



JD Edwards

**INFOCUS**

DIVE DEEP

## How general ledger can improve sales and operational reporting

Presented by:

Craig Davied, Grant Thornton

Session ID

101070



## **Craig Davied**

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## **Education**

B.S. - Business Administration /

Finance

Kansas State University

## **Executive summary**

Craig is a Director with Grant Thornton in the Technology Transformation practice. He has over 20 years of consulting experience, across a diverse set of companies and industries. Craig's experiences include planning and program management of multi-faceted implementation projects, hands on management and implementation of ERP software packages, business process reengineering and system architecture design.

Prior to Grant Thornton, Craig was a founding member of MarketSphere's JD Edwards practice in 2002 and was responsible for managing and delivering projects, practice development, solution design and staff management. He has deep experience with the processes and configuration of the JDE Finance and Distribution modules, specifically with the General Ledger, Accounts Payable, Accounts Receivable, Job Cost, Contract Billing, Procurement / Subcontracts, Sales, Inventory, and Advanced Pricing. Craig also has experience with multiple releases of the software. Prior to joining Grant Thornton Consulting from MarketSphere, Craig was an experienced consultant in a "Big 5" consulting organization and has over 20 years of professional experience.

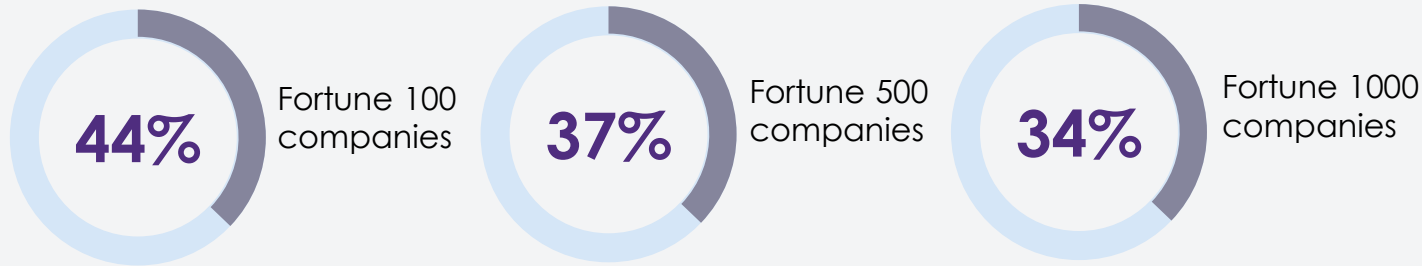
## **Industries**

- Consumer products
- Retail
- Metals and mining
- Mineral exploration drilling
- Construction
- Water management
- Aggregates
- Pet food/manufacturing
- Textiles
- Public utilities
- Inbound / outbound Transportation

# About Grant Thornton

**Thriving since 1924, our U.S. firm is people-focused and purpose-driven. We believe business should be more personal and that the strongest results start with trust.**

## Who we serve:



\* Statistics as of July 31, 2020



**\$1.92bn**  
in revenue



**8,459**  
people, including  
595 partners



**53**  
offices

# Our Oracle Practice



## ERP and SCM

Financials | Revenue management | Accounting hub | Project accounting | Risk management | Project execution  
Procurement | Inventory management | Cost management | Maintenance | Manufacturing | Order management | Product lifecycle and data management | Supply chain collaboration and planning



## EPM Analytics

Planning and budgeting | Profitability and cost management | Financial close and consolidation | Tax reporting and provisioning  
Management and operational analytics | Narrative reporting | Account reconciliation | Enterprise data management



## HCM

Culture journey | Talent acquisition | Workforce administration | Talent management | Workforce development  
Alumni network

**Data governance & cloud integration**

**PaaS**

**Solution delivery center (off-shore and on-shore)**

## Industries

Construction,  
Real Estate  
& Hospitality

Consumer  
And Industrial  
Products

Energy

Financial  
Services

Healthcare  
And Life  
Sciences

Not-For-Profit  
Organizations

Private Equity

Public Sector

Technology

Find your silver lining  
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# About Grant Thornton JDE

JD Edwards practice – 80+ dedicated professionals in U.S.

## Project management and functional expertise

- Specialized functional resources
- Project management office
- Implementations
- Upgrades
- Mobile applications
- Third party integration architecture
- Business process re-engineering
- Managed services (functional)
- User materials and training
- Financials
- Distribution
- Manufacturing
- HR / Payroll
- CAM
- Project advisory

## Technical

- CNC
- Development
- Workflow
- Security management
- Technical management
- Database management
- Infrastructure / hosting
- Managed services (technical)
- Private cloud
- Disaster recovery
- Security
- Development (FRICE)

## Trusted business advisor

- Gap assessment
- Transformation
- Industry point of view
- Proven methodologies
- Process excellence
- Benchmarking
- ERP governance
- Data governance
- Master data management
- Reporting strategy
- Change management
- Cloud roadmap / strategy
- FASB planning
- Chart of accounts optimization



### Oracle leadership

- The Leading Oracle Platinum Partner presenter at COLLABORATE, INFOCUS and OpenWorld conferences (more presentations than any other Platinum partner in the past 3 years)
- Featured in PROFIT magazine – JD Edwards Special Issue
- Teaming with JDE product development – we work with JD Edwards on enhancing the code base for customers (e.g. OneView Reporting, Revenue Recognition, Leasing Standards, Configurator)



### Experience and recognition

- More than 250 JD Edwards implementations and upgrades as a practice
- Over 20 implementations in the past 5 years
- Over 50 upgrades in the past 5 years
- 2017 JD Edwards Partner Excellence Award for **User Adoption**
- 2016 JD Edwards Partner Excellence Award for **Vertical Industries**
- Oracle JD Edwards recognized Grant Thornton with its 2014 and 2015 JD Edwards Partner Excellence Award for Outstanding **Upgrades**

# Agenda

## ■ Types of functionality to discuss:

- Business Unit Conceptual Design
- COA Conceptual Design
  - Objects
  - Subsidiaries
- Ledger Types
- Category Codes
- Subledgers
- Advanced Costing Types
- DMAAIs / Flex Accounting

# Companies

Company 00000 – Master Co.



