

Long Business Systems, Inc

Management Software Solutions

We help businesses manage for success

Cleveland – Columbus – Cincinnati - Pittsburgh



Internal Reconciliations

Agenda:

- Settings / Authorizations
- Reconciliation Types
- Manual Reconciliations
- Managing Previous Reconciliations
- Semiautomatic Reconciliations
- Automatic Reconciliations
- Tip of the Day



Authorizations

- Review user authorizations
 - Financials
 - Business Partners

▼ Business Partners	Various Authorizations
▼ Adding Business Partner	Full Authorization
Adding Customer/Vendor Master Data	Full Authorization
Adding Lead BP	Full Authorization
▼ Business Partner Master Data	Full Authorization
Sales Order Balance	Full Authorization
Delivery Balance	Full Authorization
Change Sales Employee	Full Authorization
Active	Full Authorization
Inactive	Full Authorization
Remove Business Partner	No Authorization
▼ Business Partner Type	Full Authorization
Customers	Full Authorization
Vendors	Full Authorization
Leads	Full Authorization
▼ Activity	Full Authorization
Delete Activity	Full Authorization
▼ Internal Reconciliations	Full Authorization
Reconciliation	Full Authorization
Manage Previous Reconciliations	Full Authorization

Authorizations	
Subject	Authorization
▼ Financials	Various Authorizations
Chart of Accounts	Full Authorization
Account Code Generator	Full Authorization
▼ Journal Entry	Full Authorization
Update Posting Data	Full Authorization
Confirm Entry with Multiple Currencies	Full Authorization
Confirm Unbalanced FC Entry	Full Authorization
Confirm Row Posting Date Editing	Full Authorization
Allow Row Doc. Date Editing	Full Authorization
Confirm SC Editing	Full Authorization
Journal Vouchers	Full Authorization
Posting Templates	Full Authorization
Recurring Postings	Full Authorization
Reverse Transactions	Full Authorization
Exchange Rate Differences	Full Authorization
Conversion Differences	Full Authorization
1099 Editing	Full Authorization
Financial Report Templates	Full Authorization
Journal Voucher Report	Full Authorization
▼ Internal Reconciliations	Full Authorization
Reconciliation	Full Authorization

Go to: *Administration > Initial Settings > Authorizations > General Authorizations*



G/L Account Determinations

G/L Account Determination

Period Selection 2014

Sales Purchasing General Inventory

General Tax

Accounts Receivable ... Permit Change of Control Accounts

Default Customer for A/R Invoice and Payment → C99999 One Time Customer

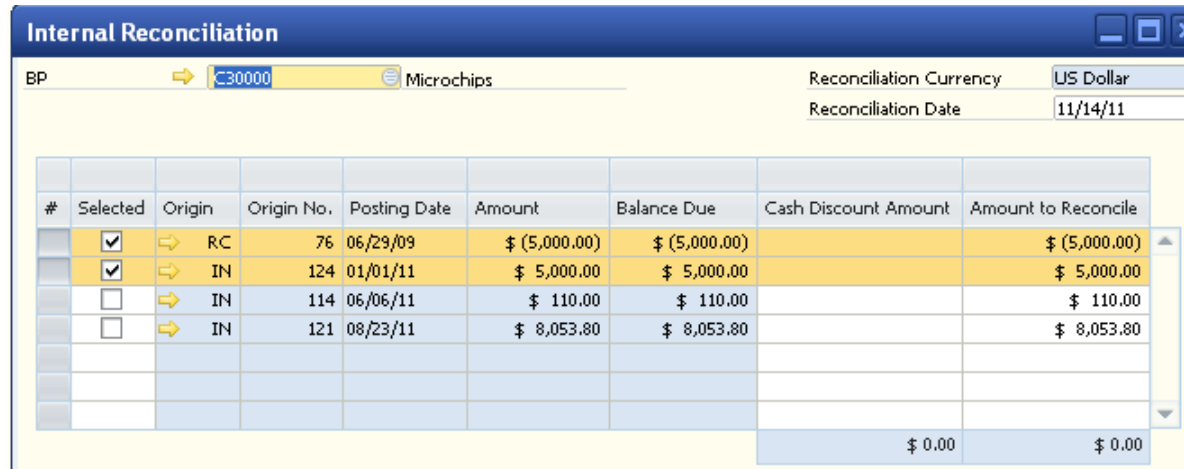
- Accounts defined in the Financial G/L Accounts Determination screen are used in reconciliations
 - Automatic Reconciliation Diff.
 - Realized Exchange Rate Diff. Gain and Loss
 - Underpayment A/R – A/P Account
 - Overpayment A/R – A/P Account
- Go to: *Administration > Setup > Financials > G/L Account Determinations*

