

# Financials

---

# F230 Financials: Subaccounts, Budgets, and Allocations

## Training Guide

# Contents

<b>Copyright</b> .....	<b>4</b>
<b>How to Use This Course</b> .....	<b>5</b>
<b>Company Story</b> .....	<b>7</b>
<b>Part 1: Subaccounts</b> .....	<b>9</b>
Lesson 1.1: Configuring Subaccounts.....	9
Subaccounts: General Information.....	9
Subaccounts: Implementation Activity.....	11
Subaccounts: Allowable Changes to the Configuration of Subaccounts.....	14
Lesson 1.2: Processing a Transaction with Subaccounts.....	15
Transactions with Subaccounts: General Information.....	15
Transactions with Subaccounts: Generated Transactions.....	15
Transactions with Subaccounts: Process Activity.....	16
Lesson 1.3: Splitting a Transaction by Subaccounts.....	18
Splitting Transactions: General Information.....	18
Splitting Transactions: Generated Transactions.....	22
Splitting Transactions: To Split a Transaction by Subaccounts.....	23
Lesson 1.4: Configuring Automatically Combined Subaccounts.....	26
Combined Subaccounts: General Information.....	26
Combined Subaccounts: To Define a Subaccount Mask for AP Documents.....	28
Lesson 1.5: Processing an AP Bill with Combined Subaccounts.....	29
Bill with Combined Subaccounts: General Information.....	29
Bill with Combined Subaccounts: Generated Transactions.....	30
Bill with Combined Subaccounts: Process Activity.....	31
<b>Part 2: Budgets</b> .....	<b>34</b>
Lesson 2.1: Creating a Budget Ledger.....	34
Budget Ledger: General Information.....	34
Budget Ledger: Implementation Activity.....	35
Lesson 2.2: Preparing a Simple Budget.....	36
Simple Budget: General Information.....	36
Simple Budget: Process Activity.....	38
Simple Budget: Report.....	39
Lesson 2.3: Configuring a Hierarchical Budget Tree.....	39
Budget Tree: General Information.....	39
Budget Tree: Implementation Activity.....	41
Lesson 2.4: Preparing a Hierarchical Budget.....	45
Hierarchical Budget: General Information.....	45
Hierarchical Budget: Process Activity.....	47
Hierarchical Budget: Report.....	50
Lesson 2.5: Comparing Budgets.....	51

Comparing Budgets: General Information.....	51
Comparing Budgets: Process Activity.....	51
Lesson 2.6 (Optional): Revising a Budget.....	53
Revising a Budget: General Information.....	53
Revising a Budget: Process Activity.....	54
Lesson 2.7: Converting a Single Budget to a Hierarchical Budget.....	56
Converting a Simple Budget to a Hierarchical Budget: General Information.....	56
Converting a Simple Budget to a Hierarchical Budget: Process Activity.....	57
<b>Part 3: Allocations.....</b>	<b>59</b>
Allocation Rules: General Information.....	59
Allocation Rules: Distribution Methods.....	61
Allocation Rules: Examples of Using Account and Subaccount Masks for Allocations.....	63
Allocation Rules: Multilevel Allocations.....	63
Lesson 3.1: Allocation Rule That Uses a User-Defined Coefficient.....	64
Allocation Rules: To Create an Allocation Rule That Uses a Fixed Ratio (Weight)..	64
Lesson 3.2: Allocation Rule That Uses a Percentage.....	66
Allocation Rules: To Create an Allocation Rule That Uses a Fixed Ratio (Percentage).....	66
Lesson 3.3: Allocation Rule That Uses a Dynamic Ratio of the Period-to-Date Account Balances.....	69
Allocation Rules: To Create an Allocation Rule That Uses a Dynamic Ratio of the Period-to-Date Account Balances.....	69
Lesson 3.4: Allocation Rule Based on Budget Data.....	72
Allocation Rules: To Create an Allocation Rule Based on Budget Data.....	72
Lesson 3.5: Running of Allocations.....	75
Running of Allocations: General Information.....	75
Running of Allocations: Generated Transactions.....	76
Running of Allocations: Process Activity.....	76
Running of Allocations: Inquiry and Historical Data.....	80

# Copyright

---

© 2020 Acumatica, Inc. ALL RIGHTS RESERVED.

No part of this document may be reproduced, copied, or transmitted without the express prior consent of Acumatica, Inc.  
11235 SE 6th Street, Suite 140 Bellevue, WA 98004

## Restricted Rights

The product is provided with restricted rights. Use, duplication, or disclosure by the United States Government is subject to restrictions as set forth in the applicable License and Services Agreement and in subparagraph (c)(1)(ii) of the Rights in Technical Data and Computer Software clause at DFARS 252.227-7013 or subparagraphs (c)(1) and (c)(2) of the Commercial Computer Software-Restricted Rights at 48 CFR 52.227-19, as applicable.

## Disclaimer

Acumatica, Inc. makes no representations or warranties with respect to the contents or use of this document, and specifically disclaims any express or implied warranties of merchantability or fitness for any particular purpose. Further, Acumatica, Inc. reserves the right to revise this document and make changes in its content at any time, without obligation to notify any person or entity of such revisions or changes.

## Trademarks

Acumatica is a registered trademark of Acumatica, Inc. HubSpot is a registered trademark of HubSpot, Inc. Microsoft Exchange and Microsoft Exchange Server are registered trademarks of Microsoft Corporation. All other product names and services herein are trademarks or service marks of their respective companies.

# How to Use This Course

---

This course introduces the configuration of subaccounts and automatically combined subaccounts in Acumatica ERP and the processing of transactions and documents with subaccounts. Also, it introduces two types of budgets and how they can be prepared in the system. The last part of the course, walks you through processing allocations in the system. The course consists of lessons that guide you step by step through the examples and explanations of the configuration and business process workflow in Acumatica ERP.

This course must be completed on Acumatica ERP 2020 R1 Update 1 or later versions. For this course, you will use an Acumatica ERP tenant with the *U100* dataset preloaded.

You perform the following general steps to complete the course:

1. You prepare an Acumatica ERP 2020 R1 instance, as described in [How to Create a Tenant with the U100 Dataset](#).
2. In the prepared tenant with the *U100* dataset preloaded, you complete all the lessons.
3. At Partner University, you take F230 Certification Test.
4. At Partner University, you complete the course survey to finish the course and get the Partner University certificate of course completion.

## What Is in a Configuration Lesson?

A *configuration lesson*—that is, a lesson dedicated to the configuration of system settings and entities—provides a brief overview of the required system configuration and a description of other settings that could affect the workflow. Also, the lesson could provide information about reports and inquiry forms that can be used for gathering information about the configured entities.

Each lesson includes at least one implementation activity that you have to complete in your Acumatica ERP instance to configure the core system settings or to prepare system entities.

## What Is in a Process Lesson?

A *process lesson*—that is, a lesson dedicated to the performing of a particular business process—includes a description of the process workflow and a process diagram that illustrates the user scenario supported by this process. The lesson also provides a brief overview of the settings and entities that need to be prepared in the system before you start to perform this business process. Also, the lesson could include a description of generated transactions, information about reports and inquiry forms that can be used for gathering information related to a described business process, and explanations on how to mass-process documents during performing a business process.

Each lesson includes at least one process activity that you have to complete in your Acumatica ERP instance to learn how to perform the described business process.

## What Are the Documentation Resources?

The complete Acumatica ERP documentation is available on <https://help.acumatica.com/> and is included in the Acumatica ERP instance. While viewing any form used in the course, you can click the **Help** button on the top pane to bring up a form-specific help menu; you can use the links on this menu to quickly access form-related concepts and procedures and to open a reference topic with detailed descriptions of the form elements.

## How to Create a Tenant with the U100 Dataset

To add to an existing Acumatica ERP instance a tenant with the *U100* dataset, which is required for the completion of this course, perform the following instructions:

1. Go to <http://acumatica-builds.s3.amazonaws.com/index.html?prefix=builds/>.
2. Open the folder of your Acumatica ERP instance version.
3. In this folder, open the **Snapshots** folder, and download the **u100.zip** file.
4. Launch the Acumatica ERP instance, and sign in.
5. Open the *Tenants* (SM203520) form, and click **Add New Record** on the form toolbar.
6. In the **Login Name** box, type the name to be used for the tenant.
7. On the form toolbar, click **Save**.
8. On the **Snapshots** tab, click **Import Snapshot**.
9. In the **Upload Snapshot Package** dialog box, select the **u100.zip** file, which you have downloaded, and click **Upload**.

The system uploads the snapshot to the **Snapshots** tab of the *Tenants* form.

10. On the form toolbar, click **Restore Snapshot**.
11. If the **Warning** dialog box appears, click **Yes**.
12. In the **Restore Snapshot** dialog box, make sure that the correct snapshot package is being uploaded, and click **OK**.
13. Sign out of the current tenant.

You are now on the Sign-In page, and you can sign in to the tenant you have just created.

## Licensing Info

For the educational purposes of this course, you will use Acumatica ERP under the trial license, which doesn't require activation and provides all available features. For production, you have to activate the purchased license; each particular feature may be a subject to additional licensing; please consult the Acumatica ERP sales policy for details.

# Company Story

---

This topic explains the organizational structure and operational activity of the company with which you will work during this training.

## Company Structure

The SweetLife Fruits & Jams company is a midsize company located in New York City. The company consists of the following branches:

- SweetLife Head Office and Wholesale Center: This branch of the company consists of a jam factory and a large warehouse where the company stores fruit (purchased from wholesale vendors) and the jam it produces. Warehouse workers perform warehouse operations by using barcode scanners or mobile devices with barcode scanning support.
- SweetLife Store: This branch has a retail shop with a small warehouse to which the goods to be sold are distributed from the company's main warehouse.
- Service and Equipment Sales Center: This branch is a service center with a small warehouse where juicers are stored. This branch sells juicers, installs juicers, trains customers' employees to operate juicers, and provides juicer servicing.

## Operational Activity

The company has been operating starting in the *01-2019* financial period. In November 2019, the company started using Acumatica ERP as an ERP and CRM system and migrated all data of the main office and retail store to Acumatica ERP. Because the company has grown, the equipment center has begun its operations in *01-2020*.

## Company Purchases

The company purchases fruits and spices from large fruit vendors for sale and for jam production. For producing jams and packing jams and fruits, the company purchases jars, labels, and paper bags from various vendors. For the internal needs of the main office and store, the company purchases stationery (printing paper, pens, and pencils), computers, and computer accessories from various vendors. The company also purchases juicers for sale from a large juicer vendor and either purchases the installation service for the juicers or provides the installation service on its own, depending on the complexity of the installation.

## Company Sales and Services

Each company's branch has its own business processes, as follows:

- SweetLife Head Office and Wholesale Center: In this branch, jams and fruit are sold to wholesale customers, such as restaurants and cafés. The company also conducts home canning training at the customer's location and webinars on the company's website.
- SweetLife Store: In the store, small retail customers purchase fresh fruit, berries, and jams, or pick up the goods they have ordered on the website. Some of the goods listed in the website catalog are not stored in the retail warehouse, such as tropical fruits (which are purchased on demand) and tea (which is drop-shipped from a third-party vendor).

- Service and Equipment Sales Center: This branch sells juicers, provides training on equipment use, and offers equipment installation, including site review and maintenance services.

# Part 1: Subaccounts

---

In this part of the course, you will see a configuration of subaccounts and examples of transactions with subaccounts. You will learn to configure and use automatically combined subaccounts in AR documents.

For completing lessons of this part of the course, you will use a company with the *U100* dataset preloaded, which provides a fully configured company with sample data specially designed for this course.

Activities in this part are to be completed under users with specific access rights. Each activity provides the credentials to use for sign-in to the prepared *U100* tenant in the *System Preparation* section.

## Lesson 1.1: Configuring Subaccounts

---

### Subaccounts: General Information

In Acumatica ERP, you can use subaccounts in addition to accounts to record your financial data. You use subaccounts to virtually split accounts into smaller, more specific accounts to achieve finer classification for reporting and internal management purposes. Before you begin to use subaccounts, the system has to be properly configured.



In production use, we recommend that subaccounts be configured very early in the system setup, when you configure the general ledger settings, including the chart of accounts.

### Learning Objectives

In this chapter, you will learn how to do the following:

- Enable the *Subaccounts* feature
- Modify the predefined *SUBACCOUNT* segmented key
- Specify values for subaccount segments

### Applicable Scenarios

You configure subaccounts in the system when it is necessary to provide more detailed reports and to separate data in the reports. For example, if the company wants to report expenses by department and report revenue by sales region, you might configure subaccounts with at least two segments (for department and sales region).

### Implementation Workflow

To configure subaccounts in the system, you do the following:

1. Enable the *Subaccounts* feature on the [Enable/Disable Features](#) (CS100000) form.

2. Configure the *SUBACCOUNT* segmented key on the [Segmented Keys](#) (CS202000) form, and define the list of possible values for segments on the [Segment Values](#) (CS203000) form.
3. If the *By Segmented Key* mode is selected for the *SUBACCOUNT* segmented key on the [Segmented Keys](#) form, define the needed subaccounts on the [Subaccounts](#) (GL203000) form.

After you have performed these actions, you can start recording transactions to account-subaccount pairs.

### Configuration of Subaccount Identifiers

Acumatica ERP provides the predefined *SUBACCOUNT* segmented key, which determines the structure of subaccount identifiers and which you can access and edit on the [Segmented Keys](#) (CS202000) form. You can modify this segmented key so that the structure of subaccount identifiers meets the company's business needs.

The *SUBACCOUNT* segmented key consists of a string, which can be up to 30 characters. You can divide the segmented key into multiple segments or can leave it non-segmented. To make subaccount identifiers easy to remember for users of the system (and thus less likely to be entered incorrectly), we recommend that you compose identifiers of segments with different meanings. For example, the subaccount identifiers could contain a two-character regional branch code, a one-digit department number, and a three-character product type, resulting in an identifier such as *CA-1-T32*. For a more detailed example of the planning of meaningful identifiers, see [Subaccounts: Example of Planning of Subaccount Identifiers](#).

Depending on the validation setting of the subaccount entry (see the following section), you might need to add all necessary subaccounts on the [Subaccounts](#) (GL203000) form.

You use the table on the [Segmented Keys](#) form to configure the segments of the *SUBACCOUNT* segmented key, with each row representing the settings of a segment. By using the check box in the **Validate** column of the table, you can also turn on validation for the segment values of subaccounts. If this validation is turned on for a segment, the segment values have to be specified on the [Segment Values](#) (CS203000) form. If this validation is turned off, a user can enter a new segment directly on a data entry form or the [Subaccounts](#) form.

### Validation of Entered Subaccounts

The validation of subaccounts during data entry is controlled by the entry and lookup mode selected in the **Lookup Mode** box in the Summary area of the [Segmented Keys](#) (CS202000) form for the *SUBACCOUNT* segmented key. Depending on whether you want to turn on validation or not, you do one of the following:

- To give users the ability to select subaccounts on a data entry form only from the list of defined subaccounts in the system, you select the *By Segmented Key* mode. In this case, all necessary subaccounts have to be specified on the [Subaccounts](#) (GL203000) form before any transaction can be entered.
- To give users the ability to enter subaccounts on a data entry form by selecting the values segment by segment, you select the *By Segment: All Avail. Segment Values*

mode. When a user enters a new subaccount on any data entry form, the system automatically adds it to the list of subaccounts on the [Subaccounts](#) form.



You might want to select the *By Segment: All Avail. Segment Values* mode when the number of segments and the number of values in each segment could produce too many combinations to enter them in advance.

## Subaccounts: Implementation Activity

In this activity, you will learn how to enable the appropriate feature to use subaccounts, define the structure of subaccounts, and specify the allowable values for subaccount segments in the system.

### Story

Suppose that an accountant of the company wants to report the company's expenses by department and its revenue by groups of products (referred to as *items* in the system). Acting as a system administrator, you have to perform the needed actions to configure subaccounts in the system. The subaccounts will consist of two segments: one that represents a product, and another that represents a department. You also have to specify the values for each segment and set up the subaccounts so that users enter subaccounts on data entry forms by selecting the values segment by segment.

### Process Overview

To configure subaccounts in the system, you first enable the *Subaccounts* feature on the [Enable/Disable Features](#) (CS100000) form. You then configure the *SUBACCOUNT* segmented key according to the company business needs on the [Segmented Keys](#) (CS202000) form. Finally, you assign values to the segments on the [Segment Values](#) (CS203000) form. You then check subaccounts on the [Subaccounts](#) (GL203000) form, and change them if necessary.