Co. 100  
ABC



Co. 200  
DEF



Co. 300  
GHI



Co. 400  
JKL



Co. 500  
MNO

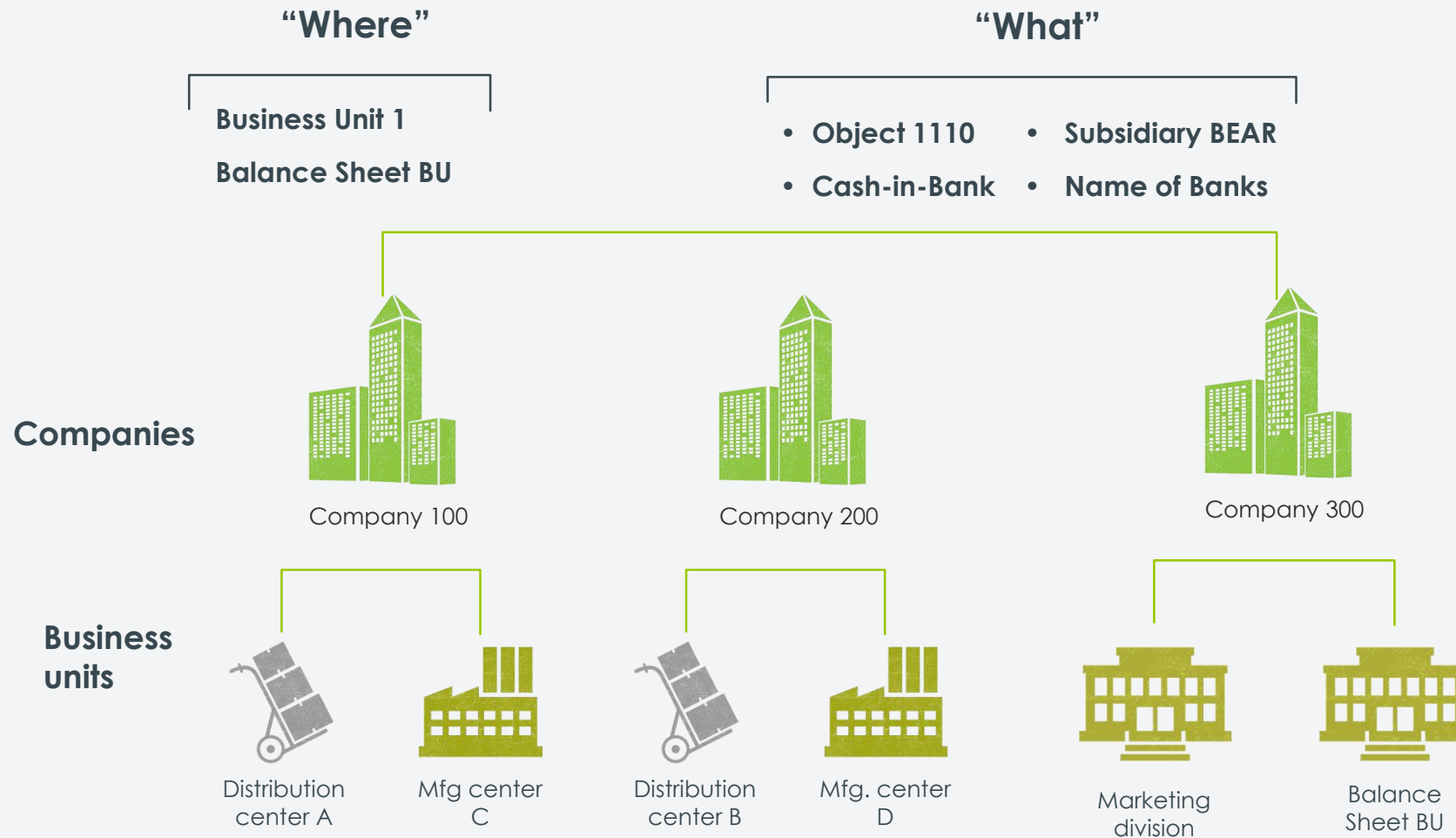
# Business Unit Conceptual Design

## ■ Example of Companies:

- 10 – ABC (00010)
- 15 – Polymer (00015)
- 20 – WEB (00020)
- 25 – Market / Logistics (00025)
- 30 – NFL (00030)
- 33 – WBD (00033)
- 40 – Minerals (00040)
- 45 – EFB (00045)
- 52 – Black Hawk (00052)
- 97 – Candy (00097)



# Business Unit Conceptual Design



# Business Unit Conceptual Design

## ■ Example of Locations:

- 10 – Aurora Falls
- 15 – Columbus
- 20 – Grand Junction
- 25 – Omaha
- 30 – Denver
- 35 – North Platte
- 40 – Bismarck
- 45 – Middleton
- 50 – Albany
- 55 – Gold Springs
- 60 – Rochester

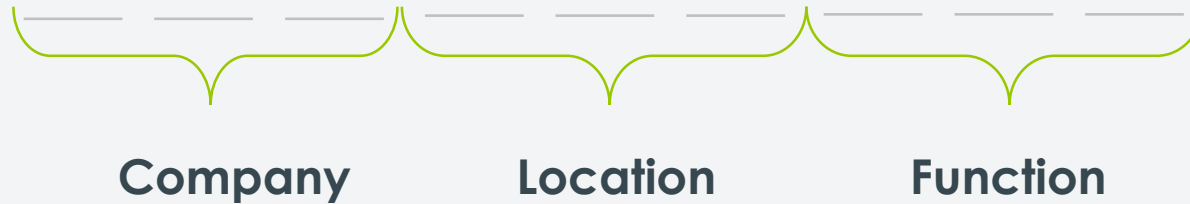
# Business Unit Conceptual Design

## ■ Example of Functions:

- 01 – Balance Sheet
- 10 – General and Administration
- 12 – Accounting and Finance
- 14 – Customer Service
- 16 – Human Resources
- 18 – Information Technology
- 20 – Marketing
- 24 – Sales
- 26 – Legal
- 28 – Corporate Development
- 32 – Account Management
- 34 – Operations
- 50 – Plant Specific Operations
- 52 – Plant Non-specific Operations
- 54 – Telecommunication Operations
- 55 – Sales and Service Operations
- 56 – Account Service Rep's
- 86 – Communication Assistants

# Business Unit Conceptual Design

- General Ledger Business Unit Structure
  - Up to 12 Position Field / Multiple Segment Options:



## ■ Company

- segment will be non leading zero values only

## ■ Location

- segment for locations; make sure to leave room for future growth
- would be able to have up to 999 different Locations for each company

## ■ Function

- segment for functions; make sure to leave room for future growth
- would be able to have up to 999 different Functions for each company

# Business Unit Conceptual Design

## ■ Types of Business Units:

- Balance Sheet (Assets, Liabilities, Retained Earnings) = **Company #**
- Income Statement (Revenue & Expense) = **Company, Location, Function**
- Warehouse/Location for PO Ship To = **Company, Location**

# CofA Conceptual Design

## ■ Account Ranges (Object Format)

- An object can be between 4-6 alphanumeric characters. Six is the maximum length and is recommended to allow for future growth.
- This field is required on G/L transactions.

Account Range	Description
100000-199999	Assets
200000-299999	Liabilities
300000-399999	Equity
400000-599999	Revenue
600000-799999	COGS
800000-899999	SG&A
990000-999999	Statistical