Reconciliation Types

- Manual
 - Small number of transactions
 - Partial reconciliations allowed
 - Multiple business partners
- Automatic (not recommended)
 - Large number of transactions
 - Fully reconciles transactions
- Semiautomatic
 - Number of transactions manually reconciled
 - Based on SAP recommendations



Manual Reconciliations



The screenshot shows the 'Internal Reconciliation' window in SAP. The window title is 'Internal Reconciliation'. The account number is '30000' and the company is 'Microchips'. The reconciliation currency is 'US Dollar' and the reconciliation date is '11/14/11'. The table below shows the reconciliation items.

#	Selected	Origin	Origin No.	Posting Date	Amount	Balance Due	Cash Discount Amount	Amount to Reconcile
	<input checked="" type="checkbox"/>	RC	76	06/29/09	\$ (5,000.00)	\$ (5,000.00)		\$ (5,000.00)
	<input checked="" type="checkbox"/>	IN	124	01/01/11	\$ 5,000.00	\$ 5,000.00		\$ 5,000.00
	<input type="checkbox"/>	IN	114	06/06/11	\$ 110.00	\$ 110.00		\$ 110.00
	<input type="checkbox"/>	IN	121	08/23/11	\$ 8,053.80	\$ 8,053.80		\$ 8,053.80
							\$ 0.00	\$ 0.00

Common transactions:

- Reconcile (apply) “on account” or partial payments
- Reconcile cash discounts
- Reconcile documents not linked in SAP
- Reconcile adjustments, i.e. for freight
- Reconcile between multiple business partners

BP Manual Reconciliations

From your business partner:

- Drill down from BP Account Balance
- Click on Internal Reconciliation button

The screenshot shows two overlapping SAP windows. The background window is titled "Account Balance - C42000, Mashina Corporation". It displays the BP Code "C42000" and the name "Mashina Corporation". On the right, there are filters for "Posting Date" (From 01/01/11 To 12/31/11), "Display" (50 Last Transactions), and "Display Unreconciled Trans. Only". A table shows the account balance breakdown:

	C/D (LC)	Balance Due (LC)
Account Balance		\$ 45,929.50
Deliveries		\$ 486,328.00
Orders		\$ 21,942.00
Opportunities		\$ 100.00
Total		\$ 554,299.50

The foreground window is titled "Business Partner Master Data" and shows details for BP Code "C42000" (Customer). It includes fields for Name, Foreign Name, Group, Currency, and Federal Tax ID. A red arrow points to the "Local Currency" dropdown menu, which is currently set to "Local Currency".

At the bottom of the "Account Balance" window, there are buttons for "View by Control Account", "Aging Report", and "Internal Reconciliation". The "Internal Reconciliation" button is highlighted with a red box.

- Or Go to: *Business Partners > Internal Reconciliations > Reconciliations*

BP Manual Reconciliations

#	Selected	Origin	Origin No.	Posting Date	Amount	Balance Due	Cash Discount Amount	Amount to Reconcile
	<input checked="" type="checkbox"/>	IN	84	03/25/07	\$ 64,925.00	\$ 24,925.00		\$ 4,500.00
	<input checked="" type="checkbox"/>	RC	72	03/15/09	\$ (34,500.00)	\$ (4,500.00)		\$ (4,500.00)
							\$ 0.00	\$ 0.00

Select the transactions you would like to process:

- Create Journal Entry
- Add Incoming Payment
- Add Outgoing Payment

OK Cancel

From the reconciliation window:

- Specify date
- Review and select matching debits and credits
- If amount at bottom to Reconcile is not Zero:
 - Change amount in “Amount to Reconcile” column
 - Create an adjustment

Multiple BP Reconciliations

Reconcile transactions for two (2) or more business partners

- BP's that are both customers and vendors

BP Internal Reconciliation - Selection Criteria

Reconciliation Type: Manual Automatic Semi-Automatic
 Multiple BPs

Reconciliation Date: 07/15/2014

Trans. Selection Criteria

Date Posting Date From: To:

#	BP Code	BP Name	BP Currency	Balance Due (LC)	Balance Due (FC)
1	C60010	Acme Associates	\$	\$ 4,800.00	
2	V10000	Acme Associates	\$	\$ -10,000.00	
3					

