure of the segmented key
		• Select an employee class to provide default values for most of the elements
		• Fill in the employee's personal information:
		  • Employee email address
		  • Salesperson ID if the employee handles sales		

26	Check that all employees have user accounts in Acumatica ERP: ***Configuration > User Security > Manage > Users (SM.20.10.10)***	If Acumatica ERP is integrated with Active Directory, for each domain user, select the corresponding employee account in the **Linked Entity** box. If integration with Active Directory is neither configured nor planned, create a local user account for each employee by specifying the following information: • User login that matches the established rules • Password requirements • Employee account as the linked entity • All the roles required to perform employee duties		
27	Upload certificates for PDF files: ***Configuration > User Security > Configure > Encryption Certificates (SM.20.05.30)***	Upload any missing certificates to be used by employees for signing important documents.		
28	Create event status types: ***Configuration > Common Settings > User Settings > Event Status Types (SM.20.40.50)***	Optional: Create the event status types and assign each of them a color to be used to indicate the importance of events on user schedules.		
29	Create event and tasks categories: ***Configuration > Common Settings > User Settings > Event and Task Categories (SM.20.40.40)***	Optional: Create the event and task categories you have planned and assign each of them a color to be used to indicate the urgency of tasks and events on the user interface.		

Projects Preparation Checklist

No	Task	Deliverables	Person in Charge	Done
1	**Develop numbering conventions for projects, tasks and account groups**	Design the structure of the *PROJECT* segmented key, which determines the project ID: • Number of segments • For each segment: description, length, type of characters (alphabetic, numeric, alphanumeric, or ASCII), case conversion (whether the case will remain as typed or be converted to uppercase or lowercase), validation (yes/no), separator, list of valid entries (for validated segments) • Auto-numbered segment (which segment will be used in this way and how numbering will be done). Similarly, design the structure of the segmented key *PROTASK*, which determines the task ID, and for the segmented key *ACCGROUP*, which defines account group ID.		
2	**Define autonumbering sequences**	Develop numbering rules for: • Projects Batches • Projects Transactions Document also the definition of the sequence for the auto-numbered segment of the *PROJECT* segmented key, if applicable.		
3	**Define non-project code**	Define a code to mark non-project related transactions.		
4	**Define global processing options**	Make decision on two project transaction processing options: • Automatically Post on Release • Automatically Release Allocations		
5	**Define Project visibility**	Decide whether project related transaction can be entered in module: • General Ledger (yes/no) • Accounts Payable (yes/no) • Accounts Receivable (yes/no) • Order Management (yes/no) • Purchase Orders (yes/no) • Organization Structure (yes/no) • Inventory (yes/no) • Cash Management (yes/no) • Customer Management (yes/no)		

No	Task	Deliverables	Person in Charge	Done
6	**Define Time and Expenses integration**	Make decision on debit account and subaccount used for employee and equipment timesheets: • Expense Account Source: Labor Class, Employee, Project, Task • Expense Subaccount combination (for each segment): Labor Class, Employee, Project, Task		
7	**Define account groups**	Analyse transaction processing and reporting of the Projects module, and design account groups: • Account Group ID • Type (Assets, Liability, Income, Expense, Off-Balance) • Description • List of General Ledger accounts • Custom attribute values		

8	**Define allocation and billing Rates**	Design rate codes to hold your allocation and billing rates.
		For each code, write down the following details
		• Rate Code
		• Description
		• Lookup Rules (for each customer price class)
		  • Sequence number
		  • Account Group (yes/no)
		  • Project (yes/no)
		  • Task (yes/no)
		  • Employee (yes/no)
		  • Inventory (yes/no)
		  • Description
		  • Rate Table
		  • Rate
		  • list of applicable Account Groups, Projects, Tasks, Employees, Inventory items, according to defined parameters of the lookup rule sequence.		