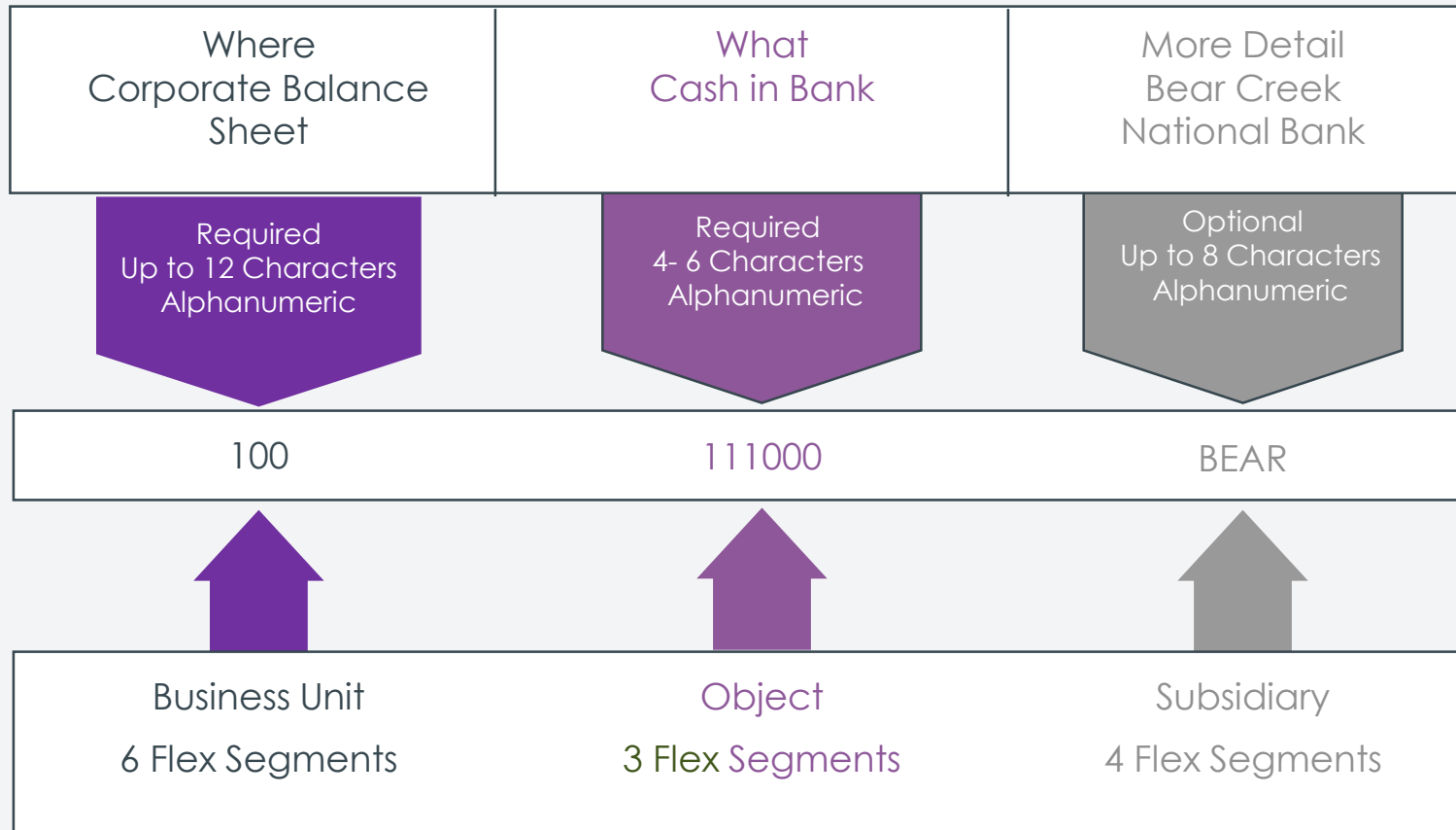
# CofA Conceptual Design

## ■ Subsidiary Format

- Subsidiaries can be up to 8 alphanumeric characters. They can vary in length between sections of the chart.
- This field is NOT required on G/L transactions; Only optional to provide additional detail if needed
- Account Level Category Codes are another option (discussed later in this presentation)

# CofA Conceptual Design

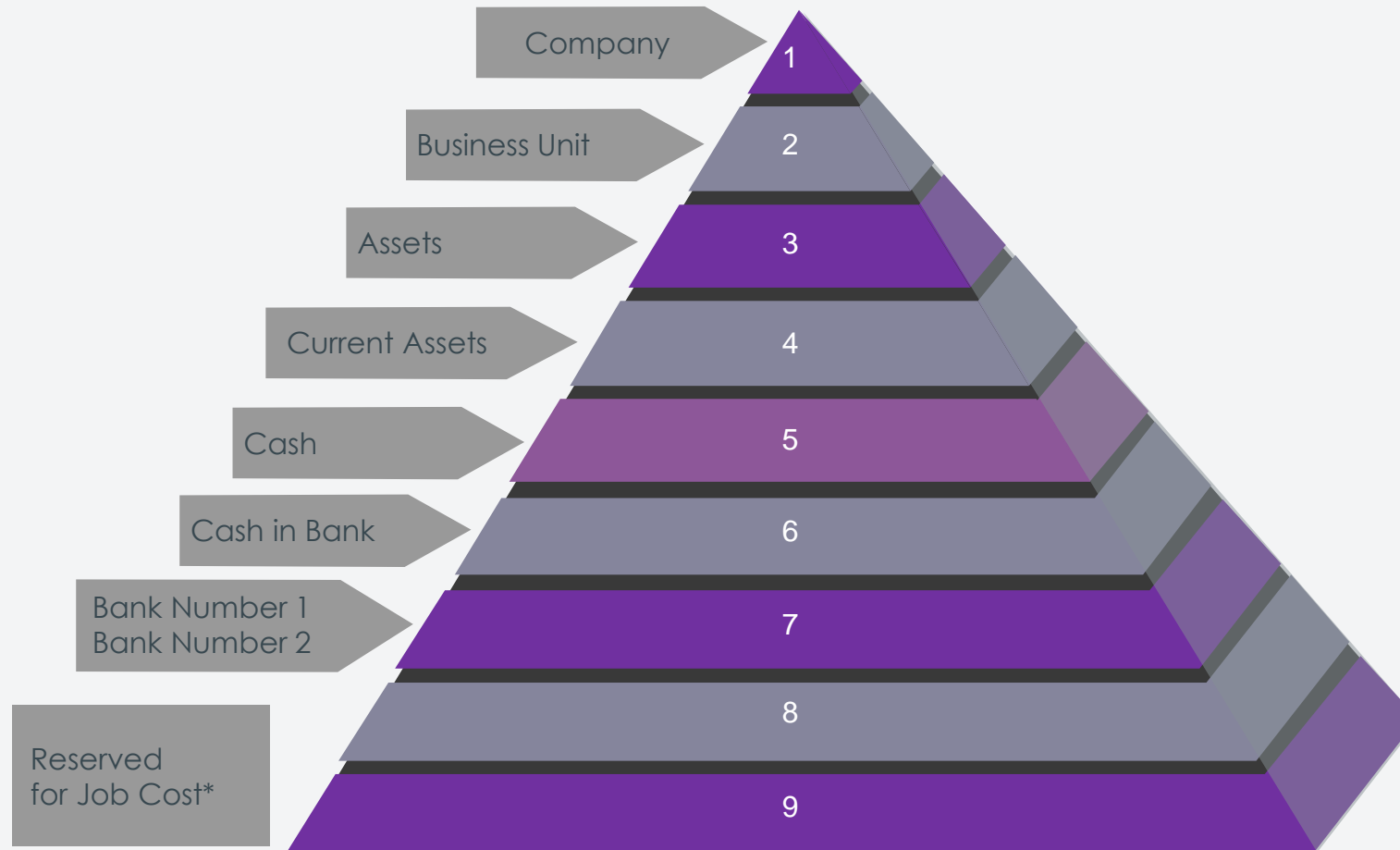
## ■ Business Units / Object / Subsidiary JDE Specifics:





# CofA Conceptual Design

## ■ Level of Detail: Reporting Hierarchy



# CofA Conceptual Design

## ■ Assigning Accounts to Business Units

<u>Account Groupings</u>	<u>Balance Sheet</u>	<u>Dist. Center A</u>	<u>Dist. Center B</u>	<u>Mfg. Center C</u>
Assets	X			
Liabilities	X			
Equity	X			
Revenue		X	X	
Cost of Sales		X	X	
Overhead Expenses		X	X	X
Administrative Expenses		X	X	X

Note: Accounts can be added by copying from one business unit to another to allow quick setup of new business units.