Reconcile Cancel

- Click in Multiple BP's box
 - Click in BP Code field in row to add BP's
 - Click Reconcile to open reconciliation window

Managing Previous Reconciliations

- View history of internal reconciliations for a BP or GL Account
 - Select relevant reconciliation history row
 - Reconciliation details will be displayed in lower window
 - Cancel Reconciliation if needed
 - Note: You can only cancel “Manual” type reconciliations

Manage Previous Internal Reconciliations - Selection Criteria

Previous Reconciliation for: BP

G/L Acct/BP Code From: C40000 To: C40000

Date From: 07/01/2014 To: 07/15/2014

Reconciliation No. From: To:

OK Cancel

Manage Previous Internal Reconciliations

Reconciliation History

#	Recon. No.	Recon. Amount	Recon. Type	Reconciliation Date	Canceling/Canceled Reconciliation Number
1	674	\$ 4,700.00	Payment	07/15/2014	675
2	675	\$ 4,700.00	Cancellation	07/15/2014	674
3	676	\$ 4,700.00	Reversal	07/15/2014	
4	677	\$ 4,700.63	Payment	07/15/2014	
5	678	\$ 751.25	Payment	07/15/2014	
6	679	\$ 1,090.00	Manual	07/15/2014	

Reconciliation Details

#	Origin	Origin No.	G/L Acct/BP Code	Ref. 1 ...	Due Date	Amount	Applied Amount
1	⇒ IN	351	⇒ C40000	351	01/07/2013	\$ 1,090.00	\$ 1,090.00
2	⇒ JE	2676	⇒ C40000		07/15/2014	\$ (1,090.00)	\$ (1,090.00)

← OK Cancel Cancel Reconciliation

Semiautomatic Reconciliations

Go to: *Business Partners > Internal Reconciliations > Reconciliation*

- Based on SAP recommendations
- Review reconciliation window
- Double click transaction row to view recommendations

BP Internal Reconciliation - Selection Criteria

Reconciliation Type: Manual Automatic **Semi-Automatic**

Business Partner: C70000

Parameters: Priority Weighting: Max. Deviation

Amount: Medium

Date: Posting Date, Skip

Reference: Ref. 1 (BP Row), Skip

Buttons: Reconcile, Cancel

Reconciliation

BP: Aquent Systems Reconciliation Currency:

Open Transactions on Debit Side

Trans. No	Posting Date	Ref. 1 (B...	Balance Due
837	06/18/09	88	31,500.00
854	07/09/09	89	12,000.00
930	11/25/09	95	3,710.00
992	07/21/10	101	54,240.20
1049	10/12/10	105	795.00
1054	10/12/10	106	74.20
1060	10/12/10	7	10,850.00
1080	10/28/10	111	12.72
1188	03/16/11	112	795.00

Open Transactions on Credit Side

Trans. No	Posting Date	Ref. 1 (B...	Balance Due
851	06/29/09	74	5,000.00
852	06/29/09	7	
1325	08/31/09	9	


Buttons: Cancel, Manual

Reconciliation Recommendations

Rank	Trans. No.	Posting Date	Ref.1	Balance Due	Details
	837	06/18/09	88	\$ 31,500.00	A/R Invoices - C70000
35	852	06/29/09	75	\$ 31,500.00	Incoming Payments - C70000

Buttons: Reconcile, Skip, Cancel

Automatic Reconciliations

- Be careful ! – no opportunity to review 
- Must have Automatic Reconciliation Differences account defined
- Based on SAP recommendations
- Fully reconciles pairs of transactions based upon matching rules

BP Internal Reconciliation - Selection Criteria

Reconciliation Type: Manual Automatic Semi-Automatic

Business Partner: From C42000 To C42000

Matching Rules for Automatic Reconciliation

Matching Rule 1: [Dropdown]

Matching Rule 2: [Dropdown]

Matching Rule 3: [Dropdown]

Reconciliation Difference: [Input] 100

[Reconcile] [Cancel]

Journal Entry

Series	Number	Posting Date	Due Date	Doc. Date	Remarks	
Primary	1326	11/15/11	11/15/11	11/15/11	Automatic Reconciliation Transaction	
Origin	Origin No.	Trans. No.	Template Type	Template	Indicator	Project
JR	206	1326				
Trans. Code	Ref. 1	Ref. 2	Ref. 3			
[Dropdown]	[Input]	[Input]	[Input]			