9	**Design allocation & billing rules**	Analyse your business needs and practices and design your own allocation and billing rules. For each rule, write down the definition: • Rule ID • Description • ***Allocation Rule steps*** • Step ID		

No	Task	Deliverables	Person in Charge	Done
		• Description • Sum (yes/no) • Post (yes/no) • Rate Code ID • Formulas for Quantity, Billable Quantity, Amount, Description of allocation transaction. • Range Start/End (for *sum* step only) • Account Group From/To (for *non-sum* step only) • Method (Budget/Transaction) • Update GL (yes/no) • Debit of allocation transaction: Project, Task, Account Group, Account, Subaccount • Credit of allocation transaction: Project, Task, Account Group, Account, Subaccount • Grouping (Full Detail or any combination of by Item/by Employee/ by Date/by Vendor) • Allocation to include Non-Billable transactions (yes/no), Zero Amount (yes/no), Zero Quantity (yes/no) • Copy Notes (yes/no) • Reverse: On Invoice Release, On Project Billing, Never • ***Billing Rule steps*** • Account Group - source of billable amounts • Invoice Description • Settings for Accounts Receivable invoice revenue account: Account Source, Subaccount Mask, Account, Subaccount • Include Non-Billable transactions (yes/no) • Limit billed Quantity (yes/no) • Limit billed Amount (yes/no) • Limits Account Group - source of amount/quantity limits • WIP Account Group • Copy Notes (yes/no)		

No	Task	Deliverables	Person in Charge	Done

10	**Collect project information**	Analyse your business needs and practices and design your own allocation and billing rules. For each rule, write down the definition:
		• Project ID
		• Customer ID (blank for non-billable internal projects)
		• Project Description
		• Default Account and Default Subaccount of the project
		• Planned project Start Date and End Date
		• Project Allocation and Billing Rule, and Next Billing Date
		• Whether project transaction should be automatically allocated
		• Whether project invoices should be automatically released
		• Modules the project can be used in: General Ledger, Accounts Payable, Accounts Receivable, Sales Orders, Purchase Orders, Time and Expenses, Inventory, Cash Management, Customer Management
		• Optional list of employees assigned to the project, and whether only these employees are allowed for the project transactions. Indicate whether the employees should use different labour class and overtime labor class for the project than those in employee master record.
		• Optional list of equipment assigned to the project, and whether only the listed equipment is allowed for the project transactions.
		• Owner ID and Workgroup ID of the project, if applicable.
		• List of *Project Tasks*, indicating for each task:
		  • Task ID
		  • Task Description
		  • Customer Location
		  • Price Class
		  • Billing Rule, if different from billing rule of the project
		  • Planned task Start Date and End Date
		  • Default Account and Default Subaccount of the task		

No	Task	Deliverables	Person in Charge	Done
		• When the task should be billed: By Billing Period of the project, By Task Completion, or By Project Completion • Modules the task can be used in: General Ledger, Accounts Payable, Accounts Receivable, Sales Orders, Purchase Orders, Time and Expenses, Inventory, Cash Management, Customer Management • Owner ID and Workgroup ID of the task, if applicable. • Task Budget split by account group • If you plan to use project with Sales Orders module, indicate which tasks should freight and document discount posting		

Project Configuration Checklist

No	Task / Form	Data Maintained	Person in Charge	Done
1	**Define auto-numbering sequences:** ***Configuration > Common Settings > Common Settings > Numbering Sequences (CS.20.10.10)***	Create numbering sequences for: • Project batches (if not shared with other modules) • Project transactions (pre-defined sequence *PMTRAN*) • auto-numbering segment of the *PROJECT* segmented key (if needed).		
2	**Define structure of project identifiers:** ***Configuration > Common Settings > Segmented Keys > Segmented Keys (CS.20.20.00)***	Define segmented structure of the following keys: • *PROJECT* • *PROTASK* • *ACCGROUP*		
3	**Maintain valid values for validated segments:** ***Configuration > Common Settings > Segmented Keys > Segment Values (CS.20.30.00)***	Enter permitted values for validated segments of the following keys: • *PROJECT* • *PROTASK* • *ACCGROUP*		

No	Task / Form	Data Maintained	Person in Charge	Done
4	**Configure project preferences:** ***Organization > Projects > Configuration > Setup > Project Preferences (PM.10.10.00)***	Configure global project preferences: • *Active* • *Batch Numbering Sequence* • *Transaction Numbering Sequence* • *Non-Project Code* • *Automatically Post on Release* • *Automatically Release Allocation* • *Visibility Settings* • *Expense Account Source* and *Expense Subaccount* combination for Time and Expenses time sheets.		
5	**Create account groups:** ***Organization > Projects > Configuration > Setup > Account Groups (PM.20.10.00)***	Create account groups and assign General Ledger accounts to them as planned.		
6	**Create rates codes:** ***Organization > Projects > Configuration > Setup > Rate Types (PM.20.41.00)***	Create planned rate codes.		
7	**Create rate lookup rules:** ***Organization > Projects > Configuration > Setup > Rate Lookup Rules (PM.20.50.00)***	Maintain lookup rules for the created rate codes.		
8	**Maintain rate tables:** ***Organization > Projects > Work Area > Manage > Rate Tables (PM.20.60.00)***	Maintain current allocation and billing rate values in the defined rate tables.		
9	**Create allocation and billing rules:** ***Organization > Projects >***	Create planned Allocation and Billing Rules.		