### System Preparation

Launch the Acumatica ERP website and sign in to a tenant with the *U100* dataset preloaded as a system administrator by using the *admin* login.



Although in this activity, the subaccounts are configured on a system that has already been in use, for production use, we recommend that you configure the subaccounts very early in the system setup, when you configure the general ledger settings, including the chart of accounts.

### Step 1: Enabling the Subaccounts Feature

To enable the *Subaccounts* feature, do the following:

1. Open the [Enable/Disable Features](#) (CS100000) form.
2. On the form toolbar, click **Modify** to make it possible to change the set of enabled features.
3. Select the **Subaccounts** check box under the **Advanced Financials** group of features.

4. On the form toolbar, click **Enable**.

In a production environment, after the features are enabled and before you proceed with implementation, you have to activate the Acumatica ERP license by using the [Activate License](#) (SM201510) form. In this practice activity, you are using Acumatica ERP under the trial license, which doesn't require activation and provides all available features.

## Step 2: Modifying the SUBACCOUNT Segmented Key

To modify the *SUBACCOUNT* segmented key, do the following:

1. Open the [Segmented Keys](#) (CS202000) form.
2. In the **Segmented Key ID** box of the Summary area, select *SUBACCOUNT*.
3. In the **Lookup Mode** box, select *By Segment: All Avail. Segment Values*. Notice that the **Allow Adding New Values On the Fly** check box becomes selected automatically.

In this lookup mode, the users can combine subaccounts from the needed segments during the data entry. For each segment, the user can type an allowed value or press F3 to select a value from the predefined list. Each new combination is saved to the list that you can view and edit on the [Subaccounts](#) (GL203000) form.

4. In the table, for the *1* segment, specify the following settings:

- **Description:** Product Group
- **Length:** 3
- **Validate:** Selected

This setting means that the validation of segment values is turned on for the segment. With this check box selected, a user can add a value to this particular segment only by selecting the value from the list of available ones.

5. On the table toolbar, click **Add Row**, and specify the following settings in a new row:

- **Description:** Department
- **Length:** 3
- **Validate:** Selected

6. On the form toolbar, click **Save**.

You have defined the *SUBACCOUNT* segmented key according to the business needs. You will now define the available values for each segment.

## Step 3: Defining the Allowable Values for the Segments of the SUBACCOUNT Segmented Key

To define the segment values, do the following:

1. While you are still viewing the *SUBACCOUNT* segmented key on the [Segmented Keys](#) (CS202000) form, click *1* in the **Segment ID** column of the table.

The system opens the [Segment Values](#) (CS203000) form for the *1* segment of the *SUBACCOUNT* segmented key.

2. On the table toolbar, click **Add Row**, and specify the following settings:

- **Value:** 000
- **Description:** All other products

3. Add five more rows with the following sets of values, which represent the group of items to which the applicable item belongs.

Value	Description
ELE	Electronics and computer equipment
EQU	Juicers and their components
FRU	Fruits
JAM	Jams
NSS	Non-stock items and services

4. On the form toolbar, click **Save**.
5. In the **Segment ID** box, select 2.
6. Add six rows with the following sets of values, which represent the applicable department.

Value	Description
000	Corporate
ENG	After-sales engineering
FIN	Finance
MKT	Marketing
OPS	Operations
SLS	Sales

7. On the form toolbar, click **Save**.

You have specified the allowable values for subaccount segments.

## Step 4: Changing Subaccounts

Because you have enabled the *Subaccounts* feature on the [Enable/Disable Features](#) (CS100000) form and configured subaccounts in the system, in which transactions have already been added, the system added the 0 subaccount to which all these transactions are now related. You need to change this subaccount so that it contains values that you have specified for the *SUBACCOUNT* segmented key. Do the following:

1. Open the [Subaccounts](#) (GL203000) form.
2. In the **Subaccount** column, for the only row, double-click the subaccount identifier, and change it to 000-000.
3. On the form toolbar, click **Save**.
4. In the dialog box that opens, click **Yes**.

Now all the transactions that existed before you have configured subaccounts relate to the 000-000 subaccount.

You have configured the subaccounts in the system. Now the appropriate subaccounts must be specified for every transaction in the system.

## Subaccounts: Allowable Changes to the Configuration of Subaccounts

After subaccounts have been fully configured and transactions have been posted in your system, there are limitations to the changes you can make to subaccounts. For example, you can append a segment to subaccount identifiers, but you cannot delete segments of these identifiers, because such a deletion could result in lost data. If you need to change the configuration of subaccounts in a live system, you have the following options:

- If you are not planning to use a subaccount anymore, you can deactivate it on the [Subaccounts](#) (GL203000) form. If you deactivate it, the system maintains the history of transactions for the subaccount, but users cannot create new documents or transactions with the deactivated subaccount. For details, see [To Deactivate a Subaccount](#).

A subaccount can be deleted only if it has no transactions posted.

- You can add a new segment to the end of subaccount identifiers on the [Segmented Keys](#) (CS202000) form. In this case, the account-subaccount combinations that are referred to in existing transactions will be assigned an empty value in the new segment. You can update the list of these combinations on the [Subaccounts](#) form and specify the needed values for the new segment. The history of transactions will be updated to reflect the expanded subaccount identifiers.

You cannot delete any segments of subaccount identifiers.

- For subaccount identifiers, you can add new segment values and edit the existing values on the [Segment Values](#) (CS203000) form. If you change a segment value, on the [Subaccounts](#) form, you have to update the list of subaccounts that use the old value to

the new value, and the history of transactions will be updated to use the new subaccount identifiers.

- You can merge subaccounts by moving the balances to one of these subaccounts and deactivating the unnecessary subaccounts on the [Subaccounts](#) form. After you perform these actions, you can also deactivate any unnecessary values on the [Segment Values](#) form so that the users cannot select these values when combining subaccounts on the fly.

## Lesson 1.2: Processing a Transaction with Subaccounts

---

### Transactions with Subaccounts: General Information

If subaccounts are used in your system, you can enter and process GL batches in which journal entries to one account are split to multiple subaccounts. When you enter a GL batch with subaccounts on the [Journal Transactions](#) (GL301000) form, you perform the same steps as you do when you add a GL batch that does not involve subaccounts, except that you enter a subaccount for each entry in the batch. For details on GL batch processing, see [GL Transactions: General Information](#).

#### Learning Objectives

In this chapter, you will learn how to do the following:

- Create a GL batch that involves subaccounts
- Release the batch
- Review the changes in a report

#### Applicable Scenarios

You create a transaction with subaccounts if you want to manually enter a GL batch and subaccounts have been configured in the system.

### Transactions with Subaccounts: Generated Transactions

On the [Journal Transactions](#) (GL301000) form, you can view the details of the GL batch of transactions with subaccounts. In the following table, you can find an example of such a GL batch.

Account	Subaccount	Debit	Credit
10200 - Company Checking Account	000-000	00.00	88,200.00
69500 - Wages	000-FIN	13,800.00	00.00
69500 - Wages	000-MKT	5,000.00	00.00
69500 - Wages	000-ENG	17,100.00	00.00

Account	Subaccount	Debit	Credit
69500 - Wages	000-OPS	13,500.00	00.00
69500 - Wages	000-SLS	38,800.00	00.00

## Transactions with Subaccounts: Process Activity

In this activity, you will learn how to create a GL batch with splitting by subaccounts. You will also release and post the batch, and review its details.

### Story

Suppose that in January 2020 the SweetLife Fruits & Jams company paid its employees a total of \$38,300.

Acting as the SweetLife accountant, you need to enter a batch for a payment in the amount of \$38,300 for the *01-2020* financial period for the salaries of the employees of the SweetLife Head Office and Wholesale Center (*HEADOFFICE*) branch. The total amount paid to the company's departments is the following:

- Sales: \$19,500
- Operations: \$7700
- Finance: \$8100
- Marketing: \$3000

In the batch, you need to record an entry for each department so that you can view the expenses of each department in reports.

### Process Overview

You enter a batch directly on the [Journal Transactions](#) (GL301000) form, release and post the batch, and note the status of the batch at each step. Then you review the batch details by using the [Account by Subaccount](#) (GL403000) form.

### System Preparation

To prepare the system, do the following:

1. In a tenant with the *U100* dataset preloaded, be sure subaccounts have been configured to be used in the system, as described in [Subaccounts: Implementation Activity](#). This configuration involves enabling the appropriate feature to use subaccounts, defining the structure of subaccounts, and specifying the values for subaccount segments in the system.
2. Sign in to the tenant with the *pasic* login and *123* password.
3. In the info area, in the upper-right corner of the top pane of the Acumatica ERP screen, make sure that the business date in your system is set to *1/30/2020*. If a different date is displayed, click the Business Date menu button and select *1/30/2020*. For simplicity,

in this activity, you will create and process all documents in the system on this business date.

4. On the Company and Branch Selection menu, also on the top pane of the Acumatica ERP screen, make sure that the *SweetLife Head Office and Wholesale Center* branch is selected. If it is not selected, click the selection menu to view the list of branches that you have access to, and then click *SweetLife Head Office and Wholesale Center*.

### Step 1: Processing a Batch of Transactions with Subaccounts

To process a batch of transactions that include subaccounts, do the following:

1. Open the *Journal Transactions* (GL301000) form, and on the form toolbar, click **Add New Record**.
2. In the Summary area, notice that the following settings are inserted by default:
  - **Transaction Date:** 1/30/2020
  - **Post Period:** 01-2020
3. In the **Description** field, type *Salary payment Jan 2020*.
4. On the table toolbar, click **Add Row**, and specify the following settings in the row:
  - **Branch:** HEADOFFICE
  - **Account:** 10200 - Company Checking Account
  - **Subaccount:** 000-000
  - **Credit Amount:** 38300
5. Click **Add Row** again, and specify the following settings in the second row:
  - **Branch:** HEADOFFICE
  - **Account:** 69500 - Wages
  - **Subaccount:** 000-FIN
  - **Debit Amount:** 8100
6. Click **Add Row** again, and specify the following settings in the second row:
  - **Branch:** HEADOFFICE
  - **Account:** 69500 - Wages
  - **Subaccount:** 000-MKT
  - **Debit Amount:** 3000
7. Click **Add Row** again, and specify the following settings in the fourth row:

- **Branch:** *HEADOFFICE*
  - **Account:** *69500 - Wages*
  - **Subaccount:** *000-OPS*
  - **Debit Amount:** *7700*
8. Click **Add Row** again, and specify the following settings in the fifth row:
- **Branch:** *HEADOFFICE*
  - **Account:** *69500 - Wages*
  - **Subaccount:** *000-SLS*
  - **Debit Amount:** *19500*
9. Click **Save** on the form toolbar, and note that the status of the batch is *On Hold*.
10. Clear the **Hold** check box in the Summary area, and save the batch. The batch's status has changed to *Balanced*.
11. On the form toolbar, click **Release**.

Note that the batch's status has changed to *Posted*.

## Step 2: Reviewing the Account and Subaccount Balances

To review the details of the batch, do the following:

1. Open the [Account by Subaccount](#) (GL403000) form.
2. In the Selection area, select the following settings:
  - **Company/Branch:** *HEADOFFICE*
  - **Ledger:** *ACTUAL*
  - **Period:** *01-2020*
  - **Account:** *69500 - Wages*
3. In the table, notice that the balance of the *69500 - Wages* account is split by subaccounts.

## Lesson 1.3: Splitting a Transaction by Subaccounts

---

### Splitting Transactions: General Information

In Acumatica ERP, the split of a GL transaction means the creation of a correcting transaction to move a part of the amount (of the original transaction) from one GL account

to another GL account, from one subaccount to another subaccount (if subaccounts are used in your organization), or from one company branch to another branch. You can split the transaction in any of these regards.

### Learning Objectives

You will learn how to perform the process of splitting a transaction that has been posted to the wrong account into multiple correcting transactions.

### Applicable Scenarios

You split a transaction in the following cases:

- The batch has been posted to the wrong account, and a part of the amount should be posted to another account. (This case is described in the process activity.)
- The batch has been posted to the wrong branch, and a part of the amount should be posted to another branch.

### Overview of the Process of Splitting Transactions

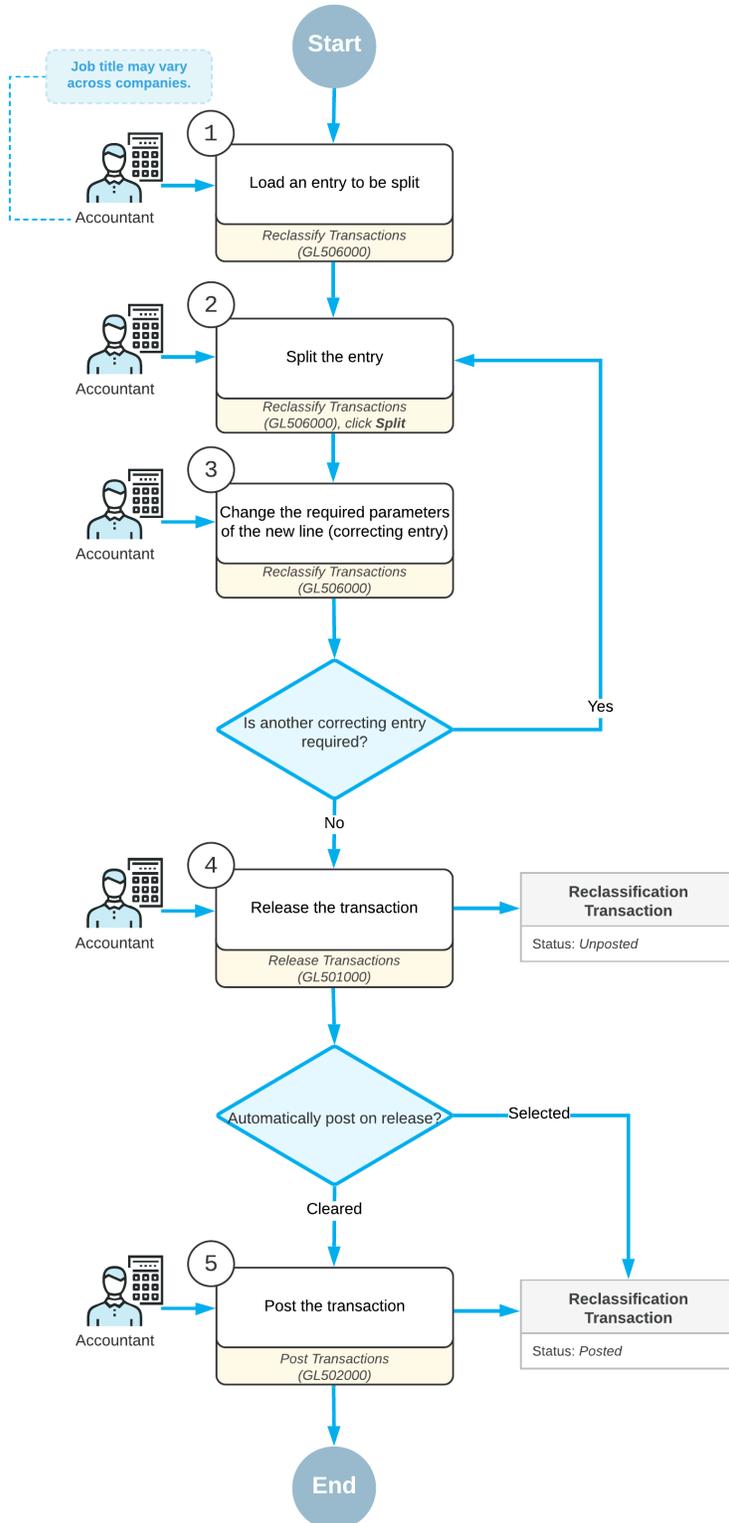
On the [Reclassify Transactions](#) (GL506000) form, to process the splitting of a transaction, you need to add new lines that represent the journal entries to which a part of the original journal entry amount will be split. A part of the amount can be transferred to another account, subaccount, or branch (or more than one of these).

As a result of the splitting process, the system generates a new transaction of the *Reclassification* type based on the original GL transaction. The *Reclassification* transaction moves the amount or a part of the amount from the wrong GL account, subaccount, or branch (or more than one of these) to the required one (or ones).

If the amount of the original transaction has not been fully split, after the reclassification batch is released, you can view the remaining amount of the original transaction in the **Remaining Reclass. Amount** column on the [Journal Transactions](#) form. You can split or reclassify a transaction with the remaining reclassification amount again.