Expand Editing Mode

#	G/L Acct/BP Code	G/L Acct/BP Name	Control Acct	Debit	Credit
1	C42000	Mashina Corporation	12100000-01-001-01	\$ 77.50	
2	62100000-01-001-01	Bad Debts (HO, USA, GA)	62100000-01-001-01		\$ 77.50

Tip of the Day – Auto Reconcile Incoming Payments for small amounts

- Define under / over payment amount allowed for automatic reconciliation in the Currency window
 - Used when customer deducts small amount from payment i.e. freight

Currencies - Setup

#	Code	Currency	Hundredth Name	Incoming Amt Diff. Allowed	Outgoing Amt Diff. Allowed	Incoming % Diff. Allowed	Outgoing % Diff. Allowed
1	\$	US Dollar	/100 Cents*****	5	5		
2	CAN	Canadian Dollar	Cent				
3	EUR	Euro	Eur				

- Define GL account for reconciliation for under payments in GL Account Determination window

G/L Account Determination

Period Selection: 2014

Sales | Purchasing | General | Inventory

General | Tax

Accounts Receivable Permit Change of Control Accounts

Default Customer for A/R Invoice and Payment: C99999 One Time Customer

#	Type of Account	Account Code	Account Name
	Domestic Accounts Receivable	12100000-01-001-01	Accounts Receivable - Domestic (HO, USA, GA)
	Foreign Accounts Receivable	12200000-01-001-01	Accounts Receivable - Foreign (HO, USA, GA)
	Checks Received	11300000-01-001-01	Checking Account Clearing (HO, USA, GA)
	Cash on Hand	11100000-01-001-01	Cash on Hand (HO, USA, GA)
	Overpayment A/R Account	42300000-01-001-01	Miscellaneous Income (HO, USA, GA)
	Underpayment A/R Account	62200000-01-001-01	Write-Offs (HO, USA, GA)

Tip of the Day – Auto Reconcile Incoming Payments for small amounts

- In Incoming Payment window select invoice to be paid and then go to Payment Means and enter actual amount being paid.
- SAP will automatically reconcile the difference as defined in over / under payment

Incoming Payments

Code: C23900
 Name: Parameter Technology
 Bill To: 743 Filbert St, Philadelphia PA 19106 USA
 Contact Person: Daniel Brown

Customer: Customer
 Vendor: Vendor
 Account: Account

No.: Primary 231
 Posting Date: 07/15/2014
 Due Date: 07/15/2014
 Document Date: 07/15/2014

Selected	Documen...	Installment	Date	*	Overdue ...	Total	Balance Due	Cash Dis.
<input checked="" type="checkbox"/>	356	1 of 1	05/28/2013	*	383	\$ 95.40	\$ 95.40	0.00
<input type="checkbox"/>	357	1 of 1	05/28/2013	*	383	\$ 47.70	\$ 47.70	0.00
<input type="checkbox"/>	370	1 of 1	05/13/2014	*	33	\$ 636.00	\$ 636.00	0.00
<input type="checkbox"/>	371	1 of 1	05/13/2014	*	33	\$ 7,950.00	\$ 7,950.00	0.00
<input type="checkbox"/>	372	1 of 1	05/13/2014	*	33	\$ 7,950.00	\$ 7,950.00	0.00
<input type="checkbox"/>	373	1 of 1	05/13/2014	*	33	\$ 636.00	\$ 636.00	0.00

Payment Means

Currency: \$

Check Bank Transfer Credit Card Cash

G/L Account: 11300000-01-001-0: Checking Account Clearing (HO, USA, GA)

Search by Bank Code

#	Due Date	Amount	Country	Bank Name	Branch	Account
1	07/15/2014	\$ 95.00	USA	HSBC Bank	345	45-816-43598
2	08/15/2014		USA	HSBC Bank	345	45-816-43598

Overall Amount: \$ 95.40
 Balance Due:
 Bank Charge:

OK Cancel

Long Business Systems, Inc. (LBSi)

- **Next Meetings:**

- Tuesday, Aug. 12, 2014
 - Pick and Pack
- Tuesday, Sept. 16, 2014
 - TBD



Long Business Systems, Inc

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Associate



Thank you for taking time to participate in the SAP Business One User Group Meeting.

Please take a few minutes to provide us with feedback and suggestions going forward.

- We are always looking for new clients to work with. And we would like to find more clients and partners like you – companies that are engaged, smart, and focused on their future.
- Can you help us out by referring LBSi to someone who could benefit from our services?