No	Task / Form	Data Maintained	Person in Charge	Done
	Configuration > Setup > Allocation and Billing Rules (PM.20.70.00)			
10	**Create projects:** ***Organization > Projects > Work Area > Manage > Projects (PM.30.10.00)***	Create project master records. You can also create project tasks at the same time.		
11	**Create or update project:** ***Organization > Projects > Work Area > Manage > Project Tasks (PM.30.30.00)***	Create project tasks. If tasks are created in step 10, review task visibility and maintain task budget.		

Projects Allocation and Billing Rate Examples

This section provides some examples of rates configuration in the Projects module. All examples assume *DEFAULT* customer price.

The Simplest Rate

In this example, we will use rate code **LABORATE** designed to hold labor billing rates. The simplest Rate Lookup Rule would look as follows:

Sequence	Account Group	Project	Task	Inventory	Employee	Description
999	Off	Off	Off	Off	Off	Default

All options (**Account Group**, **Project**, **Task**, **Inventory**, **Employee**) that control applicability of the rule to allocated transaction, are deselected. This means that rule apply to all transactions without exception. The simplest Rate Tables is

Sequence	Start Date	End Date	Rate
999	1 Feb 2006		100.00

Blank end date indicates that all transactions on and after 1 February 2006 will be billed at $100/hour.

Rate itself does not know anything about unit of measures or type of the transaction. If misused, it may charge $100 per box of chocolates, or multiply $500 of air ticket cost by 100. *Allocation Rule* that uses the rate code, should specify labor expense account category explicitly to ensure that only labor transactions are selected for allocation with such rate code.

Transaction-type Sensitive Rate

The rate definition can be modified to avoid the above-mentioned problem, and to apply it only to labor transactions:

Sequence	Account Group	Project	Task	Inventory	Employee	Description
999	**On**	Off	Off	Off	Off	Default

Now options **Account Group** is selected and we need to provide one or few account groups in the rate table:

Sequence	Account Groups	Start Date	End Date	Rate
999	LABOR	1 Feb 2006		100.00

The rule will be checked against account group of the allocated transaction, and if it is also *LABOR*, the rate of $100 will be applied. We can be sure now that we do not bill our customers hundred-fold for travel expenses.

Non-labor transactions will get no rate from such table. To avoid errors during allocation, *Allocation Rule* that uses the rate code, has to pre-filter labor transactions still.

Improved Rate

The rate definition can be further improved to protect against possible misconfiguration in Allocation Rules:

Sequence	Account Group	Project	Task	Inventory	Employee	Description
900	**On**	Off	Off	Off	Off	Labor Default
999	Off	Off	Off	Off	Off	Default

Two sequences require two rate tables:

Sequence	Account Groups	Start Date	End Date	Rate
900	LABOR	1 Feb 2006		100.00
999		1 Feb 2006		0.00

Allocation will search rate table from top. All labor transactions will be "captured" in step **900** and billed at $100/hour. Non-labor transaction will fall through to rule **999** and will be zeroed.

Extended Definition

The rate definition can be extended to bill differently for different qualification of employees:

Sequence	Account Group	Project	Task	Inventory	Employee	Description
800	**On**	Off	Off	Off	**On**	Project management
810	**On**	Off	Off	Off	**On**	Senior consultants
820	**On**	Off	Off	Off	**On**	Junior consultants
900	**On**	Off	Off	Off	Off	Labor Default
999	Off	Off	Off	Off	Off	Default

The first three rules have options **Employee** on. This means that they apply only to transactions with Employee ID from the attached employee list. If Employee ID is different, the rule is skipped and the

next rule is tried. Note that although all first three rules have the same setting - apply per **Account Group** and **Employee** - they are not identical: each rule has different list of employees (see below). The last two rules remain unchanged. They work as "trap" for all transactions that fail all previous rules and reach the end of the table. The Rate Tables are extended:

Sequen	Account Groups	Employees	Start Date	End Date	Rate
800	LABOR	EP00000001 EP00000002	1 Feb 2006		150.00
810	LABOR	EP00000006 EP00000007	1 Feb 2006	31 Jan 2012	120.00
			1 Feb 2012		130.00
820	LABOR	EP00000009 EP00000010	1 Feb 2006	31 Jan 2010	120.00
			1 Feb 2010		125.00
900	LABOR		1 Feb 2006	31 Jan 2008	100.00
			1 Feb 2008	31 Jan 2010	105.00
			1 Feb 2010	31 Jan 2012	110.00
			1 Feb 2012		115.00
999			1 Feb 2006		0.00

Following examples demonstrate how the rule works:

- Transaction with account group *LABOR* and employee ID *EP00000001* is "caught" by rule **800** and is allocated with rate $150/hour.
- Transaction with account group *LABOR* and employee ID *EP00000006* fails rule **800** (employee *EP00000006* is not in the list). The search continues with rule **810**. This rule fits to transaction. The rate in rule **810** is time sensitive: if allocation is run before 1 Feb 2012, the billing rate is $120/hour; after 1 Feb 2012, work of the same employee is invoiced at $130/hour.
- Transaction with account group *LABOR* and employee ID *EP00000008* fails rule **800**. Sequentially, it tries and fails rules 810 and 820. Finally, it tries rule 900 which applies to all LABOR transactions regardless of employee. The allocated transaction gets its billing rate from this rule:
    - if allocation is done before 1 Feb 2008, employee time is billed at $100/hour.
    - if allocation is done between 1 Feb 2008 and 1 Feb 2010, employee time is billed at $105/hour.
    - if allocation is done between 1 Feb 2010 and 1 Feb 2012, employee time is billed at $110/hour.
    - if allocation is done after 1 Feb 2012, employee time is billed at $115/hour.
- Transaction with account group *TRAVEL* and employee ID *EP00000001* fails rule **800** (it has "wrong" account category). Sequentially, it tries and fails rules **810**, **820**, **900**. Finally rule **999** applies zero rate to it.

Note that sequence numbers have big gaps: 800-810-820-900-999. This is done intentionally, to simplify insertion of new rules, should they be needed. For example, time of employee EP00000008 should be billed with special rate, you can easily add rule with sequence number 815.

Further Extension

The rate definition can also be extended to bill differently for different projects (while keeping different employee rates):

Sequence	Account Group	Project	Task	Inventory	Employee	Description
700	**On**	**On**	Off	Off	**On**	Special project management
710	**On**	**On**	Off	Off	**On**	Special senior consultants
720	**On**	**On**	Off	Off	**On**	Special junior consultants
790	**On**	**On**	Off	Off	Off	Special labor default
800	**On**	Off	Off	Off	**On**	Project management
810	**On**	Off	Off	Off	**On**	Senior consultants
820	**On**	Off	Off	Off	**On**	Junior consultants
900	**On**	Off	Off	Off	Off	Labor Default
999	Off	Off	Off	Off	Off	Default

The Rate Table

Seque	Account Groups	Project	Employees	Start Date	End Date	Rate
700	LABOR	TM00000001	EP00000001 EP00000002	1 Feb 2006		250.00
710	LABOR	TM00000001	EP00000006 EP00000007	1 Feb 2006		200.00
720	LABOR	TM00000001	EP00000009 EP00000010	1 Feb 2006		175.00
790	LABOR	TM00000001		1 Feb 2006		125.00
800	LABOR		EP00000001 EP00000002	1 Feb 2006		150.00
810	LABOR		EP00000006 EP00000007	1 Feb 2006	31 Jan 2012	120.00
				1 Feb 2012		130.00
820	LABOR		EP00000009 EP00000010	1 Feb 2006	31 Jan 2010	120.00
				1 Feb 2010		125.00
900	LABOR			1 Feb 2006	31 Jan 2008	100.00
				1 Feb 2008	31 Jan 2010	105.00
				1 Feb 2010	31 Jan 2012	110.00
				1 Feb 2012		115.00
999				1 Feb 2006		0.00

Rules **700**, **710**, **720**, and **790** define special labor billing rate for project *TM00000001*: if employee *EP00000006* works in this project, his time is billed to customer at $200/hour (rule **710**). But his work in project *CP00000005* will be billed at $120/hour (rule **820**).

Project Allocation and Billing Rules Examples

This section provides some examples of allocation and billing rules in the Projects module.

Budget-based Allocations

The FPCPU, FPCPP, FPPCR, and FPPCU rules all use the allocation method *Budget* and are designed for fixed-price projects. These projects calculate the billable amount based on the percent complete of the job done. Actual billing can be ongoing, when the task is finished, or when the whole project is finished, depending on the project task setting.