The following diagram shows the general process of splitting transactions.

### GL transaction splitting



**Figure: GL transaction splitting**

## Modifying the Transaction

To split the necessary transaction, you open it on the [Reclassify Transactions](#) (GL506000) form. For details, see [Reclassifying Transactions: Initiation of Reclassification Process](#).

On the [Reclassify Transactions](#) form, you first click the journal entry to be split and then click **Split** on the form toolbar. The system adds a new entry under the original one. The original entry has the  icon, and each new line added during the split process has the  icon. The original entry and each new entry are highlighted in bold during the process of splitting the transaction.

Multiple new entries can be added to split the original entry. In each new row and in the original one, you can modify the values in any of the following columns:

- **To Account:** The transaction amount will be moved from the originally specified general ledger account (**Account**) to the account you specify in this column.
- **To Subaccount:** The transaction amount will be moved from the originally specified subaccount (**Subaccount**) to the subaccount you specify in this column.



This column is available only if the *Subaccounts* feature is enabled on the [Enable/Disable Features](#) (CS100000) form.

- **To Branch:** The transaction amount will be moved from the originally specified branch to the GL account or subaccount of the branch you specify in this column.



This column is available only if the *Multi-Branch Support* feature is enabled on the [Enable/Disable Features](#) form.

By default, these columns contain the values of the original journal entry. For new lines of the splitting group, these columns contain values of the original journal entry even if you have changed any of these values of the original entry.

For each new entry, in the **New Amount** column, you specify the amount to be transferred from the original entry to a new one. For the original entry, in this column, the system calculates the remaining amount based on the new amounts of new entries. The total amount of new entries cannot be more than the amount of the original entry.

Negative values can be specified in the **New Amount** column for the new entries. The negative amounts are highlighted in red and increase the amount of the original entry.

To edit the date and description of a transaction, you need to enter new values in the **New Tran. Date** and **New Transaction Description** boxes, respectively. If you edit the date, the new date has to be within the financial period of the original transaction.

The transaction is ready for splitting if the check box is selected in the Included column for the original entry and all the related new entries. The system selects this check box for each new entry when you have changed a value in the **To Account**, **To Subaccount**, or **To Branch** column and you have specified the amount to be moved to the new entry in the **New Amount** columns.

The system selects this check box for the original entry when you have changed a value in the **To Account**, **To Subaccount**, or **To Branch** column or the amount has been adjusted according to the changes made for the amounts of the new lines.

In the same reclassification batch, the system includes journal entries that have the same transaction period specified. A separate reclassification batch is generated for each journal entry that has a different transaction period.

## Splitting Transactions: Generated Transactions

Suppose that you classify all your expenses by department by using a dedicated subaccount segment for each department code. By mistake, you have posted all your expenses to one subaccount, so that an amount has been posted to the Expense subaccount of one department (*Operations*) instead of three different departments (*Operations*, *Financial*, and *Purchasing*). Now you need to split the incorrect journal entry by creating a correcting transaction, so that the total amount will be split to the subaccounts of three departments in the following proportions: 40% to the subaccount of the Financial department, 20% to the subaccount of the Purchasing department, and 40% remaining in the subaccount of the Operations department.

The following table shows the journal entries of the original GL transaction of the *Normal* type.

Account	Subaccount	Debit	Credit
Accounts Payable account	00-00-000	00.00	Amount
Expense account	00-00-OPS	Amount	00.00

The following table shows the lines of the correcting GL transaction of the *Reclassification* type.

Account	Subaccount	Debit	Credit
Expense account	00-00-OPS	00.00	0.4 * Amount
Expense account	00-00-FIN	0.4 * Amount	00.00
Expense account	00-00-OPS	00.00	0.2 * Amount
Expense account	00-00-PUR	0.2 * Amount	00.00

As a result, if \$100 had been originally posted to the Expense subaccount of the Operations department, \$40 will be posted to the Expense subaccount of the Financial department, \$20 will be posted to the Expense subaccount of the Purchasing department, and \$40 remains posted to the subaccount of the Operations department.

## Splitting Transactions: To Split a Transaction by Subaccounts

In this activity, you will learn how to reclassify a GL transaction and split it from one subaccount to multiple subaccounts.

### Story

Suppose that on January 25, 2020, a GL batch for \$620 was posted to the *62400 - Office Expenses* account and to the general *000-000* subaccount. The accountant then decided to split expenses between different departments so that reports would reflect the expense breakdown by departmental subaccounts. The office expenses each department has in this batch are the following:

- Sales department: \$185
- Engineering department: \$122
- Marketing department: \$74
- Operations department: \$89
- Finance department: \$150

Acting as the SweetLife accountant, you have to split the original transaction by subaccounts to record the applicable expenses for each department.

### Process Overview

First, you will find the GL transaction to be split on the [Account Details](#) (GL404000) form. Then, on the [Reclassify Transactions](#) (GL506000) form, you will split the amounts of the original transaction. You will then release the transaction on the [Journal Transactions](#) (GL301000) form. Finally, you will view the account balances split by subaccounts on the [Account by Subaccount](#) (GL403000) form.

### System Preparation

To prepare the system, do the following:

1. In a tenant with the *U100* dataset preloaded, configure the subaccounts to be used in the system, as described in [Subaccounts: Implementation Activity](#). In this configuration, you enable the appropriate feature to use subaccounts, define the structure of subaccounts, and specify the values for subaccount segments in the system.
2. Sign in to the tenant with the *pasic* login and *123* password.
3. In the info area, in the upper-right corner of the top pane of the Acumatica ERP screen, make sure that the business date in your system is set to *1/30/2020*. If a different date is displayed, click the Business Date menu button and select *1/30/2020*. For simplicity, in this activity, you will create and process all documents in the system on this business date.

4. On the Company and Branch Selection menu, also on the top pane of the Acumatica ERP screen, make sure that the *SweetLife Head Office and Wholesale Center* branch is selected. If it is not selected, click the selection menu to view the list of branches that you have access to, and then click *SweetLife Head Office and Wholesale Center*.

### Step 1: Finding the GL Transaction to be Split

You find the GL transaction to be split as follows:

1. Open the [Account Details](#) (GL404000) form.
2. In the Selection area, specify the following settings:
  - **Company/Branch:** *HEADOFFICE* (inserted by default)
  - **Ledger:** *ACTUAL* (inserted by default)
  - **From Period:** *01-2020*
  - **To Period:** *01-2020*
  - **Account:** *62400 - Office Expense*
3. In the table, select the unlabeled check box for the line with the amount of \$620, and on the form toolbar, click **Reclassify** to open the line on the [Reclassify Transactions](#) (GL506000) form.

### Step 2: Splitting the Transaction

To split the transaction, perform the following actions:

1. While remaining on the [Reclassify Transactions](#) (GL506000) form, which has opened, click **Split** on the form toolbar.

Notice that the system has added a new line under the original line.

2. In the columns of the new line, specify the following settings:

- **To Subaccount:** 000-SLS

The *SLS* subaccount segment represents the sales department.

- **New Amount:** 185

Notice that the **New Amount** column for the original line has decreased by the specified amount for the new line and now contains *435.00*.

3. To enter another new entry, click **Split** on the form toolbar.
4. In the columns of the new line, specify the following settings:

- **To Subaccount:** 000-ENG

The *ENG* subaccount segment represents the engineering department.

- **New Amount:** 122

Notice that the **New Amount** column for the original line has decreased by the sum of the amounts of the two new lines and now contains *313.00*.

5. Add three more rows with the following settings:

- **To Subaccount:** 000-MKT

The *MKT* subaccount segment represents the marketing department.

- **New Amount:** 74

- **To Subaccount:** 000-OPS

The *OPS* subaccount segment represents the operations department.

- **New Amount:** 89

- **To Subaccount:** 000-FIN

The *FIN* subaccount segment represents the finance department.

- **New Amount:** 150

6. On the form toolbar, click **Process**.

7. In the **Processing** dialog box, which opens, click the **Processed** tab to verify that the batch was generated.

### Step 3: Releasing the Transaction

You do the following to release the transaction:

1. While you are still viewing the table on the **Processed** tab of the **Processing** dialog box, click the link in the **Reclass. Batch Number** column to open the reclassification transaction that the system has created.
2. On the [Journal Transactions](#) (GL301000) form, which opens, review the transaction, and clear the **Hold** check box in the Summary area.
3. On the form toolbar, click **Release** to release the batch.

### Step 4: Reviewing the Account Balances by Subaccounts

To review the account balances broken down by subaccounts, do the following:

1. Open the [Account by Subaccount](#) (GL403000) form.
2. In the Selection area, specify the following settings:
  - **Company/Branch:** *HEADOFFICE* (inserted by default)
  - **Ledger:** *ACTUAL* (inserted by default)

- **Period:** 01-2020
- **Account:** 62400 - Office Expense

The system shows the balances broken down by subaccounts. Make sure that the balances have been updated according to the transactions you have released.

## Lesson 1.4: Configuring Automatically Combined Subaccounts

---

### Combined Subaccounts: General Information

With the combined subaccount functionality provided by Acumatica ERP, you can define masks the system uses to form a combined subaccount from multiple subaccounts to track costs more specifically.

When a user enters a document, such as a vendor bill or a customer invoice, into the system, multiple subaccounts are involved, such as the subaccount associated with the product being purchased or sold in each line, the subaccount associated with the employee entering the document, and the subaccount associated with the vendor or customer involved. If you have configured the combined subaccount functionality, the system will insert a particular subaccount that is a combination of the involved subaccounts that you have specified—during this configuration, you specify the masks that the system uses to compose new subaccount identifiers by using the segment values of each of the specified subaccounts.

### Learning Objectives

In this chapter, you will learn how to specify combined subaccount masks for different types of documents.

### Applicable Scenarios

If subaccounts have been configured in your system, you can speed up entry of subaccounts by setting up the combined subaccount functionality for the following types of documents:

- AP documents
- AR documents
- Inventory transactions
- Sales orders
- Purchase orders
- Expense claims
- Project transactions

## Configuration of Combined Subaccounts

For each type of documents for which you want to configure the combined subaccount functionality, you specify the subaccount mask in the appropriate box on the Acumatica ERP form with the preference settings for that functionality. For example, to specify the combined expense subaccount to be used for AP document lines, you enter the mask in the **Combine Expense Sub. From** box on the [Accounts Payable Preferences](#) (AP101000) form.



If the *Inventory and Order Management* group of features is enabled on the [Enable/Disable Features](#) (CS100000) form, you instead specify the combined subaccounts on the [Posting Classes](#) (IN206000) form for the inventory transactions, sales orders, and purchase orders. It is also possible to specify a mask for sales, freight, and discount subaccounts on the [Order Types](#) (SO201000) form.

In a box for a combined subaccount, you enter a subaccount mask, such as *EEE-EEE*, in accordance with the segmented structure of subaccounts defined in the company. You specify the rule the system uses for selecting the values for the segments of a combined subaccount from the subaccounts involved.



For smooth implementation of the configuration of automatically combined subaccounts, we recommend that you select the *By Segment: All Avail. Segment Values* lookup mode in the **Lookup Mode** box for the *SUBACCOUNT* segmented key on the [Segmented Keys](#) (CS202000) form, so that the system can generate valid subaccounts segment by segment. Otherwise, all the subaccounts that may result from combining segments from multiple sources must be predefined in the system—that is, added to the list of valid subaccounts on the [Subaccounts](#) (GL203000) form.

To enter a rule for combined subaccounts, you can select one of the following options (the available options in a particular list vary depending on the document type) for each segment of the subaccount mask to indicate what subaccount is used as a source for this segment:

- *C*: The subaccount associated with the company branch
- *E*: The subaccount associated with the employee
- *I*: The subaccount associated with the stock or non-stock item
- *L*: The subaccount associated with the customer location or vendor location
- *P*: The subaccount associated with the project
- *T*: The subaccount associated with the project task
- *S*: The subaccount associated with the salesperson
- *W*: The subaccount associated with the warehouse

Within a segment, you repeat the character designating the option as many times there are characters in the segment. For example, you use *CCCC*, *EEEE*, *IIII*, or *LLLL* for a four-character segment, and *CC*, *EE*, *II*, or *LL* for a two-character segment. Then in the **Combine Expense Sub. From** box on the [Accounts Payable Preferences](#) (AP101000) form, you might type *LLLL-CCC*. This tells the system to use the vendor location as the source for the first segment and the company branch as the source for the second segment.

## Combined Subaccounts: To Define a Subaccount Mask for AP Documents

In this activity, you will learn how to configure automatically combined subaccounts in accounts payable documents. You do this by defining a subaccount mask in the accounts payable preference settings and by specifying subaccounts for the needed entities.

### Story

Suppose that you need to configure the combined subaccounts to be used in vendor documents, to speed up their processing. Acting as an administrator, you have to specify the subaccount mask that will be used for these documents, and then specify the expense subaccount for some of the source records. The first segment of the subaccount should be taken from the non-stock item selected in the document line. The second segment should be taken from the employee that an owner or creator of the document.

### System Preparation

Before you start to specify the subaccount mask, in a tenant with the *U100* dataset preloaded, be sure subaccounts have been configured to be used in the system, as described in [Subaccounts: Implementation Activity](#). This configuration involves enabling the appropriate feature to use subaccounts, defining the structure of subaccounts, and specifying the values for subaccount segments in the system.

### Step 1: Defining the Mask for Combined Subaccounts in AP Documents

To define the subaccount mask in the accounts payable preference settings, do the following:

1. Sign in to the company you have prepared with the *admin* login.
2. Open the [Accounts Payable Preferences](#) (AP101000) form.
3. Click in the **Combine Expense Sub. From** box of the **General Settings** tab (**Data Entry Settings** section), point at the first segment, and press F3.

The lookup box opens with the possible options that can be selected.

4. Select *III* for the first segment.

This directs the system to take the first segment from a non-stock item.

5. For the second segment, make sure *EEE* is selected.

This directs the system to take the second segment of the combined subaccount from an employee account.

6. Click **Save** on the form toolbar.

## Step 2: Specifying the Expense Subaccount for Non-Stock Items

For the *ADVERT* and *CONSULT* non-stock items, you will specify the expense subaccount that the system will use to form the combined subaccount when that item is selected in a document. (In a production system, you would specify the appropriate expense subaccount for all stock and non-stock items.) To specify the expense subaccount for these non-stock items, do the following:

1. Open the [Non-Stock Items](#) (IN202000) form.
2. In the **Inventory ID** box of the Summary area, select *ADVERT*.
3. On the **GL Accounts** tab, in the **Expense Sub.** box, specify *NSS-000*.
4. On the form toolbar, click **Save**.
5. Repeat Instructions 2 through 4 for the *CONSULT* non-stock item.

## Step 3: Specifying the Expense Subaccount for an Employee

For Bill Owen, you will specify the expense subaccount that the system will use to form the combined subaccount if the employee created a document. To specify the expense subaccount for this employee, do the following:

1. Open the [Employees](#) (EP203000) form.
2. In the **Employee ID** box, select *EP00000015*.
3. On the **Financial Settings** tab, in the **Expense Sub.** box, specify *000-MKT*.
4. On the form toolbar, click **Save**.

# Lesson 1.5: Processing an AP Bill with Combined Subaccounts

---

## Bill with Combined Subaccounts: General Information

If the *Subaccounts* feature is enabled on the [Enable/Disable Features](#) (CS100000) form and subaccounts have been configured, you can enter and process AP bills in which lines are classified by different subaccounts. To speed up the creation of these bills, you set up a subaccount mask that determines how subaccounts are combined in accounts payable documents, as described in [Combined Subaccounts: General Information](#).

In an AP document that is entered in the system, multiple subaccounts are involved, such as the subaccount associated with the item (if applicable) specified in the bill line, the subaccount associated with the owner of the document, and the subaccount associated with the vendor specified in the bill. With the combined subaccount functionality, the system inserts into each line a particular subaccount that is a combination of the segment values specified in the mask—that is, the system uses a subaccount mask to compose a new subaccount identifier consisting of the segment values of each of the specified subaccounts.

When the AP bill is released, the system tracks each line's extended price in the subaccount specified for the line.

When you enter an AP bill on the [Bills and Adjustments](#) (AP301000) form, you perform the same steps as you do when you create an AP bill that does not involve subaccounts. The system inserts the default subaccount for each line of the document according to the mask that is specified on the [Accounts Payable Preferences](#) (AP101000) form. These subaccounts can be overridden. For details on processing an AP bill, see [AP Bills: General Info](#).