# CofA Conceptual Design

## ■ Example CofA Chart Structure – LOD 3 through 5

LOD	PEC	Object	Sub	Description	Comments
3	N	100000		Assets	
4	N	100100		Current Assets	
5	N	100200		Cash	
6	N	100300		External Cash	
7		100310		Cash in Bank - USD	
8		100310	XXX0001	Cash Bank Account 1	**Defined as Company # (XXX) and 4-digit Next Number
8		100310	XXX0002	Cash Bank Account 2	**Defined as Company # (XXX) and 4-digit Next Number
7		100320		Cash in Bank - EUR	
8		100320	XXX0001	Cash Bank Account 1	**Defined as Company # (XXX) and 4-digit Next Number
8		100320	XXX0002	Cash Bank Account 2	**Defined as Company # (XXX) and 4-digit Next Number
7		100400		Cash in Bank - German GAAP	
7		101000		Restricted Cash	
6	N	101010		Intercompany Cash	
5	N	120000		Accounts Receivable	
5	N	130000		Inventory	
5	N	140000		Prepays	
5	N	160000		Intercompany A/R	
5	N	170000		CIP	
5	N	180000		Furniture, Fixtures, Equipment	

# CofA Conceptual Design

## ■ Example CofA Chart Structure – LOD 3 through 5

LOD	PEC	Object	Sub	Description
3	N	200000		Liabilities
4	N	200100		Current Liabilities
5	N	200200		Accounts Payable
5	N	220000		A/P Accruals
5	N	240000		Taxes Payable
5	N	260000		Other Current Liabilities
4	N	280000		Long Term Liabilities
3	N	300000		Equity
4	N	301000		Retained Earnings
4	N	399999		YTD Income/Loss
3	N	400000		Income & Expense
4	N	400100		Sales Revenue
5	N	400200		General Sales
5	N	401000		Intercompany Sales
4	N	500000		Cost of Sales
5	N	500200		COS - General
5	N	501000		COS - Intercompany Sales
4	N	800000		Exempt Salaries
4	N	810000		Bonus
4	N	820000		Car Allowance
4	N	830000		FICA - Exempt
4	N	840000		Insurance
4	N	850000		Deferred Comp
4	N	860000		Employee Relations
3	N	990000		Statistical Accounts
4		990100		Headcount
4		990200		Forecasting Inputs

# Ledger Types

■ Some of the common ledger types include

- AA – Actual Amounts
- AU – Actual Units
- BA – Budget Amounts
- BU – Budget Units
- CA – Foreign Currency
- XA – Alternate Currency
- AC – Consolidation Amounts

# G/L Database Structure

■ The General Ledger system uses the following key tables:

Data Type	Data File	Description
Business Unit Master	F0006	<ul style="list-style-type: none"><li>- Stores B/U master info</li><li>- Category codes available</li></ul>
Account Master	F0901	<ul style="list-style-type: none"><li>- Stores cost code structure info</li><li>- Category codes available</li></ul>
Account Balances	F0902	<ul style="list-style-type: none"><li>- Stores account balance details related to the various ledgers associated with each account in your cost code structures</li><li>- Subledgers create separate records</li></ul>
Account Ledger	F0911	<ul style="list-style-type: none"><li>- Detail transactions for account balance amounts / quantity totals</li><li>- Advanced cost types are recorded</li></ul>

# Category Codes

## ■ Category codes... What are they?

- Can be attached to:
  - Business Units (i.e., type of business units, region, etc.)
  - G/L Account (i.e., type of account, reporting segmentations, etc.)
  - Address book records (i.e., to segment customers by region, salesman, or type)
  - Item Master/Branch (i.e., product classes, types of materials, etc.)
- Quantity and lengths:
  - Business Units – 40 3-position and 10 8-position alphanumeric fields
  - G/L Accounts – 20 3-position and 23 10-position fields (total 43)
  - Address Book – 30 3-position alphanumeric fields
  - Item Master / Branch – 13 3-position and 10 6-position alphanumeric fields

# Category Codes

## ■ Account Level Category Codes

- Used to group accounts for reporting purposes – such as Airfare, Office Supplies, statutory reporting, etc.
  - Standardization across zones is recommended
- Normally assigned to Object/Subs in Master Chart and copied to required Business Units. Can also be updated at the Master Chart level and exploded to BU's as needed
- Subsidiary usage can also be improved with the improvements designed for object accounts and account level category codes



# Category Codes

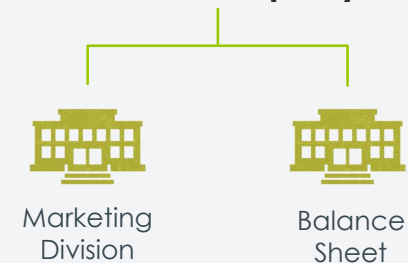
## Automotive Company



## Industrial Company



## Other Company



Category codes assigned to each business unit:

	<u>Distribution Center A</u>	<u>Mfg Center C</u>	<u>Distribution Center B</u>	<u>Mfg. Center C</u>	<u>Marketing Division</u>	<u>Balance Sheet</u>
<b>Product</b>	BK	BK	AC	RP		
<b>Region</b>	CE	CE	EC	WC		
<b>Division</b>	IT	FT	IT	IT	TY	

### Product

- BK = Bikes
- AC= Accessories
- RP = Repairs

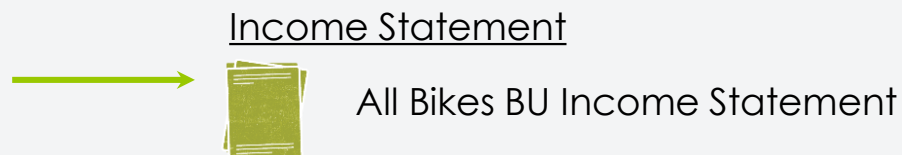
### Region

- CE = Central US
- EC = East Coast
- WC = West Coast

### Division

- IT = International
- TY = Toys
- FT = Fitness

Product = Bikes  
Category  
codes



Division = International  
Category  
codes



# Subledgers

## ■ Subledger Format

- Address book – 'A' subledger type
  - Opportunity to use for employee expense reporting
- Work order – 'W' subledger type
- Unassigned – 'X' subledger type
  - Vendor/Customer Name – change to 'A' type and leverage address book
  - Allocations "From" – change to 'C' type and leverage business units
  - Item category code – change to 'I' type and leverage all attributes of item master
  - Project Code – change to 'C' type and leverage job cost business units

Note: The Subledger field has a limit of 8 characters. Business Units > 8 characters will not populate correctly.

# Subledgers

- Question to answer: What information is necessary to analyze at the CoA account level vs. what transaction information is necessary for drill down purposes?

Subledger Level	Transaction Level
<ul style="list-style-type: none"><li>• Specific data attributes which can be incorporated into G/L CoA</li></ul>	<ul style="list-style-type: none"><li>• Subsystem transactions which update specific G/L CoA accounts</li></ul>
<ul style="list-style-type: none"><li>• Ability to track additional detail without adding more G/L accounts</li></ul>	<ul style="list-style-type: none"><li>• Ability to have individual transactions summarize at typical G/L account balance level</li></ul>
<ul style="list-style-type: none"><li>• Same level of detail within account balance analysis as typical cost code structures<ul style="list-style-type: none"><li>• Estimate to complete analysis</li></ul></li></ul>	<ul style="list-style-type: none"><li>• Summarized G/L account analysis<ul style="list-style-type: none"><li>• If limited/few transactions within each G/L account, question if structure is adequately proportioned</li></ul></li></ul>
<ul style="list-style-type: none"><li>• Account balance inquiry or Trial balance applications can summarize at the G/L account level or individual Subledger level</li></ul>	<ul style="list-style-type: none"><li>• Ability to drill into G/L accounts for transaction level of detail</li></ul>

# Advanced Cost Accounting

## ■ Cost Objects (Advanced Cost Accounting)

- Advanced Cost Accounting helps you identify which customers, products, activities, and internal processes add value—and which do not
- 4 cost type fields to utilize (item number takes the 5th)
- Typically track customer and/or product data in the cost objects
- Examples:
  - Departments
  - Types of services
  - Locations
  - Projects
- If any of these values can be derived from an account category code, then cost objects should not be used for this data

# Advanced Cost Accounting

Alternative to creating lots of detail in your CofA, but creates the ability to drive more detail into your General Ledger detail transactions.