Rule FPCPU

The rule is designed for fixed price projects that update General Ledger only through invoicing; between the billings, the project displays unbilled amounts as unrecognized revenue. The method is *Budget*.

Allocation Rules

Step	Description	Sum	Post	Description Formula	Account Group	Update GL	Debit Account Group	Credit Account Group
10	PTD revenue (unrecognized)	OFF	ON	='Unrecognized revenue'	CONTRACT	OFF	NO DEBIT	Replace with UNRECREV

Billing Rules

Account Group	Invoice Description	Account	Subaccount	Include Non-Billable	Limit Qty	Limit Amoun	Max. Limits Account Group
UNRECREV	Project billing	408000	00-00-00-00-000	OFF	OFF	ON	CONTRACT

A project that uses this rule is expected to have the off-balance account group *CONTRACT*; the budget of this group holds the contract amount, which is the maximum amount that you can bill to the customer. The total contract amount can be split among tasks, and each task will have its budget for account group *CONTRACT*. Alternatively, you can create a special task that does not accept transactions from any module, but it holds the contract amount and is used in allocation and billing. All other tasks will have no budget for the account group *CONTRACT*.

The allocation rule calculates the billable amount as **CONTRACT budget * percent complete of the task - previous billable amounts**. The calculated amount is posted as a single-sided transaction and shown only in Projects. Single-sided transactions cannot be posted to the General Ledger. The General Ledger is updated by the billing rule, which:

- Generates an invoice for the amount calculated by the allocation rule. Note that the billing account group *UNRECREV* is the same as the **credit** account group in the allocation rule.
- Reverses allocation transactions used as a billing source: account group *UNRECREV* should have a zero balance after the billing. The reversal transaction is a Projects transaction, which should be released to update the *UNRECREV* balance.

The total billable amount is limited by the budget of account category *CONTRACT*.

A single-sided, budget-based credit allocation is the only case when a credit setting of the allocation rule is used in the billing rule. In all other cases, debit setting should be used.

Rule FPCPP

This rule is designed for fixed-price projects that update the General Ledger with unrecognized revenue. The revenue is recognized during billing. The method is *Budget*.

Allocation Rules

Step	Descr.	Sum	Post	Descr. Formula	Account Group	Update GL	Debit	Credit
10	PTD revenue	OFF	ON	='Billable amount'	CONTRACT	ON	Account[1]: Replace with 111100 Subacct mask[2]: AA-AA-AA-AA-AAA Subaccount: 00-00-00-00-000	Account[1]: Replace with 220000 Subacct mask[2]: AA-AA-AA-AA-AAA Subaccount: 00-00-00-00-000

[1] When the debit or credit account is changed, the debit or credit account group is automatically set to *From Account*

[2] Mask *AA* of the subaccount segment indicates that the segment should be taken from allocation rule. Other available masks are:

- *PP*: The default subaccount of the project
- *SS*: The source transaction
- *TT*: The default subaccount of the task

Billing Rules

Account Group	Invoice Description	Account	Subaccount	Include Non-Billable	Limit Qty	Limit Amount	Max. Limits Account Group
UNBILLED	Project billing	408000	00-00-00-00-000	OFF	OFF	ON	CONTRACT

Unlike FPCPU, allocation rule FPCPP updates the General Ledger with the amount of unrecognized revenue; therefore, it has both debit and credit settings. Note that the billing account group *UNBILLED* is the group of the **debit** account *111100*. As in the previous rule, FPCPP billing reverses allocation transactions used as the billing source. But in this case, reversal transactions are invisibly "attached" to the Accounts Receivable invoice and do not require a separate release.

Rule FPPCR

This rule is designed for fixed-price projects that update the General Ledger with recognized revenue even between invoicing.