### Learning Objectives

In this chapter, you will learn how to do the following:

- Process an AP bill when combined subaccounts have been configured for AP documents
- Review a report that is broken down by subaccounts

### Applicable Scenarios

You create an AP bill manually when you receive an invoice from a vendor. You then release the bill that you have created and complete its processing in the system.

If subaccounts have been configured in your system, these bills have to contain subaccounts in their lines. If a subaccount mask has been specified for AP documents, the system inserts subaccounts automatically.

## Bill with Combined Subaccounts: Generated Transactions

When you release an AP bill, the system generates a transaction to record the liability to the general ledger. The AP bill includes all the information the system needs to generate the transaction.

You can view the details of the transaction associated with the bill by clicking the link in the **Batch Nbr.** box on the **Financial Details** tab of the [Bills and Adjustments](#) (AP301000) form.

The following two accounts are usually involved:

- The liability account specified in the **AP Account** box on the **Financial Details** tab
- The expense account specified for each line in the **Account** column on the **Document Details** tab

The subaccounts, which are combined according to the mask specified in the **Combine Expense Sub. From** box on the [Accounts Payable Preferences](#) (AP101000) form, are specified for the lines with the expense account.

For a one-line bill, the following transactions will be recorded to the general ledger when the bill is released.

Account	Subaccount	Debit	Credit
Accounts Payable account	000-000	0.00	500.00

Account	Subaccount	Debit	Credit
Expense account	<i>NSS-MKT</i>	500.00	0.00

## Bill with Combined Subaccounts: Process Activity

The following activity will walk you through the process of creating and releasing an AP bill that contains combined subaccounts.

### Story

Suppose that the SweetLife Fruits & Jams company purchased billboard advertising from the Blueline Advertisement company and additional printed booklets that are not tracked in the system as non-stock items. Acting as the SweetLife accountant with the *pasic* user account, you need to create an AP bill, which the Marketing department owns, release the bill, and then review the balances of involved accounts broken down by subaccounts.

### Process Overview

You create an AP bill on the [Bills and Adjustments](#) (AP301000) form. In the bill, you specify the vendor in the **Vendor** box of the Summary area and the document details on the **Document Details** tab and the owner on the **Financial Details** tab. When the bill is ready, you release the document by clicking **Release** on the form toolbar.

### System Preparation

Do the following to prepare the system for this activity:

1. In a tenant with the *U100* dataset preloaded, configure the subaccounts to be used in the system, as described in [Subaccounts: Implementation Activity](#). In this configuration, you enable the appropriate feature to use subaccounts, define the structure of subaccounts, and specify the values for subaccount segments in the system.
2. In the same tenant, define the subaccount mask to be used in AP documents, the subaccounts for the employee, and non-stock item, as described in [Combined Subaccounts: To Define a Subaccount Mask for AP Documents](#).
3. Sign in to the tenant with the *pasic* login and *123* password.
4. In the info area, in the upper-right corner of the top pane of the Acumatica ERP screen, make sure that the business date in your system is set to *1/30/2020*. If a different date is displayed, click the Business Date menu button and select *1/30/2020*. For simplicity, in this process activity, you will create and process all documents in the system on this business date.
5. On the Company and Branch Selection menu, also on the top pane of the Acumatica ERP screen, make sure that the *SweetLife Head Office and Wholesale Center* branch is selected. If it is not selected, click the selection menu to view the list of branches that you have access to, and then click *SweetLife Head Office and Wholesale Center*.

### Step 1: Creating an AP Bill

You will create an AP bill to see how the combined subaccount functionality works. Do the following:

1. Open the [Bills and Adjustments](#) (AP301000) form.
2. Click **Add New Record** on the form toolbar, and specify the following settings in the Summary area:
  - **Type:** *Bill*
  - **Vendor:** *BLUELINE*
  - **Terms:** *30D* (inserted by default based on the selected vendor)
  - **Date:** *1/30/2020* (the current business date, which is inserted by default)
  - **Post Period:** *01-2020* (inserted by default based on the selected date)
  - **Description:** *Advertising services*
3. On the **Financial Details** tab, in the **Owner** box, select *EP00000015*.
4. On the **Document Details** tab, click **Add Row**, and specify the following settings for the added row:
  - **Branch:** *HEADOFFICE*
  - **Inventory ID:** *ADVERT*
  - **Quantity:** *1*
  - **Unit Cost:** *500.00*

Notice that the system has inserted the *61000 - Advertising Expense* account in the **Account** column for the line, which is the expense account of the item.

Also, notice that the system has inserted the *NSS-MKT* subaccount in the **Subaccount** column for this row. The system has composed this expense subaccount according to the subaccount mask specified on the [Accounts Payable Preferences](#) (AP101000) form, which is *III-EEE*. The first segment of the combined subaccount was taken from the non-stock item of the line (as indicated by *III* in the mask), and the second segment was taken from the employee account (as indicated by *EEE* in the mask), which is *MKT* for the document owner.

5. On the **Document Details** tab, click **Add Row** again, and specify the following settings for the added row:
  - **Branch:** *HEADOFFICE*
  - **Transaction Description:** *Printed booklets*
  - **Ext. Price:** *250*

Notice the *000-MKT* subaccount inserted in the **Subaccount** column for this row. Because no item has been specified for this line, the system inserted *000* as the first segment of the combined subaccount. The second segment was taken from the employee account, which is *MKT* for the document owner.

6. On the form toolbar, click **Save**.

### Step 2: Releasing the AP Bill

To release the bill, do the following:

1. While you are still viewing the bill on the *Bills and Adjustments* (AP301000) form, clear the **Hold** check box in the Summary area.
2. On the form toolbar, click **Release**.

The system changes the status of the bill to *Open*.

### Step 3: Reviewing the Expense Account in the Trial Balance Detailed Report

To review the balance of the *61000* account and check the amounts the system tracked for each subaccount, do the following:

1. Open the *Trial Balance Detailed* (GL632500) form.
2. Make sure the following settings are specified:
  - **Company/Branch:** *HEADOFFICE*
  - **Ledger:** *Actual*
  - **Financial Period:** *01-2020*
3. On the form toolbar, click **Run Report**.
4. In the generated report, review the balances of the *61000* account. Notice the amount in the **Debit** column for the *000-MKT* and *NSS-MKT* subaccounts of this account (\$250 and \$500, respectively).

## Part 2: Budgets

---

This part of the course deals with budgets and guides you through creating a budget ledger, configuring a budget tree, preparing simple and hierarchical budgets, comparing and revising budgets, and converting a simple budget to hierarchical budget.

For completing lessons of this part of the course, you will use a company with the *U100* dataset preloaded, which provides a fully configured company with sample data specially designed for this course.

Activities in this part are to be completed under users with specific access rights. Each activity provides the credentials to use for sign-in to the prepared *U100* tenant in the *System Preparation* section.

### Lesson 2.1: Creating a Budget Ledger

---

#### Budget Ledger: General Information

In Acumatica ERP, you can create ledgers of the *Budget* type to store information on budgets.

#### Learning Objectives

In this chapter, you will learn how to create a ledger of the *Budget* type.

#### Applicable Scenarios

You create a budget ledger if you need to prepare a budget in the system. You can also use the budget ledger as a base ledger for calculating allocation proportions. For details, see [Allocation Rules: General Information](#).

#### Creation and Population of a Budget Ledger

You create a budget ledger on the [Ledgers](#) (GL201500) form. You can create as many budget ledgers as you need. To post annual budgets of different companies or branches, you can use a single ledger. To prepare two different budgets for the same company, branch, and year (for example, an optimistic budget and a pessimistic budget), you have to create a budget ledger for each budget.

To create a budget in the budget ledger, you prepare a budget on the [Budgets](#) (GL302010) form and release it on the [Release Budgets](#) (GL505510) form. When you release it, the budget amounts are posted to the budget ledger under the account (and subaccount if applicable) of the budget article. After release of the budget, the budget amounts are available for reports and for comparison with actual figures or other budgets on the [Budgets](#) form.



You cannot enter transactions to the budget ledger.

## Budget Ledger: Implementation Activity

In this activity, you will learn how to create a budget ledger for a company in Acumatica ERP.

### Story

Suppose that as an accountant, you need to create a budget ledger that will hold the optimistic budgets for the SweetLife Fruits & Jams and Muffins & Cakes companies.

### System Preparation

Before you start creating a budget ledger, sign in to a tenant with the U100 dataset preloaded as an accountant with the *pasic* login and *123* password.

### Step: Creating a Budget Ledger

Perform the following instructions to create the budget ledger to be used by the companies:

1. Open the [Ledgers](#) (GL201500) form.
2. On the form toolbar, click **Add New Record**.
3. In the **Ledger ID** box, type `BUDGETOPT`.
4. In the **Description** box, type `Ledger for optimistic budgets`.
5. In the **Type** box, select *Budget*.
6. On the **Companies** tab, click **Add Row**, and select *SWEETLIFE* in the **Company** column.
7. Click **Add Row** again, and select *MUFFINS* in the **Company** column.
8. On the form toolbar, click **Save**.

On the **Branches** tab, notice that all the branches of the SweetLife Fruits & Jams and Muffins & Cakes companies have been added.

You have created a budget ledger that can now be used to store optimistic budgets for both companies.

## Lesson 2.2: Preparing a Simple Budget

---

### Simple Budget: General Information

In Acumatica ERP, you can create simple budgets (that is, single-level lists of budget articles) with the amounts representing the specific expenses and revenues for a budget year of a particular branch.

#### Learning Objectives

In this chapter, you will read about ways you can create a simple budget in the system. You will also perform an activity that involves creating a simple budget by uploading it from an Excel file.

#### Applicable Scenarios

You create a simple budget when you want to keep planned and forecasted revenues and expenses as a single-level list of budget articles.

#### Workflow of Preparing a Simple Budget

Before you start preparing a simple budget, make sure that the ledger to which the budget will be posted has been created on the [Ledgers](#) (GL201500) form; the ledger should have the *Budget* type. For details, see [Budget Ledger: General Information](#).

The process of preparing a simple budget consists of the following general steps:

1. Creating the budget: You create a budget for a year on the [Budgets](#) (GL302010) form.
2. Approving the budget: After you have reviewed the prepared budget, to post the budget to a budget ledger, you have to release the budget articles on the [Release Budgets](#) (GL505510) form.

#### Creation of Simple Budgets

You create simple (single-level) budgets on the [Budgets](#) (GL302010) form. For each budget you create, you specify the following:

- The branch (if the organization consists of multiple companies or branches) for which the budget is being prepared
- The ledger of the *Budget* type where the budget amounts will be stored
- The financial year for which the budget is prepared

You then add budget articles on the [Budgets](#) form by using one of the following methods (or a combination of these methods):

- You enter account-subaccount pairs (or only accounts if subaccounts aren't used in your system) manually. To do this, for each pair or each account, you click **Add Row**

on the table toolbar, select an account in the **Account** column and a subaccount in the **Subaccount** column (if they are used in your system), and type the annual amount in the **Amount** column for each budget article. You then distribute the amount over the periods.



An account-subaccount pair may be used only once in a budget.

- You import the list of budget articles from an Excel spreadsheet. To do this, you click **Load Records from File** on the table toolbar and upload the file.
- You load the account-subaccount pairs (or the accounts if subaccounts aren't used in your system) with their amounts from an actual ledger or from another budget ledger. To do this, you click **Preload Articles** on the form toolbar and select the source settings in the Preload Budget Articles wizard. You specify the source ledger, the financial year, and the accounts and subaccounts to be uploaded. You can specify a multiplier to calculate the budget amounts based on the amounts available in the source ledger.

### Distribution of Amounts Over Financial Periods

On the [Budgets](#) form (GL302010) form, you have to distribute the annual amounts specified for an article over the periods of the year before you can release the budget article. For the budget article to be released, the amount of the article has to be equal to the distributed amount.

You can distribute the amounts for each period in one of the following ways:

- To distribute amounts manually, you specify the necessary amounts for each period in the corresponding column.
- To distribute amounts automatically, you click **Distribute** on the table toolbar of the form. In the **Distribute Year Amount by Periods** dialog box, which opens, you define how the amounts should be distributed in the **Distribution Method** box as follows:
  - To distribute the annual amount over the financial periods evenly (excluding the adjustment period if this period has been configured in your system), you select *Evenly*.
  - To distribute the annual amount over the financial periods proportionally to the amounts of the previous year's periods, (including the adjustment period), you select *Proportionally to the Previous Year*.
  - To distribute the annual amount over the financial periods proportionally to the amounts selected for comparison (including the adjustment period), you select *Proportionally to Compared Values*.

To facilitate the distribution of the amounts, you also can select whether you want to distribute each amount for only the selected article or for all articles in the same node. Also, you can select a node and distribute the amounts for all subarticles of this node.

## Simple Budget: Process Activity

In this activity, you will learn how to prepare a simple budget by uploading data from an Excel file.

### Story

Suppose that you are an accountant of the SweetLife company and you have prepared an Excel file in which you have specified the planned revenues and expenses of the SweetLife retail store for the year 2020. You now need to upload the budget to the system.

### Process Overview

To create a new simple budget, on the [Budgets](#) (GL302010) form, you specify the basic settings (branch, ledger, and financial year) and add the budget articles to the table. You then post the budget to a budget ledger by releasing the budget articles on the [Release Budgets](#) (GL505510) form.

### System Preparation

Before you begin to create a simple budget, in a tenant with the *U100* dataset preloaded, do the following:

1. Make sure that subaccounts have been configured to be used in the system, as described in [Subaccounts: Implementation Activity](#).
2. Sign in to the tenant with the *pasic* login and the *123* password.



You cannot complete this lesson if a budget tree has been configured. Make sure no budget tree has been configured on the [Budget Configuration](#) (GL205000) form.

### Step 1: Uploading Budget Data

To upload the budget from an **.xls** file, do the following:

1. Open the [Budgets](#) (GL302010) form.
2. In the **Branch** box of the Summary area, make sure *RETAIL* is selected.
3. In the **Ledger** box, make sure *BUDGET* is selected.
4. In the **Financial Year** box, select *2020*.
5. On the table toolbar, click **Load Records from File**; select the [Budget\\_RETAIL\\_2020](#) file. In the wizard that opens, leave all the default settings and map the columns as the system suggests.

The system uploads the budget articles from the Excel file.

6. Save the uploaded budget.

## Step 2: Releasing the Budget

Release the budget as follows:

1. Open the [Release Budgets](#) (GL505510) form.
2. On the form toolbar, click **Release All**.

The **Processing** dialog box opens. Close this dialog box when the process is complete.

You have prepared a simple budget for the *RETAIL* branch for the year 2020.

## Simple Budget: Report

This topic describes a report that you may want to review to gather information about budget articles.



If you do not see the report form, this could mean that you have signed in to the system with a user account that does not have access rights to the report form.

### Viewing the List of Budget Articles

You can view the list of budget articles that have been created for a particular branch or company for a specific year on the [GL Budget Edit](#) (GL612001) form. The report shows the current amount and distributed amount of each budget article and their released amounts if an article has been released.

## Lesson 2.3: Configuring a Hierarchical Budget Tree

---

### Budget Tree: General Information

In Acumatica ERP, you can define the structure of the budgets in the system. To do so, you configure a budget tree, in which budget articles are divided by groups.



We recommend that you define the budget tree because it makes easier to prepare and analyze budgets. However, you can work with simple budgets, which are lists of budget articles, without the preliminary configuration of the budget tree. For details, see [Preparing a Simple Budget](#).

### Learning Objectives

In this chapter, you will learn about the following:

- The elements of a budget tree structure
- The ways the budget tree can be configured

## Applicable Scenarios

You create a budget tree if hierarchical (multilevel) budgets are used by your organization to facilitate the preparation of the budget.

## Configuration of a Budget Tree

Before you start configuring budgets, you should consider the needs of all companies and branches so that you can include all the budget levels used by your companies and branches, because the same tree will be used for all companies, branches, and all budget versions.

To define the structure of the budgets that are used in the system, you build a budget tree on the [Budget Configuration](#) (GL205000) form. To do so, you add the budget articles that are represented as *nodes* and *leaves* in the system.

Node articles group similar leaf articles. For example, you can create one node for the account-subaccount pairs for salaries and another node for the account-subaccount pairs that are used to record sales.

Each leaf article is defined by an account-subaccount pair. The account and subaccount of the leaf are the ones to which the budget amount is recorded in the system. The system calculates the amount for each node automatically as the sum of the amounts of all its leaf articles.