- Advanced Cost Accounting (ACA) is also known as:
  - ABC - Activity-Based Costing
  - ACA - Advanced Cost Accounting (official name)
  - CMS - Cost or Profit Management System
  - EPS - Enterprise-wide Profitability Solution (original name)
  - System 16

# Advanced Cost Accounting

■ ACA integrates with the following modules

- General Accounting
- Accounts Payable
- Accounts Receivable
- Inventory Management
- Manufacturing Accounting
- Product Costing
- Procurement Management
- Sales Order Management
- Transportation Management

# Advanced Cost Accounting

## ■ Cost Objects (Advanced Cost Accounting)

- Things to consider:
  - Identify transactions that require additional data
    - Financial (A/R, A/P, G/L)
    - Procurement
    - Sales
    - Transportation
  - Common data points to track
    - Customer attributes (Customer number, Region, Sales Territory)
    - Product attributes (Product Line, Product Number)
  - Guiding principle is to directly link financial transactions (F0911) to specific customers and products for additional reporting/analysis

# Advanced Cost Accounting

- The Cost Management Constants (P1609) off menu G1641 controls how the system should process information.
  - Flex Accounting rules will be setup to determine how to populate the cost object fields when creating Journal Entries.

Note: All batch programs need to be configured to write the lowest level of detail to the G/L in order to take advantage of this functionality.



The screenshot shows the SAP configuration screen titled "Advanced Cost Accounting Constants - Enter/Change Cost Management constants". The interface includes a standard SAP toolbar with icons for saving, deleting, and a help icon, followed by the text "Tools". The main content area is divided into two sections: "Cost object flags" and "Activity Based Costing". In the "Cost object flags" section, the checkbox "Activate Cost Objects" is checked. In the "Activity Based Costing" section, the checkbox "Activate Activity Based Costing" is also checked.

Section	Option	Status
Cost object flags	Activate Cost Objects	Checked
Activity Based Costing	Activate Activity Based Costing	Checked



# Advanced Cost Accounting

## ■ Activate Activity Based Costing (For Cost Analyzer)

- Enable Product Cost Detail

Branch/Plant Constants - Branch/Plant Constants

Form Tools

Branch/Plant	30	Eastern Distribution Center	
Address Number	6031	Eastern Distribution Center	
Short Item Number Identifier	/	<input checked="" type="checkbox"/> Backorders Allowed	
Second Item Number Identifier		<input checked="" type="checkbox"/> Interface G/L (Y/N)	
Third Item Number Identifier	*	<input type="checkbox"/> Write Units to Journal Entries	
Symbol Customer/Supplier	#	<input type="checkbox"/> Location Control (Y/N)	
Symbol to Identify Segmented Item	@	<input type="checkbox"/> Warehouse Control (Y/N)	
Segment Separator Character		<input type="checkbox"/> Quality Control (Y/N)	
Commitment Method	1	<input type="checkbox"/> Use Product Cost Detail (Y/N)	
Specific Commitment (Days)	999	<input type="checkbox"/> Foreign Depot	
Number of Days in Year	260	<input checked="" type="checkbox"/> Inventory Lot Creation (Y/N)	
Customer Cross Ref. Code	C	<input type="checkbox"/> Location Segment Control (Y/N)	
Supplier Cross Ref. Code	VN		
Purchasing	02	Purchase Order Issue Cost	75.00
Sales/Inventory Costing Method	02	Inventory Carrying Cost (%)	.100
Current Inventory Period	6	General Ledger Explanation	1
Branch Country of Origin Code		Approval Route Code	DEMO

# Advanced Cost Accounting

- Once the Activate Cost Objects is flagged, the cost object fields are activated in Accounts Payable, General Accounting, Fixed Assets, Sales Orders, Work Orders and Purchasing.

**Journal Entry**

Save Delete Cancel Print Form Row Tools

Batch Number 8790 ☐ Model ☐ Percent ☐ Reverse

Doc Type/No/Co    G/L Date 08/01/2016

Explanation \* Advanced Cost Accounting Ledger Type AA

Currency  Exchange Rate  Base Currency  ☐ Foreign

Records 1 - 1







<input type="checkbox"/>	<input checked="" type="checkbox"/>	Account Number *	Amount	Account Description	Subledger Type	Subledger	Subledger Description	C T 1	Cost Object 1	C T 2	Cost Object 2	Rem
<input type="checkbox"/>	<input type="checkbox"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Remaining Amount

# Advanced Cost Accounting

## ■ Cost Objects Types (P1620)

- You must setup each type of data that you want to track as a Cost Object before you are able to setup flex accounting rules.

Work With Cost Object Types						
Query: All Records						
      Tools						
Records 1 - 10						
	Cost Object Type	Description	Based on Table	Data Item	Relation	Value
<input checked="" type="radio"/>	A	Asset Information	F1201			
<input type="radio"/>	B	Business Unit	F0006			
<input type="radio"/>	C	Customer	F0101	AT1	EQ	C
<input type="radio"/>	D	Address Book Number	F0101			
<input type="radio"/>	I	2nd Item Number				
<input type="radio"/>	L	Sales/Marketing Channel				
<input type="radio"/>	M	Major Asset Accounting Class				
<input type="radio"/>	P	Product Line				
<input type="radio"/>	Q	Quality Rejection Reasons				

# Advanced Cost Accounting

## ■ Cost Objects Types (P1620)

- Edit Rule Values:

The screenshot displays two overlapping windows from a software application. The 'Cost Object Entry' window is in the background, and the 'Select User Define Code' window is in the foreground.

**Cost Object Entry**

Cost Object Type \* C  
Description \* Customer  
Edit Rule \* T

**Table Editing**

Based On Table F0101  
Data Item AT1  
Relationship EQ  
Item Value C

**UDC Editing**

Product Code  
User Defined Codes

**Select User Define Code**

Product Code 16 Profit M  
User Defined Codes ER Edit Ru  
Description

Records 1 - 7 Customize Grid

	Code	Description
<input checked="" type="radio"/>	A	No editing - left justifying a
<input type="radio"/>	C	No editing, blank fill alpha
<input type="radio"/>	E	Record existence
<input type="radio"/>	N	No editing Zero fill numeric
<input type="radio"/>	R	No editing - right justifying
<input type="radio"/>	T	Data Item value comparison
<input type="radio"/>	U	UDC edit

# Advanced Cost Accounting

## ■ Account Edit Setup

- Accounts by Business Unit (P0901) off menu G09411 has an ACA row exit.

Review and Revise Accounts - Account Master - EPS

Tools

Account Number: D30.8700 Miscellaneous Expenses

	No Edit	Not Allowed	Must Be Entered	Specific
Cost Object Edit Code 01	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/> 
Cost Object Edit Code 02	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Cost Object Edit Code 03	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Cost Object Edit Code 04	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Item Edit Code 01	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	

Note: Based on this setup, the account is specific to one cost object type. If the information setup in the Edit Code conflicts with the information in the Flexible Accounting system, an error will occur.