Allocation Rules

Step	Descr.	Sum	Post	Description Formula	Account Group	Metho	Update GL	Debit	Credit
10	PTD revenue	OFF	ON	= 'Recognized revenue'	REVENUE	Budget	ON	Account: Replace with 111100 Subacct mask: AA-AA-	Account: Replace with 403000 Subacct mask: AA-AA-

Step	Descr.	Sum	Post	Description Formula	Account Group	Metho	Update GL	Debit	Credit
								AA-AA-AAA Subaccount: 00-00-00-00-000	AA-AA-AAA Subaccount: 00-00-00-00-000

Billing Rules

Account Group	Invoice Descr.	Account	Subaccount	Include Non-Billable	Limit Qty	Limit Amoun	Max. Limits Account Group
UNBILLED	Project billing	403000	00-00-00-00-000	OFF	OFF	ON	REVENUE

Allocation rule FPPCR is different from FPCPP in that it updates the General Ledger with the amount of recognized revenue, so that the Profit and Loss report will show project revenue even before the Accounts Receivable invoice is generated. The billing rule reverses the allocation posting and re-posts revenue to the same account *403000* so that the revenue balance is not affected by the billing and effectively, invoice amounts are posted from the unbilled Accounts Receivable account *111100* to the Accounts Receivable account (as defined in customer master record).

Rule FPPCU

The rule is designed for fixed-price projects that update the General Ledger only through invoicing; between the billings, the project displays unbilled amount and unrecognized revenue separately. The method is *Budget*.

Allocation Rules

Step	Descr.	Sum	Post	Descr. Formula	Account Group	Updat GL	Debit Account Group	Credit Account Group
10	Allocate billable amount	OFF	ON	='Project revenue'	REVENUE	OFF	Replace with UNBILLED	Replace with UNRECREV

Billing Rules

Account Group	Invoice Descr.	Account	Subaccount	Include Non-Billable	Limit Qty	Limit Amount	Max. Limits Account Group
UNBILLED	Project billing	403000	00-00-00-00-000	OFF	OFF	ON	REVENUE

The FPPCU rule is very similar to FPCPU, except that it generates a double-sided allocation transaction (which has both debit and credit). Respectively, the billing rule uses the **debit** account group.

Transaction-based Allocations

The following rules use the allocation method *Transaction* (for presentation purposes, the method is not shown in the tables below) and are designed for time-and-material projects and for cost-plus projects.

Rule TMR

This rule is designed for simple time-and-material projects that recognize revenue during allocation and post it to the General Ledger.

Allocation Rules

Settings	Step 10	Step 20	Step 30	Step 40
Description	Calculate billable labor	Calculate billable material	Re-invoice subcontractors	Re-invoice travel expenses
Sum	OFF	OFF	OFF	OFF
Post	ON	ON	ON	ON
Rate Code	LABORATE	BILLINRATE	BILLINRATE	
Qty Formula	`=[PMTran. Qty]`	`=[PMTran. Qty]`	=0	=0
Billable Qty Formula	`=[PMTran. BillableQty]`	`=[PMTran. BillableQty]`	=0	=0
Amount Formula	`=[PMTran. BillableQty] * @Rate`	`=[PMTran. Amount] * @Rate`	`=[PMTran. Amount] * @Rate`	`=[PMTran. Amount]`
Description Formula	`=IsNull([EPEmployee. AcctName, [PMTran. Description])`	`=IsNull ([InventoryItem. Descr], [PMTran. Description])`	`= IsNull ([Vendor. AcctName], [PMTran. Description])`	`=[PMTran. Description]`
Account Group	LABOR	MATERIAL	SUBCON	TRAVEL
Update GL	ON	ON	ON	ON
Debit Account	Replace with 111100	Replace with 111100	Replace with 111100	Replace with 111100
Credit Account	Replace with 403000	Replace with 401000	Replace with 408000	Replace with 408000
Groups by	by Employee	by Item	by Vendor	Full detail

Billing Rules

Account Group	Invoice Description	Account	Subaccount	Include Non-Billable	Limit Qty	Limit Amount
UNBILLED	Project billing	408000	00-00-00-00-000	OFF	OFF	OFF

Step 10 of the allocation rule calculates billable labor by using the billing hourly rate *LABORATE*. Steps 20-40 mark up non-labor expenses by multiplying them by the factor *MATERATE*. Although *LABORATE* and *MATERATE* are both maintained as rate codes, their usage is different: hourly rate and mark-up factor. Note description formulas, e.g. `=IsNull([InventoryItem.Descr], [PMTran.Description])`. If the original transaction has an inventory ID, the allocation transaction will use the description of the inventory item. Otherwise, the original transaction description will be copied. The **Grouping** option "compresses" original transactions into fewer allocation transactions according to their nature: labor expenses are grouped by employee, material expenses are grouped by inventory item, and subcontractor expenses are grouped by vendor. Travel expenses are not grouped.

Rule TMU

This rule is designed for simple time-and-material projects that recognize revenue during billing; unrecognized revenue is shown in Projects but is not posted to General Ledger.