An account-subaccount pair can be used only once within the tree.

The budget tree will be preloaded when you start creating the budget on the [Budgets](#) (GL302010) form.

## Node Budget Articles

You define nodes on the **Subarticles** pane of the [Budget Configuration](#) (GL205000) form. For each node, you specify a description and optionally account or subaccount masks (or both types of masks). The check box in the **Node** column has to be selected for each node you create in the system.

The account and subaccount masks specified for the node in the **Account Mask** and **Subaccount Mask** columns define the articles that can be added to this node. When you create a budget on the [Budgets](#) (GL302010) form, you can preload articles to this node based on the mask, so that you do not necessarily have to define a leaf for every single article in the budget tree.

You can further populate nodes with other nodes, or define leaf articles for each node.

## Leaf Budget Articles

You add each leaf (account-subaccount pair) to the budget tree on the **Subarticles** pane of the [Budget Configuration](#) (GL205000) form. You can do this in one of the following ways:

- To add a range of similar accounts and subaccounts, you click **Preload Accounts** on the table toolbar of the **Subarticles** pane. You then specify a range of accounts and a mask for subaccounts in the **Preload Accounts** dialog box. After you click **OK** in the dialog box, the system generates all possible account-subaccount pairs.
- To enter each account-subaccount pair manually, on the **Subarticles** pane, you click **Add Row** on the table toolbar and specify account-subaccount pair.

For leaves, you can specify account and subaccount masks in the **Account Mask** and **Subaccount Mask** columns. The account mask and the subaccount mask define the account-subaccount pair or pairs included in the budget article. For example, you might want to aggregate small amounts of different accounts under just one account in the budget. To do so, you specify the account mask and subaccount mask of the group in the leaf.

## Budget Tree: Implementation Activity

In this activity, you will learn how to configure a budget tree in the system.

### Story

Suppose that managers of the SweetLife company want to keep budgets in the system. They want the budgets to contain budget articles for sales of each product, salaries of each department, and rent and other office expenses. They also want to be able to view the whole budget for each of these groups. Also, advertising and purchasing expenses have to be planned in the budgets, so it is necessary to add budget articles for them. The budget article for the purchasing expenses has to aggregate expenses for all departments.

Acting as a system administrator, you will create a budget tree with three nodes for these groups, which will contain the related budget articles, and two separate budget leaves.

### Process Overview

To configure a budget tree, you use the [Budget Configuration](#) (GL205000) form. On this form, you create nodes, separate leaves, and then add leaves for each node.

### System Preparation

Before you begin configuring the budget tree, in a tenant with the *U100* dataset preloaded, do the following:

1. Make sure the subaccounts to be used are defined in the system, as described in [Subaccounts: Implementation Activity](#)
2. Sign in to the tenant with the *pasic* login and the *123* password.
3. Upload the list of subaccounts from a file. To do so, on form toolbar of the [Subaccounts](#) (GL203000) form, click **Load Records from File**, and select the [Subaccounts](#) file. In the wizard that opens, leave all the default settings and map the columns as the system suggests. Save the uploaded subaccounts on the form.

## Step 1: Defining Nodes

To define nodes in the budget structure, do the following:

1. Open the [Budget Configuration](#) (GL205000) form.
2. In the **Budget Tree** pane, notice that the tenant to which you are currently logged in is selected (highlighted in bold).
3. In the **Subarticles** pane, click **Add Row** on the table toolbar, and do the following:
  - a. In the **Description** column, type `Sales`
  - b. In the **Account Mask** column, type `40000`.

Because the node will contain leaf articles for one account, this account is specified as a mask. It will be used in the **Preload Articles** dialog box (which is used to preload leaf articles) to determine the accounts that start and end the range of accounts for generating account-subaccount pairs.

- c. In the **Subaccount Mask** column, specify `???-000`.

Because the node will contain leaf articles for each product group in the system, a mask with the wildcard character (?) is used. This mask will be used in the **Preload Articles** dialog box as the default mask for subaccounts for generating account-subaccount pairs.

- d. Leave other columns empty.
- e. Select the **Node** check box.

4. Click **Add Row** on the table toolbar, and create a node with the following settings:

- **Description:** `Salaries`
- **Node:** Selected



Leave the other columns empty.

Because you have not specified the account and subaccount masks for this node, you will have to specify the account range and subaccount mask in the **Preload Articles** dialog box.

5. Click **Add Row**, and create a node with the following settings:

- **Description:** `Rent & Other Office Expenses`
- **Account Mask:** `62???`

Because the node will contain leaf articles with accounts whose numbers start with 62, a mask with the wildcard character (?) is used. This mask will be used in the **Preload Articles** dialog box to determine the accounts that start and end the range of accounts for generating account-subaccount pairs.

- **Subaccount Mask:** 000-???

Because the mask is specified for the second segment, the system will look for subaccounts for each department.

- **Node:** Selected



Leave other columns empty.

6. Click **Save** on the form toolbar.

You have created nodes for your budget structure, which you can now see in the **Budget Tree** pane. We recommend that you configure the general structure of the budget tree by defining the top-level grouping nodes and specifying account and subaccount masks for them. The general structure makes the budget tree flexible so that you can preload the needed articles while preparing a particular budget. When you create a budget, the system automatically adds the nodes and the articles to the budget according to the preconfigured budget tree.

## Step 2: Adding Leaves that Do Not Relate to Any Node

You add leaves as follows:

1. While you are still viewing the budget tree on the [Budget Configuration](#) (GL205000) form, in the **Subarticles** pane, click **Add Row** on the table toolbar, and create a node with the following settings:
  - **Account:** 61000
  - **Subaccount:** 000-000
  - **Description:** Advertising Expense
  - **Account Mask:** 61000
  - **Subaccount Mask:** 000-000
  - **Node:** Cleared

You have to specify the account–subaccount pair and account–subaccount mask for each leaf in the budget tree. The account and subaccount of the leaf are the ones to which the budget amount is recorded in the system. The account mask and the subaccount mask define the account–subaccount pair or pairs included in the budget article.

2. Click **Add Row**, and create a leaf with the following settings:
  - **Account:** 60000
  - **Subaccount:** 000-000
  - **Description:** Purchase Expense

- **Account Mask:** 60000
- **Subaccount Mask:** 000-???
- **Node:** Cleared

This leaf is the aggregated purchase expense budget article that applies to the purchase expenses of all departments.

3. Click **Save** on the form toolbar.

### Step 3: Adding Leaves to the Sales Node

Do the following:

1. While you are still viewing the budget tree on the [Budget Configuration](#) (GL205000) form, in the **Budget Tree** pane, click the *Sales* node.
2. On the table toolbar of the **Subarticles** pane, click **Preload Accounts**.  
The **Preload Accounts** dialog box opens with accounts and subaccounts specified based on the account and subaccount masks of the node.
3. In this dialog box, in the **Account from** box, make sure *40000* is selected.
4. In the **Account to** box, make sure *40000* is selected.
5. In the **Subaccount Mask** box, make sure *???-000* is selected.
6. Click **OK** to preload the budget leaves. The system automatically populates the budget tree with all the possible combinations that match the specified mask.
7. Click **Save** on the form toolbar.

### Step 4: Adding Leaves to the Salaries Node

You add leaves as follows:

1. While you are still viewing the budget tree on the [Budget Configuration](#) (GL205000) form, in the **Budget Tree** pane, click the *Salaries* node.
2. On the table toolbar of the **Subarticles** pane, click **Preload Accounts**.  
The **Preload Accounts** dialog box opens. Because subaccount masks have not been specified for this node, the system has not filled in the boxes of the dialog box.
3. In this dialog box, in the **Account from** box, select *69500*.
4. In the **Account to** box, select *69500*.
5. In the **Subaccount Mask** box, specify *000-???*.
6. Click **OK** to preload the budget leaves.

7. Save the budget configuration.

### Step 5: Adding Leaves to the Rent & Other Office Expenses Node

You add leaves as follows:

1. While you are still viewing the budget tree on the [Budget Configuration](#) (GL205000) form, in the **Budget Tree** pane, click the *Rent & Other Office Expenses* node.
2. On the table toolbar of the **Subarticles** pane, click **Preload Accounts**.  
The **Preload Accounts** dialog box opens.
3. In this dialog box, in the **Account from** box, make sure 62400 is selected.
4. In the **Account to** box, make sure 62950 is selected.
5. In the **Subaccount Mask** box, specify 000-???.
6. Click **OK** to preload the budget leaves.
7. Save the budget configuration.

The budget tree is ready and can be used for preparing budgets.

## Lesson 2.4: Preparing a Hierarchical Budget

---

### Hierarchical Budget: General Information

In Acumatica ERP, you can create a hierarchical budget—that is, a budget that has multiple levels. For each level, the budget can be reviewed and analyzed.

#### Learning Objectives

In this chapter, you will learn how to create and release a hierarchical budget.

#### Applicable Scenarios

You create a hierarchical budget when you want to maintain planned and forecasted revenues and expenses as a multilevel list of budget articles.

#### Workflow of Preparing a Hierarchical Budget

Before you start preparing a hierarchical budget, make sure that the following tasks have been performed in the system:

- The ledger to which the budget will be posted has been created on the [Ledgers](#) (GL201500) form; this ledger must have the *Budget* type. For details, see [Budget Ledger: General Information](#).

- The budget structure has been specified on the *Budget Configuration* (GL205000) form. For details, see *Budget Tree: General Information*.

The process of preparing a hierarchical budget consists of the following general steps:

1. **Creating the budget:** On the *Budgets* (GL302010) form, you add the year's budget amounts for the leaf budget articles and distribute them among the periods.
2. **Approving and releasing the budget:** After the needed parties have reviewed and approved the prepared budget, to post the budget to a budget ledger, you have to release the budget articles on the *Release Budgets* (GL505510) form.

### Creation of Hierarchical Budgets

When you have configured the budget structure on the *Budget Configuration* (GL205000) form, it is preloaded on the *Budgets* (GL302010) form. For each budget you create, you specify the following:

- The branch (if the organization consists of multiple companies or branches) for which the budget is prepared
- The ledger of the *Budget* type where the budget amounts will be stored
- The financial year for which the budget is prepared

You can enter amounts for only leaf budget articles. To do so, do one of the following:

- To enter amounts manually, you type each annual amount in the **Amount** column.
- To import the amounts from an Excel spreadsheet, you click **Load Records from File** on the table toolbar and upload the file.
- To preload the amounts from an actual ledger, a statistical ledger, or another budget, you click **Preload Articles** on the form toolbar and select the source settings in the Preload Budget Articles wizard.

The system calculates the amount for each node automatically as the sum of the amounts of all its leaf articles. The amounts for the nodes containing other nodes are also calculated automatically, based on the amounts of all leaf articles within those nodes.

### Distribution of Amounts Over Financial Periods

On the *Budgets* form (GL302010) form, you have to distribute the annual amounts specified for an article over the periods of the year before you can release the budget article. For the budget article to be released, the amount of the article has to be equal to the distributed amount.

You can distribute the amounts for each period in one of the following ways:

- To distribute amounts manually, you specify the necessary amounts for each period in the corresponding column.

- To distribute amounts automatically, you click **Distribute** on the table toolbar of the form. In the **Distribute Year Amount by Periods** dialog box, which opens, you define how the amounts should be distributed in the **Distribution Method** box as follows:
  - To distribute the annual amount over the financial periods evenly (excluding the adjustment period if this period has been configured in your system), you select *Evenly*.
  - To distribute the annual amount over the financial periods proportionally to the amounts of the previous year's periods, (including the adjustment period), you select *Proportionally to the Previous Year*.
  - To distribute the annual amount over the financial periods proportionally to the amounts selected for comparison (including the adjustment period), you select *Proportionally to Compared Values*.

To facilitate the distribution of the amounts, you also can select whether you want to distribute each amount for only the selected article or for all articles in the same node. Also, you can select a node and distribute the amounts for all subarticles of this node.

### Modification of Budget Articles

When you create a budget on the *Budgets* (GL302010) form, the system automatically adds the nodes and the articles to the budget by using the preconfigured budget tree on the *Budget Configuration* (GL205000) form.

You can also edit the account and subaccount (if subaccounts are used in your system) of budget articles if any of the following criteria are met:

- The budget articles are leaves.
- The budget articles have been added manually (that is, they have not been preloaded from a configured budget tree).
- The budget articles have not been released.

## Hierarchical Budget: Process Activity

In this activity, you will learn how to prepare a hierarchical budget.

### Story

Suppose that for the SweetLife company, the budget structure has been defined in the system. Acting as an accountant, you need to prepare a hierarchical budget for the *Service and Equipment Sales Center* branch in the system for the financial years 2020 and 2021. For 2020, you have an Excel file with yearly amounts that you plan to spread evenly among the periods. For 2021, you need to prepare a budget with a 10% increase over the budget figures for 2020.

## Process Overview

To create a hierarchical budget, you preload the budget structure on the [Budgets](#) (GL302010) form. For the first year, you upload the budget amounts from the file and distribute these amounts over the periods on the [Budgets](#) form. You then post the budget to a budget ledger by releasing the budget articles on the [Release Budgets](#) (GL505510) form.

## System Preparation

Before you prepare the hierarchical budget, do the following:

1. In a tenant with the *U100* dataset preloaded, make sure that the following tasks have been performed:
  - The subaccounts to be used in the system have been configured, as described in [Subaccounts: Implementation Activity](#).
  - A budget tree has been configured, as described in [Budget Tree: Implementation Activity](#).
2. Sign in to the tenant with the *pasic* login and the *123* password.
3. Open the [Master Financial Calendar](#) (GL201000) form.
4. On the form toolbar, click **Generate Calendar**.
5. In the **Generate GL Calendar** dialog box, which appears, make sure *2021* is selected in the **From Year** and **To Year** boxes, and click **OK**.
6. Open the [Manage Financial Periods](#) (GL503000) form.
7. In the **Action** box of the Summary area, select *Open*.
8. In the **To Year** box, select *2021*.
9. On the form toolbar, click **Process All**.

### Step 1: Preloading the Budget Structure

To preload the budget structure for 2020, perform the following instructions:

1. Open the [Budgets](#) (GL302010) form.
2. In the Summary area, in the **Branch** box, select *SWEETEQUIP*.
3. In the **Ledger** box, make sure *BUDGET* is selected.
4. In the **Financial Year** box, select *2020*.

As soon as you select the year for which you want to create a new budget, the system opens the **Preload from Budget Configuration** dialog box.

5. In the dialog box, click **Yes** to confirm that you want to preload the budget articles. The system closes the dialog box and populates the budget articles on the [Budgets](#) form according to the budget tree configuration.

6. In the Summary area of the form, make sure the **Tree View** check box is selected.

### Step 2: Defining the Budget Amounts for 2020 and Releasing the Budget

For 2020, you will upload the budget amounts from a file and distribute these amounts over the periods of the year. You will then post the 2020 budget to a budget ledger by releasing the budget articles. Do the following:

1. While you are still viewing the budget for the *SWEETEQUIP* branch on the [Budgets](#) (GL302010) form, click **Load Records from File** on the table toolbar of the right pane, and select the [Budget\\_SWEETEQUIP\\_2020](#) file. In the wizard that opens, leave all the default settings and map the columns as the system suggests.

The system fills in the budget with the year amounts from the file.

2. On the table toolbar of the right pane, click **Distribute**.
3. In the **Distribute Year Amount by Periods** dialog box, specify the following settings, and click **OK**:
  - **Distribution Method:** *Evenly*
  - **Apply to All Articles in This Node:** Selected
  - **Apply to Subarticles:** Selected

The system distributes the amounts evenly among the budget articles.

4. Save the budget.
5. Open the [Release Budgets](#) (GL505510) form.
6. On the form toolbar, click **Release All**.

The **Processing** dialog box opens; close this dialog box when the processing is complete.

### Step 3: Defining the Budget Amounts Based on Data in the System

You will now prepare a budget for 2021 based on the budget data of 2020 as follows:

1. On the [Budgets](#) (GL302010) form, in the **Branch** box, make sure *SWEETEQUIP* branch is selected.
2. In the **Ledger** box, make sure *BUDGET* is selected.
3. In the **Financial Year** box, select *2021*
4. In the **Preload from Budget Configuration** dialog box, which opens, click **Yes** to confirm that you want to preload the budget articles.
5. On the form toolbar, click **Preload Articles**.