# Advanced Cost Accounting







## ■ Cost Analyzer Functionality

- R1602 – Post to Cost Analyzer Balance File (F1602)
  - The Cost Analyzer (F1602) table is similar to the Account Balances (F0902) table, except it also includes the five cost objects and 14 additional buckets for year-to-date balances by cost object.
- Important Notes:
  - It can be used for “what if” analysis through OLAP (on-line analytical processing) and other reporting tools without affecting the integrity of the general ledger.
  - The ability to associate cost objects with accounts for reporting eliminates the need to setup your chart of accounts at the detail product or customer level.

# Advanced Cost Accounting

## ■ Driver Calculation Definition (P1630)




Work with Drivers

 Tools

Records 1 - 10

<input type="checkbox"/>	Driver Code	Driver Description
<input type="checkbox"/>	BAGSRECD	Bags received by supplier
<input type="checkbox"/>	HOURS	Number of man hours
<input type="checkbox"/>	NETWORK	Network Usage
<input type="checkbox"/>	PRODVOL	Actual Production Volume
<input type="checkbox"/>	PRODWO	Production Workorders
<input type="checkbox"/>	SOAMOUNTS	Sales Order Amounts
<input type="checkbox"/>	SOLINES	Sales Order Lines
<input checked="" type="checkbox"/>	SOQUANTITY	Sales Order Quantity
<input type="checkbox"/>	SQFT	Square footage
<input type="checkbox"/>	TIMESPENT	% of time spent on an activity

Enter/Change Driver Definitions

 Tools

Driver Code

SOQUANTITY

Description

Sales Ord

Driver Calculation Method

1

Automatic

Capacity

0

Result Type

3

Units

Unit of Measure

EA

Each

Calculation Details

Cost Objects

Category Codes

Based on Table

F4211

Sales Order Detail File

1

De

Data Item

SOQS

Quantity Shipped

Calculation Function

ADD

Date Data Item

# Advanced Cost Accounting

## ■ Cost Analyzer Functionality

- Cost Analyzer View Setup
  - P1603

The screenshot shows the 'Cost Analyzer View Entry' window. At the top, there is a title bar with the text 'Cost Analyzer View Entry' and a toolbar with icons for save, delete, and print, followed by the word 'Tools'. Below the toolbar, there are several input fields and checkboxes. The 'View Number' field is set to '4' and has a dropdown menu showing 'P&L - Business Line & Item Grp'. The 'Fiscal Year' field is set to '17' and the 'Fiscal Date Pattern' field is set to 'R'. Below these fields, there is a list of checkboxes for summarizing different data points. The checkboxes for 'Summarize Cost Object 1/Type', 'Summarize Cost Object 3/Type', and 'Summarize Item Number' are checked, while the others are unchecked.

Field	Value
View Number *	4
Fiscal Year *	17
Fiscal Date Pattern *	R

- ☐ Summarize Ledger Type
- ☐ Summarize Business Unit
- ☐ Summarize Object
- ☐ Summarize Subsidiary
- ☐ Summarize Subledger/Type
- ☒ Summarize Cost Object 1/Type
- ☐ Summarize Cost Object 2/Type
- ☒ Summarize Cost Object 3/Type
- ☐ Summarize Cost Object 4/Type
- ☒ Summarize Item Number



# Advanced Cost Accounting

## ■ Activity Based Drivers

- Volumes, such as number of sales order lines per customer, can be calculated automatically from transaction data in the sales, purchasing, and work order systems. Automatic driver calculations can be based on many operational files, such as:
  - Freight Audit History (F4981) – number of purchase orders containing freight per supplier, number of sales orders containing freight per customer, etc. (This file was added as based on file in Release ERP 9.)
  - Item Ledger (F4111) – number of receipts per item, quantity scrapped by product group, number of completions per branch/plant, etc.
  - Purchase Order Detail (F4311) – number of purchase orders per item, quantity purchased by supplier, number of purchase orders per buyer, etc.
  - Sales Order Detail/History (F4211/F42119) – number of sales orders per item or customer group, number of quote orders per item, etc.
  - Work Order Master File (F4801) – number of work orders per item, etc.
  - Work Order Routing (F3112) – production hours by work center or item, quantity produced by work center, etc.

# DMAAIs

## ■ Distribution / Manufacturing AAI:

**Work With AAI**

✓ 🔍 + 🗑️ ✖️ 📄 Form 📊 Row 📈 Report 🛠️ Tools 📊 One View

Skip To AAI  Sales Order Processing

Records 1 - 30 > >|

<input type="checkbox"/>	<input type="checkbox"/>	AAI Number	Description
<input type="checkbox"/>		<b>4200</b>	<b>Sales Order Processing</b>
<input type="checkbox"/>		4220	Cost of Goods Sold
<input type="checkbox"/>		4221	Deferred Cost of Goods Sold
<input type="checkbox"/>		4222	COGS - Accomodations
<input type="checkbox"/>		4223	Deferred COGS - Accomodations
<input type="checkbox"/>		4224	COGS Intransit
<input type="checkbox"/>		4230	Revenue
<input type="checkbox"/>		4231	Deferred Revenue

**Account Revisions**

📄 🔍 🗑️ ✖️ 📄 Form 🛠️ Tools

AAI Table Number  Inventory

Records 1 - 30 > >| Customize Grid ⬆️

<input type="checkbox"/>	<input type="checkbox"/>	Co	Do Ty	Description	G/L Cat	Description G/L	Branch Plant	Obj Acct	Sub
<input checked="" type="radio"/>		00000	S5	Sales Interco Order (Term...	FG01	REG Finished Goods CP1 E		15100	10000
<input type="radio"/>		00000	S5	Sales Interco Order (Ter...	FG02	REG Finished Goods CP...		15100	10000
<input type="radio"/>		00000	S5	Sales Interco Order (Ter...	FG03	REG Finished Goods CP...		15100	10000
<input type="radio"/>		00000	S5	Sales Interco Order (Ter...	FG04	REG Finished Goods CP...		15100	10000
<input type="radio"/>		00000	S5	Sales Interco Order (Ter...	FG05	REG Finished Goods CP...		15100	10000

- Setup by Company / Order Type / G/L Class Codes
- Branch Plant and Subsidiary can be "flexed"

# Flex Accounting

■ Flexible accounting provides greater flexibility in recording accounting information associated with manufacturing / distribution transactions.

- Determine what can be flexed:

Account Segment	Works with flexible format?	Character limit
Business Unit	Yes	12
Object	No	6
Subsidiary	Yes	8
Subledger (F0911 only)	Yes	8

Note: Branch plant field can be broken into as many as 6 segments with a total of 12 characters. The subsidiary can be broken into up to 4 segments with a maximum of 8 characters.

# Flex Accounting

## ■ Enabling Flex Accounting

- Flex Accounting must be enabled in all applications to have ACA work. This is usually accomplished through a processing option setting in the interactive or batch application.
- Examples:
  - R42800 – Sales Update
  - R4312 – Purchase Receipts
  - R4314 – Match Voucher to Open Receipts
  - P43291 – Landed Cost
  - R4981 – Freight Update




Note: Flex Accounting is not currently integrated with Financials.