Allocation Rules

Settings	Step 10	Step 20	Step 30	Step 40
Description	Revenue on labor	Revenue on material	Revenue on subcontractors	Re-invoice travel expenses
Sum	OFF	OFF	OFF	OFF
Post	ON	ON	ON	ON
Rate Code	LABORATE	BILLINRATE	BILLINRATE	
Qty Formula	`= -[PMTran.Qty]`	`= -[PMTran.Qty]`	=0	=0
Billable Qty Formula	`= -[PMTran.BillableQty]`	`= -[PMTran.BillableQty]`	=0	=0
Amount Formula	`= -[PMTran.BillableQty] * @Rate`	`= -[PMTran.Amount] * @Rate`	`= -[PMTran.Amount] * @Rate`	`= -[PMTran.Amount]`
Description Formula	`=[EPEmployee.AcctName]`	`=[InventoryItem.Descr]`	`=[Vendor.AcctName]`	`=[PMTran.Description]`
Account Group	LABOR	MATERIAL	SUBCON	TRAVEL
Update GL	OFF	OFF	OFF	OFF
Debit Account	Replace with UNRECREV	Replace with UNRECREV	Replace with UNRECREV	Replace with UNRECREV
Credit Account	NO CREDIT	NO CREDIT	NO CREDIT	NO CREDIT

Billing Rules

Account Group	Invoice Description	Account	Subaccount	Include Non-Billable	Limit Qty	Limit Amount
UNRECREV	Project billing	408000	00-00-00-00-000	OFF	OFF	OFF

The allocation rule generates single-sided transactions to update unrecognized revenue.

Note the negative sign in quantity and amount formulas. Single-sided credit is allowed only for budget-based allocations. Transaction-based allocation can create only single-sided debit transactions. To ensure that the liability account group *UNRECREV* (**credit** type) is updated correctly by the **debit** transaction, the transaction amount must be **negative**.

Rule TMSUM

This time-and-material rule demonstrates the use of the *Sum* function in allocation.

Allocation Rules

Settings	Step 20	Step 30	Step 40	Step 100	Step 110
Description	Select material	Select sub-contractors	Select travel	Bill labor	Bill other
Sum	OFF	OFF	OFF	OFF	ON
Post	OFF	OFF	OFF	ON	ON
Rate Code				LABORATE	BILLINRATE
Qty Formula				`=[PMTran.Qty]`	
Billable Qty Formula				`=[PMTran.BillableQty]`	
Amount Formula				`=[PMTran.Amount] *@Rate`	`=[PMTran.Amount] * @Rate`
Description Formula				='Billable labor'	='Billable material'
Account Group	MATERIAL	SUBCON	TRAVEL	LABOR	
Range					From **10** To **90**
Update GL	OFF	OFF	OFF	OFF	OFF
Debit Account Group				Replace with UNBILLEDHR	Replace with UNBILLED
Credit Account Group				Replace with UNRECREV	Replace with UNRECREV

Billing Rules

Account Group	Invoice Description	Account	Subaccount	Include Non-Billable	Limit Qty	Limit Amount
UNBILLEDHR	Project billing	403000	00-00-00-00-000	OFF	OFF	OFF
UNBILLED	Project billing	408000	00-00-00-00-000	OFF	OFF	OFF

Steps 20-40 of the allocation rule do not allocate expenses or calculate billable amounts; they only select transactions from respective account groups for further processing in Step 110. Step 100 is regular allocation step that calculates billable labor and posts it to the *UNBILLEDHR* account group. Step 110 does not select original transactions directly (its **Account Group** is blank) but takes input from previous steps (the **Range From/To** column). Note that the debit account groups in Step 100 and Step 110 are different. This allows you to bill them differently: The billing rule credits labor revenue to account *403000*, while other project revenues are credited to account *408000*. Both billing rules have the same invoice description *Project billing* so that each billing run will generate one invoice. To invoice labor separately from other charges, use a different **Invoice Description** in the billing rules.

Rule CPINT

This rule is designed for internal cost-plus projects that allocate indirect expenses and do not generate billable revenue.