6. In Step 1 of the Preload Budget Articles wizard, which opens, select the following settings:
  - **Branch:** *SWEETEQUIP*
  - **Ledger:** *BUDGET*
  - **Financial Year:** *2020*
  - **Multiplier (in %):** 110
7. Click **Next**.
8. In Step 2 of the wizard, leave the selection of all account–subaccount pairs as it is, and click **Next**.
9. In Step 3 of the wizard, select **Update Existing Articles Only** to make the system calculate the amounts for only the articles listed in the table, and click **Finish**.

The system calculates the budget for 2021 as a 10% increase over the budget figures for 2020 kept for the *SWEETEQUIP* branch in the *BUDGET* ledger. For each article, the budget amount is aggregated by the account and subaccount mask specified for the article in the budget tree.

10. Click **Save**.
11. Open the [Release Budgets](#) (GL505510) form.
12. On the form toolbar, click **Release All**.

The **Processing** dialog box opens; close this dialog box when the processing is complete.

## Hierarchical Budget: Report

This topic describes a report that you may want to review to gather information about budget articles.



If you do not see the report form, this could mean that you have signed in to the system with a user account that does not have access rights to the report form.

### Viewing the List of Budget Articles

You can view the list of budget articles that have been created for a particular branch or company for a specific year on the [GL Budget Edit](#) (GL612001) form. The report shows the current amount and distributed amount of each budget article and their released amounts if an article has been released.

## Lesson 2.5: Comparing Budgets

---

### Comparing Budgets: General Information

In Acumatica ERP, you can compare budgets with actual data in the system for different years, companies, and branches. You can also compare data in two different budgets.

#### Learning Objectives

In this chapter, you will learn how to compare a budget with actual data.

#### Applicable Scenarios

You compare a budget with actual data for the following purposes:

- To analyze company performance by comparing actual expenses and revenues with the expected ones
- To improve your budget by making the necessary corrections

You can also compare two budgets to analyze and improve budget data for different years, branches, or companies.

#### Budget Comparison

To compare the budgets, in the Summary area of the *Budgets* (GL302010) form, ensure that the ledger and the financial year of the budget being prepared are selected in the **Budget** and **Financial Year** boxes, respectively. In the **Compare to Ledger** and the **Compare to Year** boxes, select the ledger and the financial year of the budget needed for comparison. If the organization consists of multiple companies or branches, you can compare the budgets of different companies or branches by selecting the branches to compare in the **Branch** and **Compare to Branch** boxes.

After you have specified the required ledger, financial year, and branch (if applicable) in the table, the system adds a row to each budget article being prepared that shows the amounts of the budget of the compared ledger and financial year.



If a budget ledger is used for comparison, only the released amounts of the budget articles are shown in the table.

### Comparing Budgets: Process Activity

In this activity, you will learn how to compare a budget with actual data in the system.

#### Story

Suppose that it is necessary to compare the budget data entered into the system with the actual data for the first period of 2020 for the SweetLife retail store. Acting as an

accountant, you will upload transactions to the system and then compare the budget to the actual data.

### System Preparation

Before you compare the budgets, in a tenant with the *U100* dataset preloaded, do the following:

1. Make sure that the following tasks have been performed:
  - The subaccounts to be used in the system have been configured, as described in [Subaccounts: Implementation Activity](#).
  - The budget for the *RETAIL* branch has been uploaded, as described in [Simple Budget: Process Activity](#).
2. Sign in to the tenant with the *pasic* login and the *123* password.
3. In the info area, in the upper-right corner of the top pane of the Acumatica ERP screen, make sure that the business date in your system is set to *1/30/2020*. If a different date is displayed, click the Business Date menu button and select *1/30/2020*. For simplicity, in this lesson, you will create and process all transactions in the system on this business date.
4. On the Company and Branch Selection menu, also on the top pane of the Acumatica ERP screen, make sure that the *SweetLife Store* branch is selected. If it is not selected, click the selection menu to view the list of branches that you have access to, and then click *SweetLife Store*.

### Step 1: Preparing the Actual Data of the Retail Store

Do the following:

1. Open the [Journal Transactions](#) (GL301000) form, and on the form toolbar, click **Add New Record** to create a document.
2. In the Summary area, specify the following settings:
  - **Branch:** *RETAIL*
  - **Transaction Date:** *1/30/2020* (inserted by default)
  - **Post Period:** *01-2020* (inserted by default)
  - **Description:** *Transactions for Jan 2020*
3. On the table toolbar, click **Upload Records from File**, and select the [GL\\_Batch\\_RETAIL\\_012020](#) file. In the wizard that opens, leave all the default settings, and map the columns as the system suggests.
4. In the Summary area, clear the **Hold** check box.
5. On the form toolbar, click **Release**.

You have uploaded the retail store's actual data for the first period of 2019, to which you will compare the data entered in the budget.

### Step 2: Comparing the Budget to the Actual Data

To compare the budget to the actual data, do the following:

1. Open the [Budgets](#) (GL302010) form.
2. In the **Branch** box of the Summary area, select *RETAIL*.
3. In the **Ledger** box, select *BUDGET*.
4. In the **Financial Year** box, select *2020*.
5. Make sure that the **Tree View** check box is cleared.
6. In the **Compare to Branch** box, select *RETAIL*.
7. In the **Compare to Ledger** box, select the *Actual* ledger.
8. In the **Compare to Year** box, select *2020*.

As soon as you select the year, the system shows the figures for this year under each budget article. You can now review and compare the actual data of the first period of 2020 to the forecasted data for the first period of 2020 in the **Period 01** column.

## Lesson 2.6 (Optional): Revising a Budget

---

### Revising a Budget: General Information

With Acumatica ERP, you can correct budget amounts and add new budget articles at any time.

#### Learning Objectives

You will learn how to do the following in the released budget:

- Modify the amounts of existing budget articles
- Add new budget articles to a budget

#### Applicable Scenarios

You modify a budget after you have analyzed and revised the current budget to decrease or increase spending, reallocate revenues, include amounts for unexpected or uncommon expenses, and correct errors in a released budget.

## Budget Revision

You can change the prepared budget at any time on the [Budgets](#) (GL302010) form. You can change the total amounts of the budget articles and the distribution of article amounts for individual periods. After you have modified a budget article, you have to release the article to view its amount on reports.

If you have made corrections that you want to undo, you can restore the budget to the released version. To do so, you click **Manage Budget** on the form toolbar. In the **Manage Budget** dialog box, which appears, you select the *Roll Back to Released Values* option in the **Select Action** box. All budget articles will be rolled back to the last released values. All changes will be lost.

## Revising a Budget: Process Activity

In this activity, you will learn how to make changes in an existing budget.

### Story

Suppose that the accountant of the SweetLife company has decided to increase the retail store's budget to \$10,600 on sales of jams for the 12th period of 2020 because more revenue is expected due to the Christmas holidays. Also, the accountant wants to add a budget article for office expenses of \$1200 and distribute the amount of this budget article evenly among the periods. Acting as the accountant, you need to modify the budget in the system.

### Process Overview

To modify a budget, you make the necessary changes to the budget on the [Budgets](#) (GL302010) form, and then release the modified budget articles on the [Release Budgets](#) (GL505510) form.

### System Preparation

Before you revise the budget, do the following:

1. In a tenant with the *U100* dataset preloaded, make sure that the following tasks have been performed:
  - The subaccounts to be used in the system have been configured, as described in [Subaccounts: Implementation Activity](#).
  - The budget for the *RETAIL* branch has been uploaded, as described in [Simple Budget: Process Activity](#).
2. Sign in to the tenant with the *pasic* login and *123* password.

### Step 1: Changing Amounts in the Released Budget

Proceed as follows to make changes to the amounts in the budget:

1. Open the *Budgets* (GL302010) form.
2. In the **Branch** box of the Summary area, select the *RETAIL* branch.
3. In the **Ledger** box, select the *Budget* ledger.
4. In the **Financial Year** box, select *2020*.
5. Make sure the **Tree View** check box is cleared.
6. In the table, modify the amount for the twelfth financial period for the *40000* account and the *JAM-000* subaccount as follows:
  - a. In the **Period 12** column, change the amount to 10600.
  - b. In the **Amount** column, specify 116350.

Notice that the system has cleared the **Released** check box for the row.

7. Save the changes.

## Step 2: Adding a New Budget Article

To add the new budget article for office expenses of \$1200, do the following:

1. While you are still viewing the budget for the retail store on the *Budgets* (GL302010) form, on the table toolbar, click **Add Row**, and add a budget article with the following settings:
  - **Account:** *62400*
  - **Subaccount:** *000-000*
  - **Amount:** 1200

2. Click **Save** on the form toolbar.

Notice that the budget article has been saved for the budget. To release this budget article, the values in the **Amount** and **Distributed Amount** columns have to be equal.

3. Click the budget article for the *62400* account in the table to select it.
4. On the table toolbar, click **Distribute**.

The system opens the **Distribute Year Amount by Periods** dialog box.

5. In the dialog box, in the **Distribution Method** box, make sure *Evenly* is selected. Leave the check boxes cleared to apply the distribution method to only the selected budget article, and click **OK**.

The system distributes the amount evenly among the periods.

6. Click **Save** on the form toolbar.

### Step 3: Releasing the Budget

Release the budget as follows:

1. Open the [Release Budgets](#) (GL505510) form.
2. In the table, select the Included check boxes in the rows of the budget articles for the *RETAIL* branch.
3. On the form toolbar, click **Release**.

The **Processing** dialog box opens. Close it when the processing is complete.

You have modified the budget for the *RETAIL* branch for the year 2020.

## Lesson 2.7: Converting a Single Budget to a Hierarchical Budget

---

### Converting a Simple Budget to a Hierarchical Budget: General Information

With Acumatica ERP, you can create budgets without first configuring single-level lists of budget articles. If your company needs to use hierarchical budgets, you can configure a budget tree and then create hierarchical budgets.



Modifications of the budget tree do not affect released budgets, so you can modify the tree at any time.

#### Learning Objectives

In this chapter, you will learn how to convert a simple budget to a hierarchical budget.

#### Applicable Scenarios

If simple budgets have been kept in the system and then the budget tree has been configured on the [Budget Configuration](#) (GL205000) form, you may want to convert the simple budgets to hierarchical budgets to have budgets with greater detail.

#### Conversion of Simple Budgets to Hierarchical Budgets

If you have created single-level budgets before you configured the budget tree, you can convert each single-level budget to a hierarchical budget based on the budget tree that has been configured on the [Budget Configuration](#) (GL205000) form.



Before you start converting simple budgets into hierarchical budgets, make sure that there are no conflicts between the tree and the single-level budget. No conversion will be performed if any mask used for a single-level budget is split into multiple masks on

a tree or if multiple masks used somewhere in the single-level budget are merged into a single mask for the tree.

To convert a single-level budget to a hierarchical budget, on the [Budgets](#) (GL302010) form, select an existing single-level budget, and click **Manage Budgets** on the form toolbar. In the **Manage Budget** dialog box, select the *Convert Budget Using Current Budget Configuration* action, and click **OK**. The system converts current the single-level budget by using the budget tree from the [Budget Configuration](#) form.



After a simple budget has been converted to a hierarchical budget, the changes are irreversible—that is, the budget cannot be converted back to a simple budget.

## Converting a Simple Budget to a Hierarchical Budget: Process Activity

In this activity, you will learn how to convert an existing simple budget to a hierarchical budget.

### Story

Suppose that accountants of the SweetLife company have previously kept simple budgets in the system. As the company grows, its management has decided to have more detailed budgets in the system and a budget tree has been configured. Acting as an accountant, you need to convert the simple budget for the head office of the company to a hierarchical budget.

### System Preparation

To prepare the system, do the following:

1. In a tenant with the *U100* dataset preloaded, make sure that the following tasks have been performed:
  - The subaccounts to be used in the system have been configured, as described in [Subaccounts: Implementation Activity](#).
  - A budget tree has been configured, as described in [Budget Tree: Implementation Activity](#).
2. Sign in to the tenant with the *pasic* login and *123* password.

### Step: Converting a Simple Budget to a Hierarchical Budget

Do the following:

1. Open the [Budgets](#) (GL302010) form.
2. In the **Branch** box, select the *HEADOFFICE* branch.
3. In the **Ledger** box, select *BUDGET*.
4. In the **Financial Year** box, select *2020*.

5. Make sure the **Tree View** check box is selected.
6. On the table toolbar, click **Load Records from File**, and select the [Budget\\_HEADOFFICE\\_2020](#) file. In the wizard that opens, leave all the default settings and map the columns as the system suggests. The system uploads the simple budget for the *HEADOFFICE* branch for 2020.

Notice that in the left pane, only one node exists for the *HEADOFFICE* branch, which contains all the budget articles.

7. On the form toolbar, click **Manage Budget**.

The system opens the **Manage Budget** dialog box.

8. In the **Select Action** box, select *Convert Budget Using Current Budget Configuration*, and click **OK**.
9. In the warning dialog box that appears, click **OK**.

The system converts the current single-level budget by using the budget tree from the [Budget Configuration](#) (GL205000) form. In the left pane, review the list of added nodes of the budget.

10. Save the changes.

## Part 3: Allocations

---

This part of the course describes how allocations can be performed in the system.

For completing lessons of this part of the course, you will use a company with the *U100* dataset preloaded, which provides a fully configured company with sample data specially designed for this course.

Activities in this part are to be completed under users with specific access rights. Each activity provides the credentials to use for sign-in to the prepared *U100* tenant in the *System Preparation* section.

### Allocation Rules: General Information

---

In Acumatica ERP, you can create and maintain allocation rules, which define how allocations are to be performed, and perform allocations automatically based on your definitions.

#### Learning Objectives

In this chapter, you will learn how to do the following:

- Configure an allocation rule that will distribute amounts based on user-defined coefficients (weight)
- Configure an allocation rule that will distribute amounts based on percentages
- Configure an allocation rule that will distribute amounts based on a dynamic ratio of the period-to-date account balances
- Configure an allocation rule that will distribute amounts based on budget data

#### Applicable Scenarios

You create an allocation rule to automate the process of periodically distributing amounts posted to a particular account-subaccount pair among different account-subaccount pairs. For example, suppose that users post expenses in bills to one account-subaccount pair instead of splitting these expenses among multiple account-subaccount pairs. You can create a rule to distribute such expenses.

#### Allocation Rule Settings

To distribute amounts, you have to configure allocation rules on the [Allocations](#) (GL204500) form. You generally specify the following information in each allocation rule:

- The branch for which the allocation is performed (if the company has multiple branches)
- The periods when the allocation can be applied
- The methods for distributing the allocation amount to destination accounts (for details, see [Allocation Rules: Distribution Methods](#))

- The ledgers to be used for the allocation
- The source accounts and subaccounts
- The destination accounts and subaccounts

You can also perform allocations between multiple branches.



If the *Projects* feature is enabled on the [Enable/Disable Features](#) (CS100000) form, keep in mind that the GL allocation mechanism does not support projects; it also does not support allocations to GL accounts that are included in account groups.

### Allocation Periods

You define the post periods for an allocation rule by specifying the periods in the **Start Period** and **End Period** boxes on the **Allocation** tab of the [Allocations](#) (GL204500) form. The allocation rule is applied to each period of the range defined by the start and end periods. You can leave the **End Period** box blank if you are not planning to stop using the rule.

If the allocation needs to be performed every financial year for the same periods (for example, in the last period of each year), you can set the allocation to be recurring by selecting the **Recurring** check box. Recurring transactions can be run for the years after the year of the end period.

### Ledgers for Performing Allocations

On the **Allocation** tab of the [Allocations](#) (GL204500) form, you have to specify at least the following ledgers:

- To specify the ledger to which journal entries generated for the allocation are posted, you select this ledger in the **Allocation Ledger** box.
- To specify the ledger that is used to calculate the amount to be allocated, you select this ledger in the **Source Ledger** box.

If you are going to distribute amounts by a dynamic ratio, in the **Base Ledger** box, you can specify the ledger that is used to calculate the proportions for distributing allocation amounts among the destination accounts. If you leave this box empty, the ledger that is specified in the **Allocation Ledger** box is used for calculating proportions.

### Allocation Methods

In the **Allocation Method** box of the [Allocations](#) (GL204500) form, you can select the method that defines how the allocation amount should be collected from the source accounts as follows:

- If you want the period-to-date amount to be distributed during the allocation process, select *By Account PTD*.
- If you want the amount that has been accumulated on accounts since the last allocation to be distributed during the allocation process, select *From Prev. GL Allocation*.