# Flex Accounting

## ■ Establishing the Rule – Define the Setup Rule Method

- *Enable Functionality by Application (P16902) is used to define the Rule and establish the relationship of programs to tables.*
- Setup Methods are:
  - O - Object
  - A - AAI
  - C - Combination of both Object and AAI

Enabled Functionality by Application - Enter /Change Enabled Tables by Application

   Tools

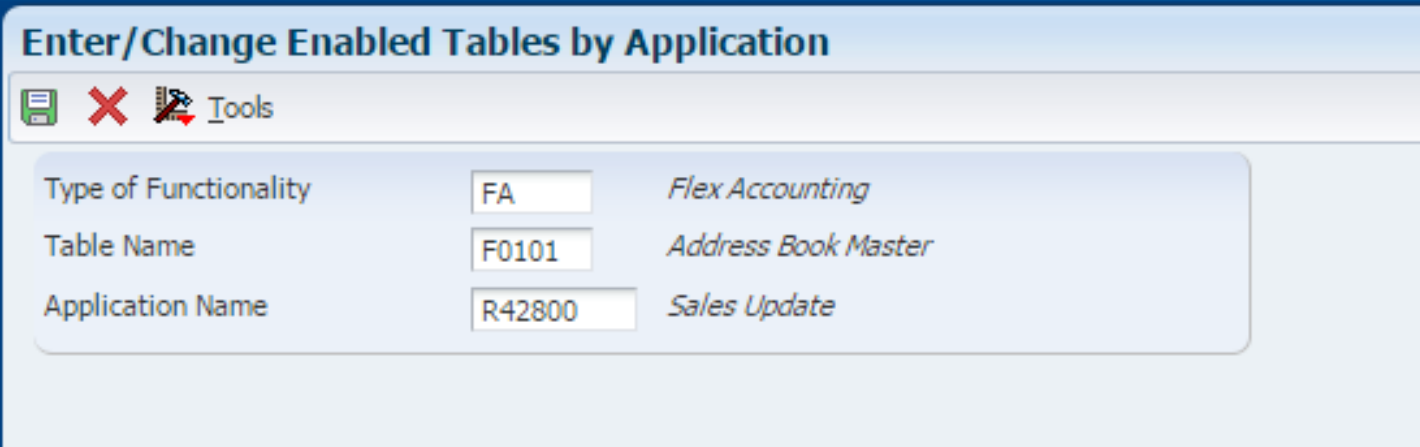
Type of Functionality	<input type="text" value="SM"/>	<i>Rule Setup Method</i>
Setup Method	<input type="text" value="A"/>	<i>AAI number method</i>
Application Name	<input type="text" value="R42800"/>	<i>Sales Update</i>

Note: If the setup method is a combination of both Object and account, and there is flex information setup to flex a specific field differently based on object vs AAI, Object will take precedence.

# Flex Accounting

## ■ Establishing Program / Table Relationships

- Define the tables associated with the programs to be flexed.



The screenshot shows a web-based form titled "Enter/Change Enabled Tables by Application". At the top, there is a toolbar with icons for saving, deleting, and undo, followed by the text "Tools". Below the toolbar, the form contains three rows of input fields and labels:

Type of Functionality	FA	<i>Flex Accounting</i>
Table Name	F0101	<i>Address Book Master</i>
Application Name	R42800	<i>Sales Update</i>

Note: Though it would appear that the user is able to add any table to the Enable Functionality form for any application module, we cannot guarantee that all EnterpriseOne tables will work for all application modules supporting flex accounting.

# Flex Accounting

## Flexible Sales Accounting (P40296):

**Flexible Sales Accounting - Work With Flexible Sales Accounts**

✓ 🔍 + 🗑️ ✖️ 📄 Form 🛠️ Tools 📊 One View

AAI Table Number: 4220      Company: \*

AAI-Financials: \*      Object Acct From/To: \*      \*

Document Type: \*      Adjustment Name: \*

Records 1 - 2      [Customize Grid](#) 📄 ⬆️ 🖨️

	Co	Doc Type	AAI Number	AAI-Fin Number	Acct From	Acct To	Adj Name	Description	Business Unit	Subsidiary	Subledger	Item	Cost Object	Data Item	File Name
<input checked="" type="radio"/>	00000		4220							X				Allocation Process Flag	F4211
<input type="radio"/>	00000		4220							X				Category Code 9	F4102

	Seq	Business Unit	Subsidiary	Subledger	Item	Cost Object	Cost Type	File Name *	Len	Description	Data *	Data Type
<input checked="" type="radio"/>	1		X					F4211	1	Allocation Process f	ALLOC	
<input type="radio"/>	2		X					F4102	6	Category Code 9	SRP9	

- Ability to "flex" key values into the General Ledger detail file (F0911)
- Branch Plant / Subsidiary / Advanced Cost Types (Not Object!)
- Specific DMAAs utilize related key transactional and master data fields

# Flex Accounting

## ■ In summary:

- Creates the ability to drive more detail into your CofA, thru:
  - More detailed Business Units and Subsidiaries (not Objects)
  - Use of Subledgers
    - No additional G/L accounts to maintain (F0901)
    - Additional records in your account balance file (F0902)
- However....
  - More G/L Accounts to maintain (F0901)
  - More transactions in your General Ledger (F0911)
  - More time during close to perform consolidation type functions



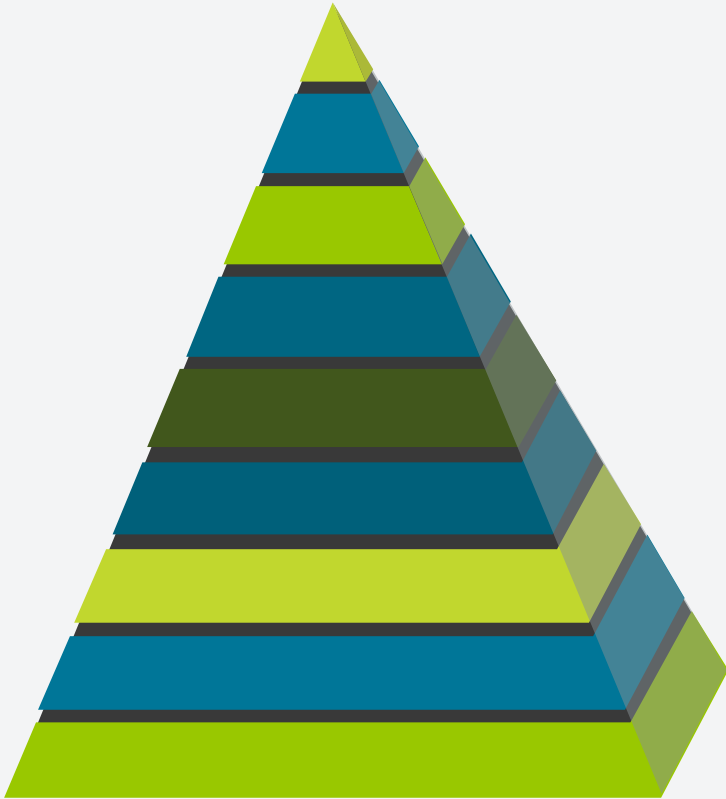
# CofA Master Data Maintenance

## ■ COA Hierarchy Maintenance / MDM

- Centralized COA maintenance process:
  - Need to follow a centralized process to cover COA and business unit routine maintenance
  - The role of a super user “Centralized CoA Owner / Gate-keeper” should be established. This resource should have a complete global understanding on how revenues and expenditures should be captured with the goal being to standardized operational and financial recording and reporting.
  - The Centralized CoA Owner(s) / Gate-keeper is responsible for making all adds, modifications, and deletions to the COA hierarchal structure. This includes companies, business units, profit centers, cost centers, object account, sub-accounts, category codes, plus all related hierarchical components that impact reporting and other integrated processes.
  - Security access should be modified so that the Centralized CoA owner / gate-keeper role has add, change, display, and deletion access. All other end-user roles should be restricted to display access mode only.
  - Identify Additional CofA SMEs – incorporate into plan for Business Process Owners and MDM

# CofA Conceptual Design

■ Volume of detailed records in JDE - Which is correct?