Allocation Rules

Settings	Step 10	Step 20	Step 30	Step 40
Description	Burden on labor	Burden on material	Burden on subcontractors	Burden on travel
Sum	OFF	OFF	OFF	OFF
Post	ON	ON	ON	ON
Rate Code	BURDENRATE	BURDENRATE	BURDENRATE	BURDENRATE
Qty Formula	`=[PMTran. Qty]`	=0	=0	=0
Billable Qty Formula	`=[PMTran. BillableQty]`	=0	=0	=0
Amount Formula	`=[PMTran. Amount] *@Rate`	`=[PMTran. Amount] *@Rate`	`=[PMTran. Amount] *@Rate`	`=[PMTran. Amount] *@Rate`
Description Formula	= 'Burden on labor'	= 'Burden on material'	= 'Burden on sub-contractors'	= 'Other burdens'
Account Group	LABOR	MATERIAL	SUBCON	TRAVEL
Update GL	OFF	OFF	OFF	OFF
Debit Account Group	BURDEN	BURDEN	BURDEN	BURDEN
Credit Account Group	NO CREDIT	NO CREDIT	NO CREDIT	NO CREDIT

Steps 10-40 of the allocation rule calculate the project burden as a certain percentage of the direct costs. The calculated burden is not posted to General Ledger: actual indirect costs are posted in Accounts Payable or General Ledger as non-project transactions; the project allocation is designed to enable Projects reports to show the estimated project burden. This rule has no billing steps. It is designed for internal projects that have no customers to bill.

Rule CPSUM

The rule is designed for billable cost-plus projects and demonstrates the *Sum* allocation function.

Allocation Rules

Settings	Step 10	Step 20	Step 30	Step 40	Step 100	Step 110
Description	Select labor	Select material	Select subcontractors	Select travel	Calculate burden	Calculate billable
Sum	OFF	OFF	OFF	OFF	ON	ON
Post	OFF	OFF	OFF	OFF	ON	ON
Rate Code					BURDENRATE	BILLINRATE

Settings	Step 10	Step 20	Step 30	Step 40	Step 100	Step 110
Qty Formula					=[PMTran. Qty]	=[PMTran. Qty]
Billable Qty Formula					=[PMTran. BillableQty]	=[PMTran. BillableQty]
Amount Formula					=[PMTran. Amount] *@Rate	=[PMTran. Amount] *@Rate
Description Formula					='Project burden'	='Project billable'
Account Group	LABOR	MATERIAL	SUBCON	TRAVEL		
Range					From **10** To **90**	From **10** To **90**
Update GL	OFF	OFF	OFF	OFF	OFF	ON
Debit					Account Group BURDEN	Account 111100
Credit					Account Group NO CREDIT	Account 408000

Billing Rules

Account Group	Invoice Description	Account	Subaccount	Include Non-Billable	Limit Qty	Limit Amount
UNBILLED	Project billing	408000	00-00-00-00-000	OFF	OFF	OFF

Steps 10-40 of the allocation rule select original transactions from the respective account groups and keep them for further processing steps. Step 100 takes input from Steps 10-40, and calculates and posts the project burden without updating General Ledger. Step 110 takes the same input and calculates project revenue that is then invoiced by the billing rule.

Rule FPCOSTM

This rule is an example of a "mixed-method" rule: HR-related costs (labor and travel) are billed under a fixed-price scheme, while material subcontractor expenses are handled in a time-and-materials manner.

Allocation Rules

Settings	Step 10	Step 20	Step 30
Description	Calculate billable HR	Calculate billable material	Re-invoice subcontractors
Sum	OFF	OFF	OFF
Post	ON	OFF	ON
Rate Code		BILLINRATE	BILLINRATE
Qty Formula		=[PMTran. Qty]	=0

Settings	Step 10	Step 20	Step 30
Billable Qty Formula		=[PMTran. BillableQty]	=0
Amount Formula		=[PMTran. Amount] * @Rate	=[PMTran. Amount] * @Rate
Description Formula	= 'Unrecognized revenue'	= IsNull ([InventoryItem. Descr], [PMTran. Description])	= IsNull ([Vendor. AcctName], [PMTran. Description])
Account Group	CONTRACT	MATERIAL	SUBCON
Method	Budget	Transaction	Transaction
Update GL	OFF	OFF	ON
Debit Account Group	UNBILLEDHR	UNBILLED	UNBILLED
Credit Account Group	UNRECREV	UNRECREV	UNRECREV

Billing Rules

Account Group	Invoice Description	Account	Subaccount	Include Non-Billable	Limit Qty	Limit Amount	Max. Limits Account Group
UNBILLEDHR	Project billing	403000	00-00-00-00-000	OFF	OFF	ON	CONTRACT
UNBILLED	Project billing	408000	00-00-00-00-000	OFF	OFF	OFF	