### Source Accounts and Subaccounts

You specify the source accounts and subaccounts of an allocation rule on the **Source Accounts** tab of the *Allocations* (GL204500) form. You can select the source accounts by specifying each account and subaccount individually or by specifying a group of accounts or subaccounts.

To select the source accounts and subaccounts by groups, you can use grouping masks. For details, see *Allocation Rules: Examples of Using Account and Subaccount Masks for Allocations*.

### Contra Accounts and Subaccounts

If you want the system to deduct allocation amounts from accounts and subaccounts that differ from the source accounts and subaccounts, you specify contra accounts and subaccounts in the **Contra Account** and **Contra Subaccount** columns on the **Source Accounts** tab of the *Allocations* (GL204500) form. The source accounts and subaccounts then will be used to determine the total allocation amount, but the amount to be distributed will be taken from the contra accounts and subaccounts.

You have to select contra accounts and subaccounts explicitly by selecting them from the list. You cannot define grouping masks for contra accounts and subaccounts.

### Limits for Allocation Amounts

The amount to be allocated is taken from all the specified source accounts (the allocation pool).

If the source accounts are specified explicitly on the **Source Accounts** tab of the *Allocations* (GL204500) form, the individual maximum amount (**Amount Limit**) or a percentage of it (**Percentage Limit**) can be specified for each source account. If an amount limit is specified, the account balance will be allocated completely unless it exceeds the limit. If the account balance exceeds the limit, only the amount limit will be allocated.

If accounts are selected by a group mask, the limit amount or percent (depending on which is specified) will be the same for each of the selected accounts.

### Destination Accounts and Subaccounts

On the **Destination Accounts** tab of the *Allocations* (GL204500) form, you specify the destination accounts and subaccounts to which the allocation amount will be distributed. In addition to specifying the destination accounts and subaccounts, for the distribution methods that use a dynamic ratio, you can specify the base accounts and subaccounts to be used to calculate a proportion for distributing the allocation amount among the destination accounts. For details, see *Allocation Rules: Distribution Methods*.

## Allocation Rules: Distribution Methods

---

To define how an allocation amount should be distributed among the destination accounts, you should select a distribution method when you create an allocation rule on the *Allocations* (GL204500) form. Depending on the distribution method, the allocation ratio can be fixed for

destination accounts or can be calculated dynamically by period-to-date (PTD) or year-to-date (YTD) balances of the base or destination accounts.

In this topic, you will read about distribution methods based on fixed and dynamic ratios.

### Methods Based on a Fixed Distribution Ratio

To distribute amounts by a fixed ratio, you select the distribution method in the **Distribution Method** box on the **Allocation** tab of the *Allocations* (GL204500) form as follows:

- To distribute the source amount by percentages, you select *By Percent*. You then specify the percent that is distributed to each account-subaccount pair in the **Weight/Percent** column of the **Destination Accounts** tab. The percents you specify must equal 100 percent.
- To distribute the source amount by user-defined coefficients, you select *By Weight*. You then have to specify the ratio that is distributed to each account-subaccount pair in the **Weight/Percent** column of the **Destination Accounts** tab. You can use any numbers to define a ratio.

### Methods Based on a Dynamic Distribution Ratio

To distribute amounts by a dynamic ratio, you select the distribution method in the **Distribution Method** box on the **Allocation** tab of the *Allocations* (GL204500) form as follows:

- To distribute the source amount proportionally to year-to-date balances, you select *By Dest. Account YTD*.
- To distribute the source amount proportionally to period-to-date balances, you select *By Dest. Account PTD*.

For these methods, you specify ledgers, accounts (and subaccounts, if they are used in your system), and branches as follows:

- To distribute the allocation amount proportionally to the balances of accounts (and subaccounts) in a ledger that differs from the selected allocation ledger, you specify the ledger in the **Base Ledger** box on the **Allocation** tab. On the **Destination Accounts** tab, you then have to specify the accounts (and subaccounts) whose balances (which are posted to the base ledger under the base branches) should be used to calculate the proportion for distributing the allocation amount among the destination accounts of the destination branches.
- To distribute the allocation amount proportionally to the account balances in the ledger that is specified in the **Allocation Ledger** box, the **Base Ledger** box should be left empty.
- To distribute the allocation amount proportionally to the balances of accounts (and subaccounts) of the destination accounts in the allocation ledger, you do not need to specify the base branch, ledger, or accounts.

## Allocation Rules: Examples of Using Account and Subaccount Masks for Allocations

---

When you create an allocation rule on the [Allocations](#) (GL204500) form, you need to specify the source accounts (and subaccounts, if applicable) from which amounts will be distributed, and the destination accounts (and subaccounts) to which amounts will be distributed. To select the source accounts and subaccounts by groups, you can use grouping masks.

### Examples of Allocation Masks

Suppose that all the accounts have five-character identifiers, and all the marketing expense accounts start with 51. By entering (51\_\_\_\_) in the account mask, you can select the accounts 51001, 51022, 51135, and so on.

As another example, suppose that subaccounts are segmented in the following way: a two-letter country code (*US*, *FR*, and *GE*), a two-letter department code (*AD*, *PR*, *SL*, *DV*, and *DP*), and a three-letter product code (001, 002, ... 237). By specifying only *US* for the first segment (with the mask US-\_\_-\_\_), you can select all of the following subaccounts related to operations in the United States:

- *US-AD-001* through *US-AD-237*
- *US-PR-001* through *US-PR-237*
- *US-SL-001* through *US-SL-237*
- *US-DV-001* through *US-DV-237*
- *US-DP-001* through *US-DP-237*

If you want to specify only some of the characters in a specific segment, you can type ? in the other positions of the segment. For example, if you enter \_\_/D?/155, the system will select all of the following subaccounts:

- *US-DV-155* and *US-DP-155*
- *FR-DV-155* and *FR-DP-155*
- *GE-DV-155* and *GE-DP-155*

## Allocation Rules: Multilevel Allocations

---

An allocation can be a part of a multilevel allocation, with the same accounts and subaccounts involved in different allocations as source and destination accounts and subaccounts. In this case, the order in which the allocations are performed is important. In Acumatica ERP, multilevel allocation can be performed as a sequence of allocations with a fixed order of allocations.

## Multilevel Allocation Settings

You can assign the appropriate order value to each allocation in the **Sort Order** box on the **Allocation** tab of the *Allocations* (GL204500) form. The allocation with the lowest value is applied first, so a *1* indicates first priority, a *2* indicates second priority, and so on.



If you select and try to process an allocation with a higher sort order value (which indicates a lower priority) when an allocation with a lower sort order value (which indicates a higher priority and earlier processing) has not been processed, the system will display an error and will not process the selected allocation.

## Lesson 3.1: Allocation Rule That Uses a User-Defined Coefficient

---

### Allocation Rules: To Create an Allocation Rule That Uses a Fixed Ratio (Weight)

In this activity, you will learn how to create an allocation rule in which a user-defined coefficient is used to distribute amounts among accounts and subaccounts.

#### Story

Suppose that the *HEADOFFICE* branch pays all advertising bills that the SweetLife Fruits & Jams company receives. At the end of each month, the accountant of the *HEADOFFICE* branch needs to distribute the advertising expenses between the *HEADOFFICE*, *RETAIL*, and *SWEETEQUIP* branches by using the fixed ratio 5:1:1. Acting as an administrator, you need to define an allocation rule that will distribute the bill amount.

#### System Preparation

Before you start configuring an allocation rule, sign in to a tenant with the U100 dataset preloaded as an administrator with the *admin* login.

#### Step 1: Specifying General Settings for an Allocation Rule That Distributes by Weight

Do the following to begin creating an allocation rule that distributes amounts by weight:

1. Open the *Allocations* (GL204500) form.
2. In the **Description** box of the Summary area, type `Advertising expenses`.
3. In the **Branch** box, select *HEADOFFICE*.
4. On the **Allocations** tab, in the **Start Period** box, select *01-2020*.
5. Leave the **End Period** box empty.
6. Clear the **Recurring** check box.

7. In the **Allocation Method** box, make sure the *By Account PTD* option is selected.

The period-to-date amount will be distributed during the allocation process.

8. In the **Distribution Method** box, select *By Weight*.

With this option selected, you have to specify the ratio that is distributed to each account-subaccount pair.

9. In the **Allocation Ledger** box, select *ACTUAL*.

10. In the **Source Ledger** box, select *ACTUAL*.

11. In the **Last Revision Date** box, leave the current date, which the system has inserted by default.

You have specified the general settings for the allocation rule. You will now proceed to specifying source and destination accounts and subaccounts for the rule.

## Step 2: Specifying Accounts and Subaccounts for the Allocation Rule

To specify the accounts and subaccounts for the rule, while remaining on the [Allocations](#) (GL204500) form, do the following:

1. To specify the source account from which the allocated amount will be deducted (which in this case is the Advertising Expense account of the head office), on the **Source Accounts** tab, click **Add Row**, and specify the following settings in the row:

- **Branch:** *HEADOFFICE*
- **Account:** *61000*
- **Subaccount:** *000-000*
- **Percentage Limit:** *100.00*

This indicates that the full amount will be distributed during the allocation process.

2. To specify the first destination account-subaccount pair to which the amount will be allocated (for the head office branch), on the **Destination Accounts** tab, click **Add Row**, and specify the following settings in the added row:

- **Branch:** *HEADOFFICE*
- **Account:** *61000*
- **Subaccount:** *000-000*
- **Weight/Percent:** *5*

3. To specify the second destination account-subaccount pair to which the amount will be allocated (for the retail store branch), click **Add Row**, and specify the following settings in the added row:

- **Branch:** *RETAIL*
  - **Account:** *61000*
  - **Subaccount:** *000-000*
  - **Weight/Percent:** *1*
4. To specify the third destination account-subaccount pair to which the amount will be allocated (for the equipment sales center branch), click **Add Row**, and specify the following settings in the added row:
- **Branch:** *SWEETEQUIP*
  - **Account:** *61000*
  - **Subaccount:** *000-000*
  - **Weight/Percent:** *1*
5. Click **Save** on the form toolbar.

You have defined a rule that will distribute the amount posted to the Advertising Expense account of the head office branch among all three branches in the system.

## Lesson 3.2: Allocation Rule That Uses a Percentage

---

### Allocation Rules: To Create an Allocation Rule That Uses a Fixed Ratio (Percentage)

In this activity, you will learn how to create an allocation rule in which a percentage is used to distribute amounts among accounts and subaccounts.

#### Story

Suppose that the *RETAIL* and *SWEETEQUIP* branches of the SweetLife Fruits & Jams company do not have finance departments. Accountants of the *HEADOFFICE* branch are responsible for preparing the financial statements, paying bills, billing customers, and performing similar tasks. At the end of each month, the salaries of the *HEADOFFICE* finance department should be distributed between the *HEADOFFICE*, *RETAIL*, and *SWEETEQUIP* branches with the following percentages: 50%, 15%, and 35%.

Acting as an administrator, you need to define an allocation rule that will distribute the posted amount for the Finance department between these three branches.

#### System Preparation

Before you start configuring an allocation rule, in a tenant with the *U100* dataset preloaded, do the following:

1. Sign in to a tenant with the U100 dataset preloaded as an administrator with the *admin* login.
2. Make sure that the subaccounts to be used in the system have been configured, as described in [Subaccounts: Implementation Activity](#).

### Step 1: Specifying General Settings for an Allocation Rule That Uses Percentages

Do the following to begin creating an allocation rule that distributes amounts by percentages:

1. Open the [Allocations](#) (GL204500) form.
2. In the **Description** box of the Summary area, type `Salaries for the Finance department`.
3. In the **Branch** box, select `HEADOFFICE`.
4. On the **Allocations** tab, in the **Start Period** box, select `01-2020`.
5. Leave the **End Period** box empty.
6. Clear the **Recurring** check box.
7. In the **Allocation Method** box, make sure the *By Account PTD* option is selected.  
The period-to-date amount will be distributed during the allocation process.
8. In the **Distribution Method** box, select *By Percent*.  
With this option selected, you have to specify the percent that is distributed to each account-subaccount pair.
9. In the **Allocation Ledger** box, select `ACTUAL`.
10. In the **Source Ledger** box, select `ACTUAL`.
11. In the **Last Revision Date** box, leave the current date, which the system has inserted by default.

You have specified the general settings for the allocation rule; you will now proceed to specifying source and destination accounts and subaccounts for the rule.

### Step 2: Specifying Accounts and Subaccounts for the Allocation Rule

To specify the accounts for the rule, while remaining on the [Allocations](#) (GL204500) form, do the following:

1. To specify the source account from which the allocated amount will be deducted (which in this case is the Wages account of the head office), on the **Source Accounts** tab, click **Add Row**, and specify the following settings in the added row:

- **Branch:** *HEADOFFICE*
- **Account:** *69500*
- **Subaccount:** *000-FIN*
- **Percentage Limit:** *100.00*

This indicates that the full amount will be distributed during the allocation process.

2. To specify the first destination account-subaccount pair to which the amount will be allocated (for the head office branch), on the **Destination Accounts** tab, click **Add Row**, and specify the following settings in the added row:
  - **Branch:** *HEADOFFICE*
  - **Account:** *69500*
  - **Subaccount:** *000-FIN*
  - **Weight/Percent:** *50*
3. To specify the second destination account-subaccount pair to which the amount will be allocated (for the retail store branch), click **Add Row**, and specify the following settings in the added row:
  - **Branch:** *RETAIL*
  - **Account:** *69500*
  - **Subaccount:** *000-FIN*
  - **Weight/Percent:** *15*
4. To specify the third destination account-subaccount pair to which the amount will be allocated (for the equipment sales center branch), click **Add Row**, and specify the following settings in the added row:
  - **Branch:** *SWEETEQUIP*
  - **Account:** *69500*
  - **Subaccount:** *000-FIN*
  - **Weight/Percent:** *35*
5. Click **Save** on the form toolbar.

You have defined a rule that will distribute the amount posted to the Wages account of the head office branch for the Finance department among the three branches in the system.

## Lesson 3.3: Allocation Rule That Uses a Dynamic Ratio of the Period-to-Date Account Balances

---

### Allocation Rules: To Create an Allocation Rule That Uses a Dynamic Ratio of the Period-to-Date Account Balances

In this activity, you will learn how to create an allocation rule in which a dynamic ratio is used to distribute amounts among accounts and subaccounts.

#### Story

Suppose that accountants of the *HEADOFFICE* branch post rent expenses to the *000-000* subaccount to speed up data entry. At the end of each month, they split the rent expenses by departments based on the head count.

Acting as an administrator, you need to define an allocation rule that will distribute the posted amount between the departments based on the head count.

#### System Preparation

Before you start configuring an allocation rule, in a tenant with the *U100* dataset preloaded, do the following:

1. Sign in to a tenant with the *U100* dataset preloaded as an administrator with the *admin* login.
2. Make sure that the subaccounts to be used in the system have been configured, as described in [Subaccounts: Implementation Activity](#).

#### Step 1: Specifying General Settings for an Allocation Rule That Uses a Dynamic Ratio

Do the following to begin creating an allocation rule that distributes amounts by using a dynamic ratio:

1. Open the [Allocations](#) (GL204500) form.
2. In the **Description** box of the Summary area, type `Rent expenses`.
3. In the **Branch** box, select *HEADOFFICE*.
4. On the **Allocations** tab, in the **Start Period** box, select *01-2020*.
5. Leave the **End Period** box empty.
6. Clear the **Recurring** check box.
7. In the **Allocation Method** box, make sure the *By Account PTD* option is selected.

- 8.** In the **Distribution Method** box, select *By Dest. Account PTD*.

The source amount will be distributed proportionally to the period-to-date balances. When you select this option, the **Base Ledger** box becomes available.

- 9.** In the **Allocation Ledger** box, select *ACTUAL*.

- 10.** In the **Source Ledger** box, select *ACTUAL*.

- 11.** In the **Base Ledger** box, select *HEADCOUNT*.

The base ledger is the ledger from which the allocation proportions are calculated. You can take the proportions from an actual, budget, or statistical ledger. To calculate the proportions, the system uses the amounts from the base accounts specified on the **Destination Accounts** tab. If the **Base Ledger** box is empty, the system calculates the proportions from the amounts in the allocation ledger.

- 12.** In the **Last Revision Date** box, leave the current date, which the system has inserted by default.

You have specified the general settings for the allocation rule, and you will now proceed to specifying source and destination accounts and subaccounts for the rule.