OR



# CofA Conceptual Design

## ■ What could CofA changes in your G/L impact?

- Current Reports (e.g. mapping)
  - Current reports
  - Historical data reporting
- Financial AAI's
- Distribution / Manufacturing AAI's (DMAAI's)
- Flex Accounting Rules
- Cost Objects
- JDE system interfaces
- Security

# CofA Conceptual Design

## ■ Benefits

- Standardization of CofA in JDE (and potentially other systems)
- Flexible CofA design for future business growth
- Improved maintenance and reporting of G/L data
- Efficiencies in financial reporting and consolidations
- Master data management – data integrity improvements
- Visibility to profitability by product, customer, other key drivers
- Optimized G/L vs. Information (elements) for reporting

# Summary

- Main options for increasing reporting capabilities in your G/L:
  - Utilize a multi-segment B/U number structure
  - Standardize your Chart of Accounts (Objects / Subs)
  - Look to utilize non-primary attributes in Category Codes
  - Utilize Subledgers for Account Balance breakout
  - Utilize Advanced Cost Types for additional reporting capabilities in the G/L detail (F0911)
  - Utilize Flex Accounting to provide more detailed information into your General Ledger...

# Summary

■ Here are the options that we have discussed:

- Business Unit – Multiple Segments
- Objects & Subsidiaries
- Category Codes
- Subledgers
- Advanced Cost Types
- DMAAs / Flex Accounting

The key is to understand what the “end result” needs to be for reporting, in order to determine how to design your G/L...

# Any questions?



# Hear more from Grant Thornton

## Tuesday

- **Automating positive pay with Orchestrations** | Mohammad Shujaat | 8:15 a.m. CT
- **Designing job cost code structures for effective cost management** | Craig Davied | 11:15 a.m. CT
- **Unleash the power of EDI 852** | Shrikant Gogate | 11:15 a.m. CT
- **Use form extensions to turbocharge JD Edwards 9.2** | Mohammad Shujaat | 1:15 p.m. CT
- **Extend JDE reporting with Oracle Analytics** | Jeffrey Silverman and Matt Elfeldt, Greer Labs | 3:15 p.m. CT

## Wednesday

- **JDE's advanced pricing can handle the most complex pricing structures** | Craig Davied | 7:30 a.m. CT
- **A simplified guide to implementing lease accounting** | Sam Johnson | 7:30 a.m. CT
- **Creating workflows with JD Edwards Orchestrator** | Dwight Moore | 8:45 a.m. CT
- **The steps to JD Edwards Orchestrator** | Anthony Palmisano | 12:45 p.m. CT
- **Used enhanced RMA** | Shrikant Gogate | 12:45 p.m. CT
- **How general ledger can improve sales and operational reporting** | Craig Davied | 2:00 p.m. CT
- **A Covid migration: World to EnterpriseOne upgrade** | David Kratzke | 4:00 p.m. CT
- **Utilizing Orchestrator Studio for real estate** | Sam Johnson | 4:00 p.m. CT

## Thursday

- **Stop Integrating & start InteGreat-ing** | Mohammad Shujaat | 8:15 a.m. CT
- **The benefits from upgrading from World to EnterpriseOne** | Craig Davied | 10:00 a.m. CT
- **Paperless AP automation journey - An Orchestrator case study** | David Kratzke and Matt Marfice, Watson Land Company | 10:00 a.m. CT
- **Step by step: Evaluate the effectiveness of your EAM/CAM asset maintenance program** | Steve Yniguez | 11:15 a.m. CT
- **IoT methods for reporting, dashboarding & customer portal using Orchestrator and CafeOne** | Jordan Myers | 11:15 a.m. CT
- **Manage your joint venture needs in JDE** | Craig Davied | 1:15 p.m. CT



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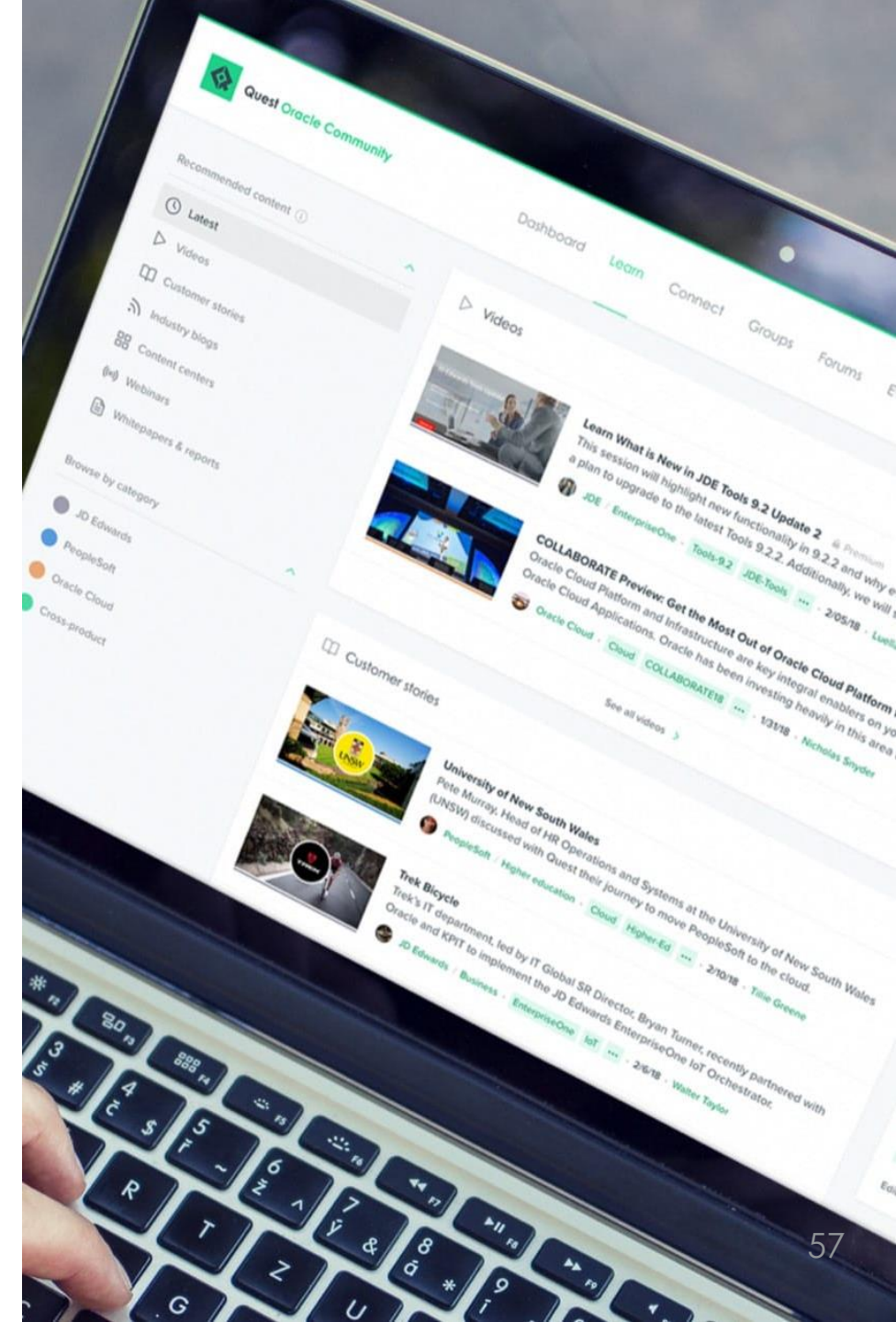
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JD Edwards

# INFOCUS

DIVE DEEP

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