## Step 2: Specifying Accounts and Subaccounts for the Allocation Rule

To specify the accounts for the rule, while remaining on the *Allocations* (GL204500) form, do the following:

- 1.** To specify the source account from which the allocated amount will be deducted (which in this case is the Rent Expense account of the head office), on the **Source Accounts** tab, click **Add Row**, and specify the following settings in the added row:
  - **Branch:** *HEADOFFICE*
  - **Account:** *62900*
  - **Subaccount:** *000-000*
  - **Percentage Limit:** *100.00*
  
- 2.** To specify the first destination account-subaccount pair to which the amount will be allocated (for the Finance department), on the **Destination Accounts** tab, click **Add Row**, and specify the following settings in the added row:
  - **Branch:** *HEADOFFICE*
  - **Account:** *62900*
  - **Subaccount:** *000-FIN*
  - **Base Branch:** *HEADOFFICE*
  - **Base Account:** *69500*

- **Base Subaccount:** *000-FIN*
3. To specify the second destination account-subaccount pair to which the amount will be allocated (for the Marketing department), click **Add Row**, and specify the following settings in the added row:
    - **Branch:** *HEADOFFICE*
    - **Account:** *62900*
    - **Subaccount:** *000-MKT*
    - **Base Branch:** *HEADOFFICE*
    - **Base Account:** *69500*
    - **Base Subaccount:** *000-MKT*
  4. To specify the third destination account-subaccount pair to which the amount will be allocated (for the Operations department), click **Add Row**, and specify the following settings in the added row:
    - **Branch:** *HEADOFFICE*
    - **Account:** *62900*
    - **Subaccount:** *000-OPS*
    - **Base Branch:** *HEADOFFICE*
    - **Base Account:** *69500*
    - **Base Subaccount:** *000-OPS*
  5. To specify the fourth destination account-subaccount pair to which the amount will be allocated (for the Sales department), click **Add Row**, and specify the following settings in the added row:
    - **Branch:** *HEADOFFICE*
    - **Account:** *62900*
    - **Subaccount:** *000-SLS*
    - **Base Branch:** *HEADOFFICE*
    - **Base Account:** *69500*
    - **Base Subaccount:** *000-SLS*
  6. Click **Save** on the form toolbar.

You have defined a rule that will distribute the amount posted to the Rent Expense account of the head office branch among the departments based on the head count.

## Lesson 3.4: Allocation Rule Based on Budget Data

---

### Allocation Rules: To Create an Allocation Rule Based on Budget Data

In this activity, you will learn how to create an allocation rule in which amounts are distributed based on budget data among accounts and subaccounts.

#### Story

Suppose that the SweetLife Fruits & Jams company pays the Christmas bonus to its employees. The amount budgeted for the 2020 bonus is \$40,000.00. At the end of each period, an accountant needs to accrue the budgeted bonus expenses for each department proportionally to the monthly salary.

#### System Preparation

Before you start configuring an allocation rule, in a tenant with the *U100* dataset preloaded, do the following:

1. Sign in to a tenant with the U100 dataset preloaded as an administrator with the *admin* login.
2. Make sure that the subaccounts to be used in the system have been configured, as described in [Subaccounts: Implementation Activity](#).

#### Step 1: Specifying General Settings for an Allocation Rule Based on Budget Data

Do the following to begin creating an allocation rule that distributes amounts based on budget data:

1. Open the [Allocations](#) (GL204500) form.
2. In the **Description** box of the Summary area, type `Christmas bonus`.
3. In the **Branch** box, select *HEADOFFICE*.
4. On the **Allocations** tab, in the **Start Period** box, select *01-2020*.
5. Leave the **End Period** box empty.
6. Clear the **Recurring** check box.

You have cleared the check box because the allocation rule needs to be used only in 2020.

7. In the **Allocation Method** box, make sure the *By Account PTD* option is selected.

The source amount is a period-to-date amount.

- 8.** In the **Distribution Method** box, select *By Dest. Account PTD*.

The source amount will be distributed proportionally to the period-to-date balances. When you select this option, the **Base Ledger** box becomes available.

- 9.** In the **Allocation Ledger** box, select *ACTUAL*.

- 10.** In the **Source Ledger** box, select *BUDGET*.

- 11.** In the **Base Ledger** box, select *ACTUAL*.

The proportions will be calculated based on the *ACTUAL* ledger.

- 12.** In the **Last Revision Date** box, leave the current date, which the system has inserted by default.

You have specified the general settings for the allocation rule; you will now proceed to specifying source and destination accounts and subaccounts for the rule.

## Step 2: Specifying Accounts and Subaccounts for the Allocation Rule

To specify the accounts for the rule, while remaining on the *Allocations* (GL204500) form, do the following:

- 1.** To specify the source account from which the allocated amount will be deducted, on the **Source Accounts** tab, click **Add Row**, and specify the following settings in the added row:

- **Branch:** *HEADOFFICE*
- **Account:** *69550*
- **Subaccount:** *000-000*
- **Contra Account:** *20050*
- **Contra Subaccount:** *000-000*
- **Percentage Limit:** *100.00*

This setting indicates that the full amount will be distributed during the allocation process.

- 2.** To specify the first destination account-subaccount pair to which the amount will be allocated, on the **Destination Accounts** tab, click **Add Row**, and specify the following settings in the added row:

- **Branch:** *HEADOFFICE*
- **Account:** *69550*
- **Subaccount:** *000-FIN*
- **Base Branch:** *HEADOFFICE*

- **Base Account:** 69500
  - **Base Subaccount:** 000-FIN
3. To specify the second destination account-subaccount pair to which the amount will be allocated, click **Add Row**, and specify following settings in the added row:
- **Branch:** HEADOFFICE
  - **Account:** 69550
  - **Subaccount:** 000-MKT
  - **Base Branch:** HEADOFFICE
  - **Base Account:** 69500
  - **Base Subaccount:** 000-MKT
4. To specify the third destination account-subaccount pair to which the amount will be allocated, click **Add Row**, and specify the following settings in the added row:
- **Branch:** HEADOFFICE
  - **Account:** 69550
  - **Subaccount:** 000-OPS
  - **Base Branch:** HEADOFFICE
  - **Base Account:** 69500
  - **Base Subaccount:** 000-OPS
5. To specify the fourth destination account-subaccount pair to which the amount will be allocated, click **Add Row**, and specify the following settings in the added row:
- **Branch:** HEADOFFICE
  - **Account:** 69550
  - **Subaccount:** 000-SLS
  - **Base Branch:** HEADOFFICE
  - **Base Account:** 69500
  - **Base Subaccount:** 000-SLS
6. Click **Save** on the form toolbar.

## Lesson 3.5: Running of Allocations

---

### Running of Allocations: General Information

To distribute amounts among account-subaccount pairs according to the allocation rules you have created, you need to run the allocations. At the end of the process of running allocations, the system creates batches of the *Allocation* type (one for each allocation rule) that should then be released and posted to apply the allocations in the system.

#### Learning Objectives

In this chapter, you will learn how to do the following:

- Run allocations that have been created in the system
- Review and release the generated allocation batches

#### Applicable Scenarios

You run allocations to distribute posted amounts among accounts, subaccounts, and branches according to the specified rules.

#### Allocation Process

After you have created the necessary allocation rules on the [Allocations](#) (GL204500) form, you run allocations on the [Run Allocations](#) (GL504500) form; you can process multiple allocations at once. You need to run allocation as a part of the period closing procedure when all transactions for the period have been posted to the general ledger.

To run allocations, you specify the date of allocation in the **Allocation Date** box. The system automatically inserts the period related to the date of the allocation in the **Post Period** box.

To perform an allocation for a required period, the required period has to be open.

#### Generated Batches

When you run an allocation rule, the system generates an allocation batch that deducts the amounts from one account-subaccount pair and posts the distributed amounts to other account-subaccount pairs according to the allocation rule. The status of the batch depends on the state of the **Hold Batches on Entry** check box on the [General Ledger Preferences](#) (GL102000) form as follows:

- If the check box is cleared, the batch has the *Balanced* status.
- If the check box is selected, the batch has the *On Hold* status.

The number of transactions in a batch depends on the number of source accounts, the number of subaccounts involved, and the number of destination accounts. After the system has generated the allocation batches, you can review and post the batches.

## Rerunning of Allocations

An allocation can be run multiple times during the same post period. If you want to rerun an allocation, in the **Allocation Date** box of the *Run Allocations* (GL504500) form, you should select a date that is the same as or later than the date of the previous run. You cannot run the allocation with an allocation date that is earlier than the date of last execution.

If a **Limit Amount** has been specified on the **Source Accounts** tab of the *Allocations* (GL204500) form, the batches will be generated unless the source accounts' balances become zero or the limit is reached.

If you have posted batches that were generated during the previous run of an allocation, then the process has affected the balances of the accounts involved in the allocation.

If you have not posted the allocation batches, the balances involved in the allocation are the same as they were before you have run the allocation. You cannot run a new allocation based on an allocation rule if there are unposted batches generated based on that allocation rule.

After you have rerun the allocation, the reference numbers of the newly generated batches are displayed in the **Last Batch** column of the *Run Allocations* form.

## Running of Allocations: Generated Transactions

Suppose that the rule to allocate a batch posted to the *HEADOFFICE* branch has been created. According to this rule, \$21000, which has been posted to the *69500 - Wages* account, has to be distributed between the following three branches of the company by percentages: *HEADOFFICE* (50%), *RETAIL* (20%), and *SWEETEQUIP* (30%).

The following allocation batch will be recorded when the allocation rule is run.

**Table: General Ledger Transaction for Allocation**

Branch	Account	Debit	Credit
<i>HEADOFFICE</i>	<i>69500 - Wages</i>	0.00	\$21000.00
<i>HEADOFFICE</i>	<i>69500 - Wages</i>	\$10500.00	0.00
<i>RETAIL</i>	<i>69500 - Wages</i>	\$4200.00	0.00
<i>SWEETEQUIP</i>	<i>69500 - Wages</i>	\$6300.00	0.00

## Running of Allocations: Process Activity

In this activity, you will learn how to run allocations. You will also learn how to review and release the generated batches.

### Story

Suppose that as an accountant of the SweetLife company, you need to distribute advertising expenses, salaries for the Finance department, rent expenses, and Christmas bonuses

according to the allocation rules created in the system. Acting as the accountant, you need to run allocations and then release the generated batches.

## Process Overview

To automatically distribute amounts according to the rule, you first run the necessary allocations on the [Run Allocations](#) (GL504500) form. The system generates GL batches, which you then release on the [Journal Transactions](#) (GL301000) form.

## System Preparation

To prepare the system, in a tenant with the *U100* dataset preloaded, do the following:

1. Sign in to the tenant with the *pasic* login and the *123* password.
2. Make sure that the transaction with salaries has been posted, as described in [Transactions with Subaccounts: Process Activity](#).
3. Make sure that the budget for the *HEADOFFICE* branch has been uploaded and released, as described in [Converting a Simple Budget to a Hierarchical Budget: Process Activity](#).
4. Make sure that the allocation rules have been created in the system, as described in [Allocation Rules: To Create an Allocation Rule That Uses a Fixed Ratio \(Weight\)](#), [Allocation Rules: To Create an Allocation Rule That Uses a Fixed Ratio \(Percentage\)](#), [Allocation Rules: To Create an Allocation Rule That Uses a Dynamic Ratio of the Period-to-Date Account Balances](#), and [Allocation Rules: To Create an Allocation Rule Based on Budget Data](#).
5. In the info area, in the upper-right corner of the top pane of the Acumatica ERP screen, make sure that the business date in your system is set to *1/30/2020*. If a different date is displayed, click the Business Date menu button and select *1/30/2020*. For simplicity, in this activity, you will create and process all documents in the system on this business date.
6. On the Company and Branch Selection menu, also on the top pane of the Acumatica ERP screen, make sure that the *SweetLife Head Office and Wholesale Center* branch is selected. If it is not selected, click the selection menu to view the list of branches that you have access to, and then click *SweetLife Head Office and Wholesale Center*.

## Step 1: Posting Transactions for Allocations

Do the following:

1. Open the [Journal Transactions](#) (GL301000) form, and on the form toolbar, click **Add New Record** to create a document.
2. In the Summary area, specify the following settings:
  - **Branch:** *HEADOFFICE*
  - **Ledger:** *HEADCOUNT*
  - **Transaction Date:** *1/30/2020*
  - **Post Period:** *01-2020* (inserted by default)

- **Description:** *Head Count for Jan 2020*

3. On the table toolbar, click **Upload Records from File**, and select the [GL\\_Batch\\_HEADCOUNT\\_012020](#) file. In the wizard that opens, leave all the default settings, and map the columns as the system suggests.
4. In the Summary area, clear the **Hold** check box.
5. On the form toolbar, click **Release**.

You have uploaded the head count to the statistical ledger.

### Step 2: Running an Allocation

Run the allocation as follows:

1. Open the [Run Allocations](#) (GL504500) form.
2. In the **Allocation Date** box of the Selection area, leave the current date as the date of the allocation.

The period of the current business date is inserted in the **Post Period** box. These settings represent the date and period of the allocation batches to be generated.

3. On the form toolbar, click **Process All**.

The **Processing** dialog box opens.

4. After the process is complete, in the dialog box, click **Processed**.

In the table, which appears in the dialog box, in the **Last Batch** column, notice that the allocation batches have been generated for the rules.

5. Close the dialog box.

### Step 3: Reviewing and Releasing the First Allocation Batch

To review and release the first allocation batch you have generated, do the following:

1. While you are still on the [Run Allocations](#) (GL504500) form, click the batch number in the **Last Batch** column for the *Advertising expenses* allocation rule.

The [Journal Transactions](#) (GL301000) form opens with the generated allocation batch.

2. In the table, notice that the amount has been allocated according to the allocation rule.
3. In the Summary area, clear the **Hold** check box.
4. On the form toolbar, click **Release**.

### Step 4: Reviewing and Releasing the Second Allocation Batch

To review and release the first allocation batch you have generated, do the following:

1. While you are still on the [Run Allocations](#) (GL504500) form, click the batch number in the **Last Batch** column for the *Salaries for the Finance department* allocation rule.

The [Journal Transactions](#) (GL301000) form opens with the generated allocation batch.

2. In the table, notice that the amount has been allocated according to the allocation rule.
3. In the Summary area, clear the **Hold** check box.
4. On the form toolbar, click **Release**.

### Step 5: Reviewing and Releasing the Third Allocation Batch

To review and release the second allocation batch you have generated, do the following:

1. Open the [Allocations](#) (GL204500) form.
2. In the **Allocation ID** box of the Summary area, select the identifier of the *Rent expenses* allocation rule.
3. On the **Allocation History** tab, notice that one GL batch has been generated for the rule and that it has the *On Hold* status.
4. In the **Batch Number** column, click the link.

The [Journal Transactions](#) (GL301000) form opens with the generated allocation batch.

5. In the Summary area, clear the **Hold** check box.
6. On the form toolbar, click **Release**.

### Step 6: Reviewing and Releasing the Fourth Allocation Batch

To review and release the second allocation batch you have generated, do the following:

1. Open the [Allocations](#) (GL204500) form.
2. In the **Allocation ID** box of the Summary area, select the identifier of the *Christmas bonus* allocation rule.
3. On the **Allocation History** tab, notice that one GL batch has been generated for the rule and that it has the *On Hold* status.
4. In the **Batch Number** column, click the link.

The [Journal Transactions](#) (GL301000) form opens with the generated allocation batch.

5. In the Summary area, clear the **Hold** check box.
6. On the form toolbar, click **Release**.

You have run the allocation rules and released the allocation batches.

## Running of Allocations: Inquiry and Historical Data

In this topic, you can find information about forms that provide inquiry and historical data related to allocations that have been run in the system.

### Viewing Generated Batches for a Particular Allocation

You can view the generated batches for a particular allocation in the following ways:

- To view the most recent batches that have been generated for active allocations in a particular period, you use the [Run Allocations](#) (GL504500) form. On this form, you select a period in the **Post Period** box, and then the system displays the reference numbers of the last generated batches for active allocations in the **Last Batch** column of the table. By clicking a particular link in this column, you can view the details of the corresponding batch on the [Journal Transactions](#) (GL301000) form.
- To view the list of the batches that have been generated for a particular allocation, you use the **Allocation History** tab of the [Allocations](#) (GL204500) form. On this tab, you can find information on the ledgers to which the transactions are posted, the dates of the transactions, the post periods, the statuses, and the total amounts of the batches. By clicking a particular link in the **Batch Number** column, you can view the details of the corresponding batch on the [Journal Transactions](#) form.